

AGENDA
SCARBOROUGH TOWN COUNCIL WORKSHOP
WEDNESDAY – APRIL 17, 2024
WORKSHOP RE: REVALUATION UPDATE – 5:30 P.M.
HYBRID MEETING – 7:00 P.M.

TO VIEW TOWN COUNCIL MEETING & OFFER PUBLIC COMMENT:

<https://scarboroughmaine.zoom.us/j/81696031486>

TO VIEW TOWN COUNCIL MEETING ONLY:

<https://www.youtube.com/channel/UCD5Y8CFy5HpXMftV3xX73aw>

- Item 1.** Call to Order.
- Item 2.** Those Present.
- Item 3.** Revaluation Update.
- Item 4.** Adjournment.

2024 Revaluation (Part 4)

TOWN COUNCIL WORKSHOP

APRIL 17, 2024

*PART 1: SEPTEMBER 20, 2023

*PART 2: JANUARY 17, 2024

*PART 3: FEBRUARY 8, 2024

~GO TO: WWW.SCARBOROUGHMAINE.ORG/REVALUATION FOR PRIOR PRESENTATIONS



OUTLINE

- **Estimated Reval Outcomes**
~ Tax Impacts & “Factors”
- **FY25 Budget**
- **FAQs & FYIs**
- **What’s Next...**

2024 Revaluation
April 17th Workshop

KEY ?S



Factors
Estimated Revaluation Outcomes

FACTORS

That May Impact Your Taxes This Year

Scope of Reval

- 
1. **Relative Assessment Change**
 2. **Commercial → Residential “Shift”?**
-

*Not a Product
of the Reval*

- 
3. **FY25 Budget**
 4. **State’s Property Tax “Stabilization” Program**

Factor 1
Relative Assessment Change

RESIDENTIAL

- **Single Family**
- **Condo**
- **Manufactured Homes**
- **Vacant Land**

Other Property Types

*COMMERCIAL & INDUSTRIAL REAL ESTATE
&
"PERSONAL PROPERTY" (BUSINESS EQUIPMENT+)*

Factor 1

Relative Assessment Change

EST. ASSESSED VALUE CHANGE

Macro: Overall



Sales Data Analysis



Micro: Each Property



Reviews, Corrections, Adjustments



“Grade”
(Quality)



“Depreciation”
(Condition)



“NBHD”
(Location)



“Site Index”
(View)

Factor 1

Relative Assessment Change

EST. ASSESSED VALUE CHANGE

	Estimated % Change in Assessed Value	
	AVERAGE	MEDIAN
SF Home	53%	54%
Condo	55%	52%
Manuf. Home	51%	40%
Vacant Land	50%	44%

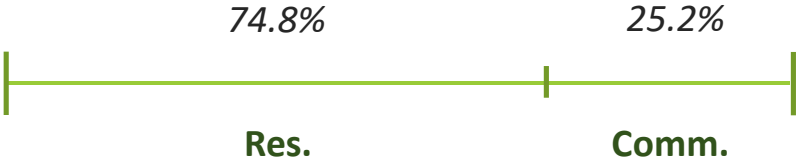
Res. Overall

Estimated % Change in Assessed Value	
AVERAGE	MEDIAN
53%	53%

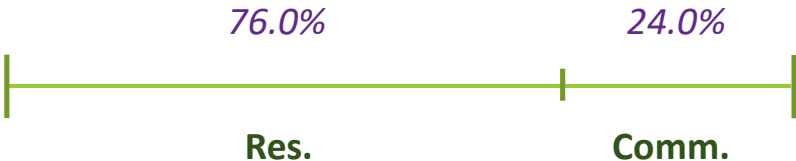
Factor 2
Commercial → Residential “Shift”

Percentage of Total Town-wide Taxable Valuation

BEFORE
(FY 24)



EST.
AFTER
REVAL
(FY 25)



Factor 2

Commercial → Residential “Shift”

"Shift" - Estimate
If YoY Net Budget Change in FY25 = 5% Increase

(Est. as of 4/17/23)

	+43% Combined				Resulting % of Town Valuation	Resulting Mill Rate	Total Town Value	Townwide Assess Change
Avg. % Increase (Assessed Value)	53%	45%	47%	20%				
	Res	Comm	Indust	Pers Prop	Residential	Commercial		
Est. Avg. % Tax Bill Change	6.7%	1.1%	2.5%	-16.3%	76.0%	24.0%	11.14	7.74 B
								50.5%

Factor 2

Commercial → Residential “Shift”

	Taxable Assessed Value					Total Residential	Total Non-Residential
	Residential	Commercial	Industrial	Personal Prop	Total Taxable		
FY24 (4/1/2023)	3,847,211,900	937,189,576	247,722,500	110,459,200	5,142,583,176	3,847,211,900	1,295,371,276
% of Total -->	74.8%	18.2%	4.8%	2.1%		74.8%	25.2%
EST. FY25 (4/1/2024)	5,886,234,207	1,358,924,885	364,152,075	132,551,040	7,741,862,207	5,886,234,207	1,855,628,000
% of Total -->	76.0%	17.6%	4.7%	1.7%		76.0%	24.0%

