

SPECIAL CITY COUNCIL MEETING NOTICE AND AGENDA



Notice is hereby given that the City Council of Caribou will hold a Special City Council Meeting on **Monday, August 14, 2023**, in the Council Chambers located at 25 High Street, **6:00 pm**.

THE MEETING WILL BE BROADCAST ON CABLE CHANNELS 8 & 1301 AND THE CITY'S YOUTUBE CHANNEL.

1. Roll Call
2. Invocation/Inspirational Thought
3. Pledge of Allegiance
4. Public Forum (**PUBLIC COMMENTS SUBMITTED TO THE CITY CLERK PRIOR TO 4:30PM ON THE MEETING DATE WILL BE SHARED WITH THE COUNCIL DURING PUBLIC FORUM. Email dbrissette@cariboumaine.org**)
5. New Business, Ordinances and Resolutions **Pages**
 - a. Resolution 08-01-2023, Establishing the 2023 Property Tax Rates and Related Deadlines 02-05
6. Reports and Discussion by Mayor and Council Members
7. Next Regular Meetings: August 28
8. Executive Session(s) (May be called to discuss matters identified under MRSA, Title 1, §405.6.A)
9. Adjournment

If you are planning to attend this Public Meeting and due to a disability, need assistance in understanding or participating in the meeting, please notify the City Clerk ten or more hours in advance and we will, within reason, provide what assistance may be required.

Certificate of Mailing/Posting

The undersigned duly appointed City official for the municipality of Caribou City hereby certifies that a copy of the foregoing Notice and Agenda was posted at City Offices and on-line in accordance with City noticing procedures.

BY: _____ Danielle Brissette, City Clerk

**CARIBOU ADMINISTRATION
25 HIGH STREET
CARIBOU, ME. 04736**



MEMO

To: Mayor and City Council Members
From: Penny Thompson, City Manager
Date: August 14, 2023
Re: 2023 Tax Commitment

Like many municipalities in Maine, Caribou needed to update values to maintain equity with the sales prices of homes in the current real estate market. This has been done. Staff have received a lot of questions on methodology. Additional information from the Real Estate Assessor's Agent is attached.

This is a summary of the actions to be taken at the meeting when the Caribou City Council will set the 2023 tax rate and approved the other motions associated with the annual tax commitment.

1. Set a tax rate for the commitment of 2023 property taxes.
Recommended Action: Set the 2023 tax rate at .01950;
2. Set the date of commitment for the 2023 property taxes to be committed to the Tax Collector as pursuant to MRSA Title 36, §505 (1).
Recommended Action: Set a commitment date of Thursday August 17, 2023;
3. Established a date that the 2023 property taxes will be due and payable, pursuant to MRSA Title 36, §505 (2).
Recommended Action: Set the due date as Monday August 31, 2023 (+/- two weeks after bill mailing).
4. Established a date for interest to begin accruing on any delinquent 2023 property taxes, pursuant to MRSA Title 36, §505 (4).
Recommended Action: Set the date for interest to begin as Sunday October 1, 2023 (Typically October 1 annually. Note: last day to pay before interest begins would be Friday September 29, 2023, which will be noted on the tax bill.)
5. Established a rate of interest to be charged on delinquent 2023 property taxes, pursuant to MRSA Title 36, §505(4).
Recommended Action: Set the rate of interest on delinquent taxes at 8% (Typically set at the state maximum. For 2023, the state maximum is 8%.)
6. Established a rate of interest for the overpayment and or abatement of property taxes for 2022, pursuant to MRSA Title 36 § 506-A.
Recommended Action: Set the rate of interest on overpayment and or abatement of property taxes at 0% (Typically 0%)
7. Additionally, in speaking with the software provider – Trio – it is recommended that municipal offices close early on the last business day of the year to allow ample time to finish all year-end process while the Trio support line is available. Staff Recommendation: Close the city office at 1:00 pm on Friday December 29, 2023, so staff can complete the year end process. NOTE: Again,

next year, the last business day of the year will NOT be December 31 because of the New Year's Day holiday. By deciding now to close the office early, staff can print this on the tax bills and alert taxpayers to the early closure. This was done last year and the increased communication about the closure was appreciated by taxpayers. The office will be closed. Employees will be working.

8. The changes to the revenue lines would be as follows:

Line Number	Description	Original Budget	Amended Budget ()
R10-01-32	Property Taxes	\$ 3,615,900	\$ 3,621,819.19
R10-01-34	Overlay	\$ 0	\$ 21,341.98
R11-01-01	Economic Development (TIF)	\$ 315,000	\$ 747,801
R22-01-04	Homestead Exemption	\$ 830,000	\$ 914,086.63
R22-01-05	BETE Reimbursement	\$ 175,000	\$ 392,153.93

A few notes to the Caribou City Council and taxpayers:

The reimbursement rate for Homestead Exemptions has increased from 73% to 76% in 2023.

There is more BETE eligible property this year with the inclusion of two solar farms who were not online April 1, 2023. Those will be exempt under the Renewable Energy exemption next year.

491 Caribou taxpayers have filed for the property tax stabilization. If the 2023 tax bill is calculated to be higher, the taxpayer will pay the 2022 amount. If the 2023 tax bill amount is calculated to be lower, the taxpayer will pay the 2023 amount.