Factor 3

FY25 Budget

	Fiscal Year	Taxable Valuation	% Change in Valuation	Tax Rate/1000	% Change in Tax Rate	Total Tax Levy	% Change in Annual Budget
<i>Actual Now</i> →	2024	\$5,142,583,176	3.10%	15.97	3.77%	\$82,127,053	6.98%
<i>Est. Projection</i> →	2025	\$7,741,862,207	50.54%	11.14	-30.24%	\$86,233,406	5.00%

← Assumption used for all “Tax Impact” Estimates to follow

Factors 1, 2, & 3 Tax Impact Estimates

EST. TAX BILL CHANGE

(Not Including State's "Stabilization" Program Impact)

	Estimated % Change in Tax Bill	
	AVERAGE	MEDIAN
SF Home	6.7%	7.3%
Condo	7.8%	5.9%
Manuf. Home	5.7%	3.5%
Vacant Land	4.6%	0.7%

Res. Overall

Estimated % Change in Taxes	
AVERAGE	MEDIAN
6.7%	6.9%

Homes Only*

AVERAGE	MEDIAN
6.8%	7.1%

Note: Estimates Assume 5% Net Budget Increase FY25

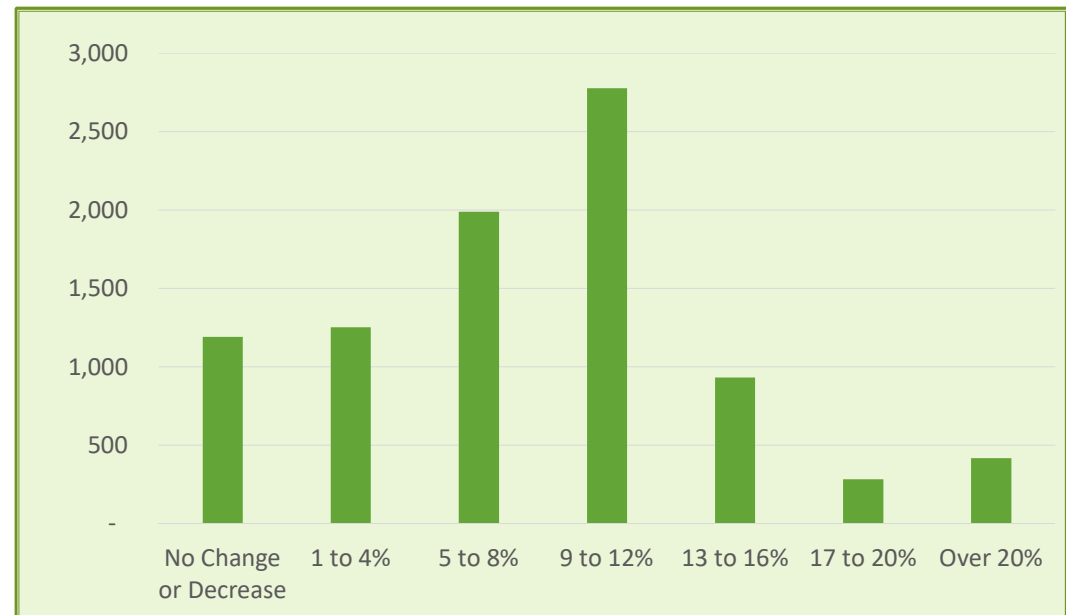
(*Excluding Vacant Land)

Factors 1, 2, & 3 Tax Impact Estimates

EST. TAX IMPACTS: RESIDENTIAL PROPERTIES

(Not Including State's "Stabilization" Program Impact)

Tax Bill Change Range	Est # Properties	Est % Res Owners
No Change or Decrease	1,193	13%
1 to 4%	1,253	14%
5 to 8%	1,990	22%
9 to 12%	2,778	31%
13 to 16%	932	11%
17 to 20%	283	3%
Over 20%	418	5%



Note: Estimates Assume 5% Net Budget Increase FY25

Factors 2, 3, & 4 Tax Impact Estimates

SIMPLIFIED SUMMARY **OF IMPACT FACTORS**

Factor	Est. Avg Tax Impact	
	If Not in State Program	Stabilization Program Participants
5% Net Budget Increase <i>(with est. YoY value growth)</i>	2.25%	2.25%
Revaluation <i>(Est. Avg Impact)</i>	4.75%	4.75%
State's Property Tax Stabilization Program Ended	n/a	4.0%*
Total Est. Avg Tax Increase <i>(Per figures above **)</i>	7.0%	11.0%

> 1,800 Households

* State Program Participants' Avg Savings Last Year: 3.77% Tax rate increase deferred (15.39 vs. 15.97) **AND** Full Value Exemptions "frozen" (i.e. Homestead/Vet) vs. Reduced by State "Certified Ratio" for others