2023 MUNICIPAL TAX RATE CALCULATION FORM - DO NOT FILE

Municipality: _____

BE SURE TO COMPLETE THIS FORM BEFORE FILLING IN THE TAX ASSESSMENT WARRANT

1.	Total taxable value of real estate	1	\$454,263,559 <small>(from page 1, line 6)</small>
2.	Total taxable value of personal property	2	\$15,956,500 <small>(from page 1, line 10)</small>
3.	Total taxable value of real estate and personal property (Line 1 plus line 2)	3	\$470,220,059 <small>(from page 1, line 11)</small>
4. a.	Total exempt value for all homestead exemptions granted	4a.	\$61,679,260 <small>(from Page 1, line 14f)</small>
	b. Homestead exemption reimbursement value (.76)	4b.	\$46,876,238
5. a.	Total exempt value of all BETE qualified property	5a.	\$36,451,800 <small>(from page 2, line 15c)</small>
	b. BETE exemption reimbursement value	5b.	\$20,110,458
6.	Total valuation base (Line 3 + line 4b + line 5b)	6	\$537,206,755

ASSESSMENTS

7.	County tax	7	\$675,423.98
8.	Municipal appropriation	8	\$11,854,030.00
9.	TIF financial plan amount	9	\$747,801 <small>(must match page 2, line 16c + 16d)</small>
10.	Local education appropriation	10	\$4,102,905.00
11.	Total appropriations (Add lines 7 through 10)	11	\$17,380,159.62

ALLOWABLE DEDUCTIONS

12.	Anticipated state municipal revenue sharing	12	\$1,950,000.00
13.	Other revenues: (All other revenues that have been formally appropriated to reduce the commitment such as excise tax revenue, T.G. reimbursement, renewable energy reimbursement, trust fund or bank interest income, appropriated surplus revenue, etc. (Do not include any homestead or BETE reimbursement))	13	\$4,975,969.88
14.	Total deductions (Line 12 plus line 13)	14	\$6,925,969.88
15.	Net to be raised by local property tax rate (Line 11 minus line 14)	15	\$10,454,189.74

16.	A \$10,454,189.74 <small>(Amount from line 15)</small>	x	B 1.05	=	C \$10,976,899.23	Maximum Allowable Tax
17.	\$10,454,189.74 <small>(Amount from line 15)</small>	÷	\$537,206,755 <small>(Amount from line 6)</small>	=	0.01946	Minimum Tax Rate
18.	\$10,976,899.23 <small>(Amount from line 16)</small>	÷	\$537,206,755 <small>(Amount from line 6)</small>	=	0.02043	Maximum Tax Rate
19.	\$470,220,059.00 <small>(Amount from line 3)</small>	x	0.01950 <small>(Selected Rate)</small>	=	\$9,169,291.15 <small>(Enter on page 1, line 13)</small>	Tax for Commitment
20.	\$10,454,189.74 <small>(Amount from line 15)</small>	x	0.05	=	\$522,709.49	Maximum Overlay
21.	\$46,876,238 <small>(Amount from line 4b.)</small>	x	0.01950 <small>(Selected Rate)</small>	=	\$914,086.63 <small>(Enter on line 8, Assessment Warrant)</small>	Homestead Reimbursement
22.	\$20,110,458 <small>(Amount from line 5b.)</small>	x	0.01950 <small>(Selected Rate)</small>	=	\$392,153.93 <small>(Enter on line 9, Assessment Warrant)</small>	BETE Reimbursement
23.	\$10,475,531.72 <small>(Line 19 plus lines 21 and 22)</small>	-	\$10,454,189.74 <small>(Amount from line 15)</small>	=	\$21,341.98 <small>(Enter on line 5, Assessment Warrant)</small>	Overlay

(If Line 23 exceeds Line 20 select a lower tax rate.)

Results from this completed form should be used to prepare the Municipal Tax Assessment Warrant, Certificate of Assessment to Municipal Treasurer and Municipal Valuation Return.

2023 MUNICIPAL TAX RATE CALCULATION FORM

ENHANCED BUSINESS EQUIPMENT TAX EXEMPTION CALCULATION SHEET

Municipality: _____

BE SURE TO COMPLETE AND FILE THIS FORM IN CONJUNCTION WITH THE TAX RATE FORM

Standard BETE Reimbursement Computation

1. a. Total exempt value of all BETE property as of April 1, 2023	\$36,451,800 <small>(from page 2, line 15c.)</small>
b. Total exempt value of all BETE property located outside TIF Districts with captured assessed value (Line 1a. minus line 3b.)	\$36,451,800
c. Percent of reimbursement for BETE exempt property (2023 statutory standard 50% reimbursement)	50.00%
d. Value of all BETE qualified exempt property subject to standard reimbursement	\$0

Enhanced Reimbursement if Personal Property Factor Exceeds 5% of Total Taxable Value

2. a. Total taxable value of all business personal property	\$15,956,500
b. Total taxable value of all real estate and personal property	\$470,220,059
c. Total value of all BETE qualified exempt property subject to enhanced reimbursement if not located in a Municipal Retention TIF District subject to a > % of line 2.(f)	\$36,451,800
d. Personal property factor $[(2a. + 1a.) / (2b. + 1a.)]$	10.34%
e. Line 2d. / 2	5.17%
f. Line 2(e) plus 50% (if line 2(d) is greater than 5%)	55.17%
g. Value of all BETE qualified exempt property subject to Enhanced reimbursement	\$20,110,458 <small>(if zero results see below)</small>

Municipal Retention Tax Increment Percentage

3. a. Percentage of captured assessed value retained by the municipality and allocated for the municipality's own authorized TIF project costs approved as of 4/1/2008. (Defaults to Statutory Standard unless Municipal Retention % is greater than standard reimbursement)	<input type="text" value="0.00%"/>	50.00%
b. Captured Assessed Value of BETE qualified property located within TIF districts	<input type="text"/>	
c. Value of all TIF BETE qualified exempt property subject to reimbursement		\$0 <small>(if zero results see below)</small>

Total Reimbursable BETE Exempt Value

4. Total of all reimbursable BETE Exempt value 1.(d) or 2.(g)+ 3.(c)	\$20,110,458
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