****Note:** More Specific Estimates for State Program participants outlined on Next Pages, which vary from simplified version above

All 4 Factors Combined

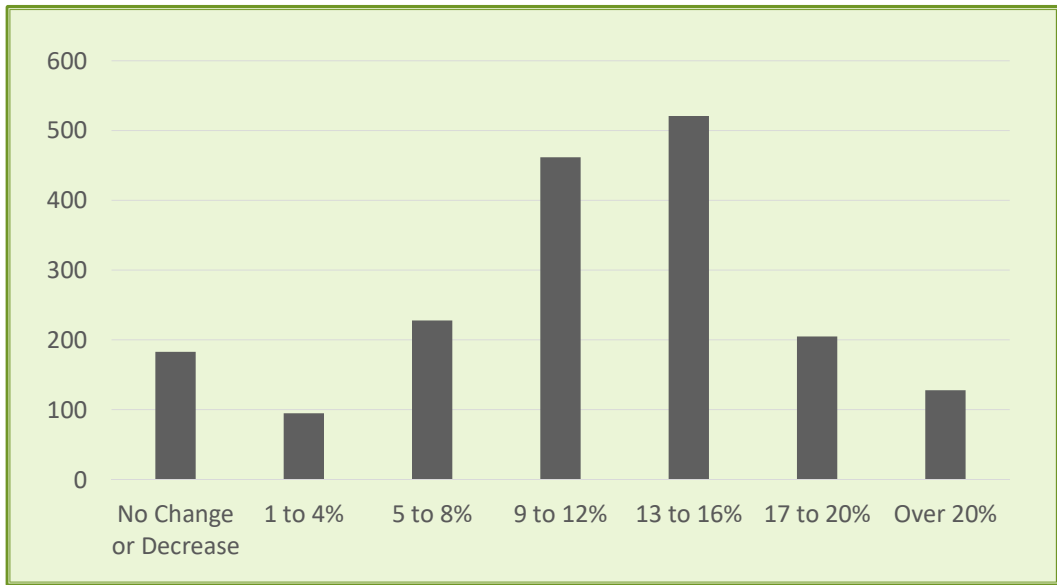
Tax Impact Estimates

STATE'S STABILIZATION PROGRAM PARTICIPANTS

Estimated % Change in Taxes	
AVERAGE	MEDIAN
11.9%	12.0%

Est. Tax Bill Change Including State Program Impact

"Stabilization" Participant's Tax Bill Change Range	Est # Properties	Est % Res Owners
No Change or Decrease	183	10%
1 to 4%	95	5%
5 to 8%	228	13%
9 to 12%	462	25%
13 to 16%	521	29%
17 to 20%	205	11%
Over 20%	128	7%



Note: Estimates Assume 5% Net Budget Increase FY25

All 4 Factors Combined

Tax Impact Estimates

EXAMPLE FY25 YOY TAX IMPACTS

		> 6,700 Households			> 1,800 Households		
		If Not in State Program			Stabilization Program Participants		
FY24	FY24 Assessed	400,000	600,000	800,000	400,000	600,000	800,000
	Homestead Exe	(23,500)	(23,500)	(23,500)	(25,000)	(25,000)	(25,000)
	Taxable Value	376,500	576,500	776,500	375,000	575,000	775,000
	Tax Rate	0.01597	0.01597	0.01597	0.01539	0.01539	0.01539
	Annual Taxes	\$6,013	\$9,207	\$12,401	\$5,771	\$8,849	\$11,927
FY25	FY25 Assessed *	612,000	918,000	1,224,000	612,000	918,000	1,224,000
	Homestead Exe	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)
	Taxable Value	587,000	893,000	1,199,000	587,000	893,000	1,199,000
	Est Tax Rate *	0.01114	0.01114	0.01114	0.01114	0.01114	0.01114
	Est Annual Taxes	\$6,539	\$9,948	\$13,357	\$6,539	\$9,948	\$13,357
YoY Tax Change		\$526	\$741	\$956	\$768	\$1,099	\$1,430
Taxes % Change		8.8%	8.1%	7.7%	13.3%	12.4%	12.0%

***Note:** Examples above Assume Est. Avg Assessed Increase (+53%) & Est. Tax Rate after Reval (0.01114) if 5% Net Budget Increase in FY25
Note: Stabilization Participant Examples assume last year's "Freeze" of FY23 Tax Rate (15.39) & FY23's Full Value Homestead Exemption (25,000)

April 17th Revaluation Workshop
Concluding Points

FAQs & FYIs

- **Tax Impact**
- **Storm Damage**
- **FEMA Flood Maps**
- **Different Parts of Town**
- **Exemptions Calc**
- **Why is my Assessment Increasing?**

April 17th Revaluation Workshop
Concluding Points

What's Next?

- **Notices: *End of May***
- **Informal Hearings: *June - August***
- **FY25 Budget Process: *Now - June***
- **Tax Commitment: *Late August***
- **How Owners Can Prepare?**