

Property Tax Public Forums

August 31, 2023

September 21, 2023

October 19, 2023

November 16, 2023

Finance Committee Meeting / Property Tax Public Forum

DECEMBER 14, 2024



Residential Market Activity

August 2023
report to Town
Council



Sale Date	June 2022		
Sale Price	\$340,000		
Year	Assessment	Ratio	Taxes
2022	\$164,200	48%	\$3,561.50
2023	\$298,100	88%	\$4,352.26
\$ Chg	+\$133,900		+\$790.76
% Chg	+82%		+22%

Brunswick
maine

PROPERTY TAX BASIC PRINCIPLES

Property in Maine is assessed and taxed according to rules embedded in the State Constitution and Maine Revised Statutes. The Constitution is the framework of law and the Maine Revised Statutes augment constitutional law applying details for municipalities.

MINIMUM STANDARDS

Municipalities shall achieve:

- An assessment ratio of no lower than 70% and no higher than 110%
- A maximum quality rating of 20.

-36 MRS section 327

MARKET VALUE DEFINED

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale

- The Appraisal Institute and the International Association of Assessing Officers.



POWER OF TAXATION



The Legislature is given the power of taxation. The Legislature may never give the municipalities the authority to develop local tax laws.

- Maine Constitution Article IX Section 9



TAX

Tax is defined as a compulsory contribution imposed by law for the support of government without regard for individual benefit.

ASSESSMENT & JUST VALUE

A property assessment is an appraisal. Assessor's use a mass appraisal technique to value all taxable property in a way that each individual property bears its fair share of expenses.

All taxes upon real and personal estate, assessed by authority of this State, shall be apportioned and assessed equally according to the just value thereof.

- Maine Constitution Article IX Section 8



APRIL 1

All real and personal property within the State is subject to taxation, unless specifically exempted by law, on the first day of each April

-36 MRS Section 502.

Just value has been interpreted by Maine courts as the equivalent of market value.

Brunswick

Real Estate Report

Single Family, Condo, Mobile, Co-op

Sales Period 7/2022-6/2023

Median Price

\$385,000



Median Days

on Market **6**



Low Price **\$23k**

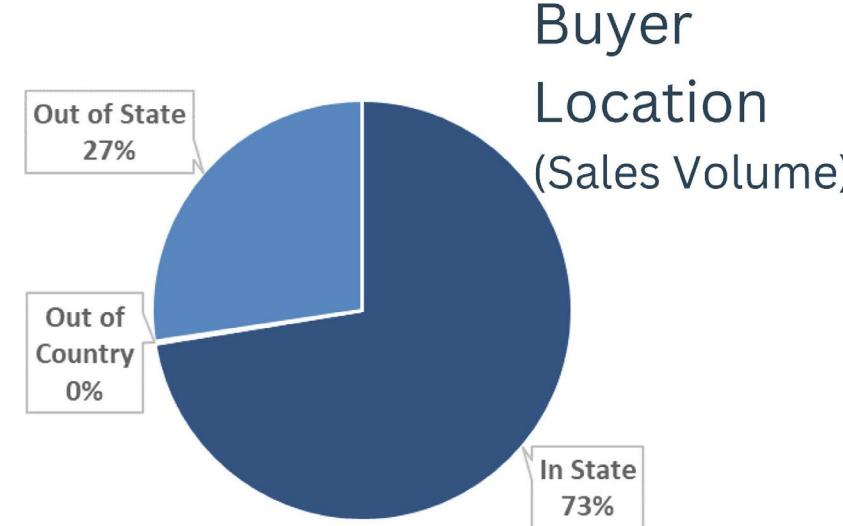
High Price **\$ 2.2m**



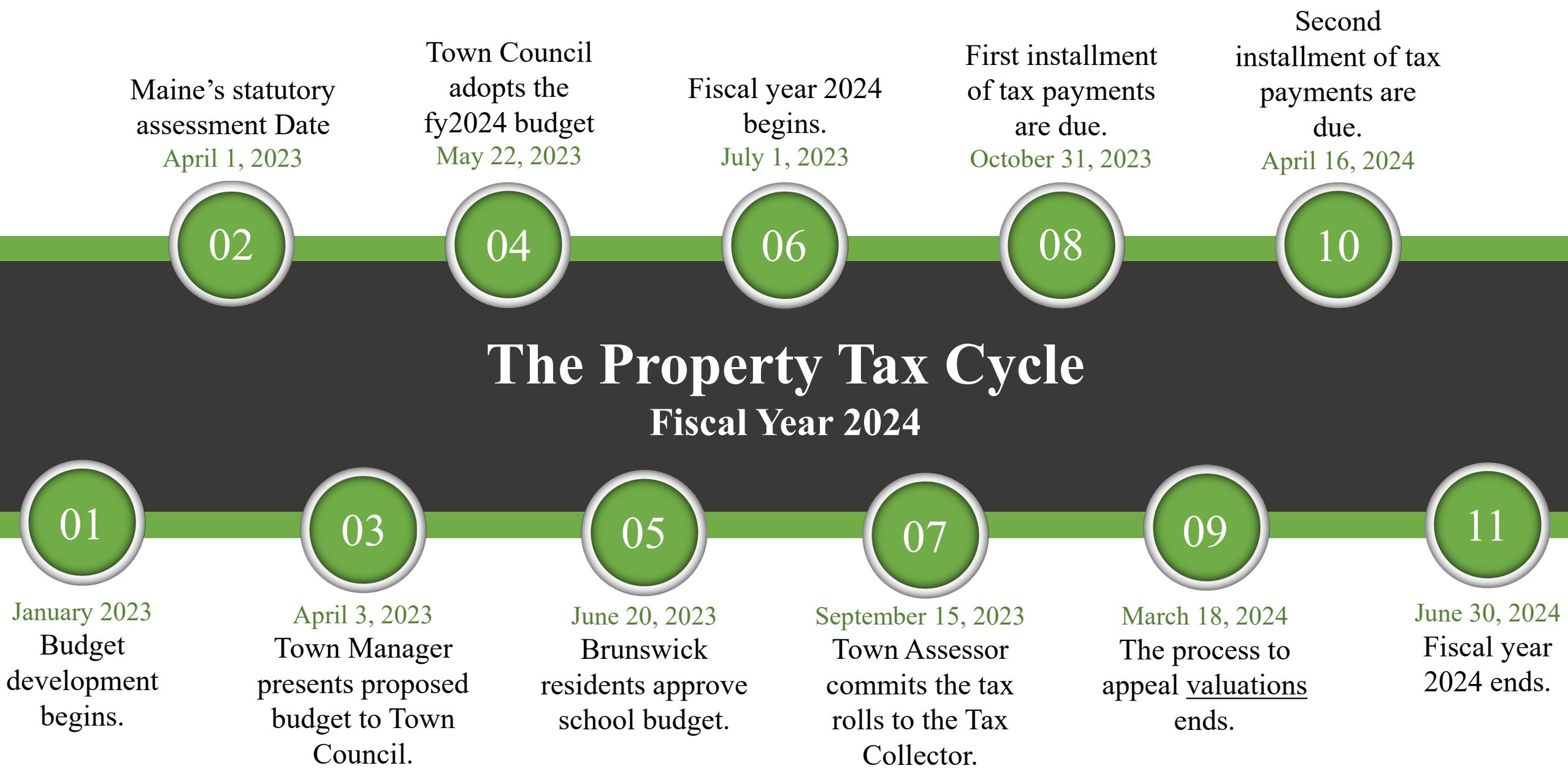
30-Yr FRM

52 Week Avg

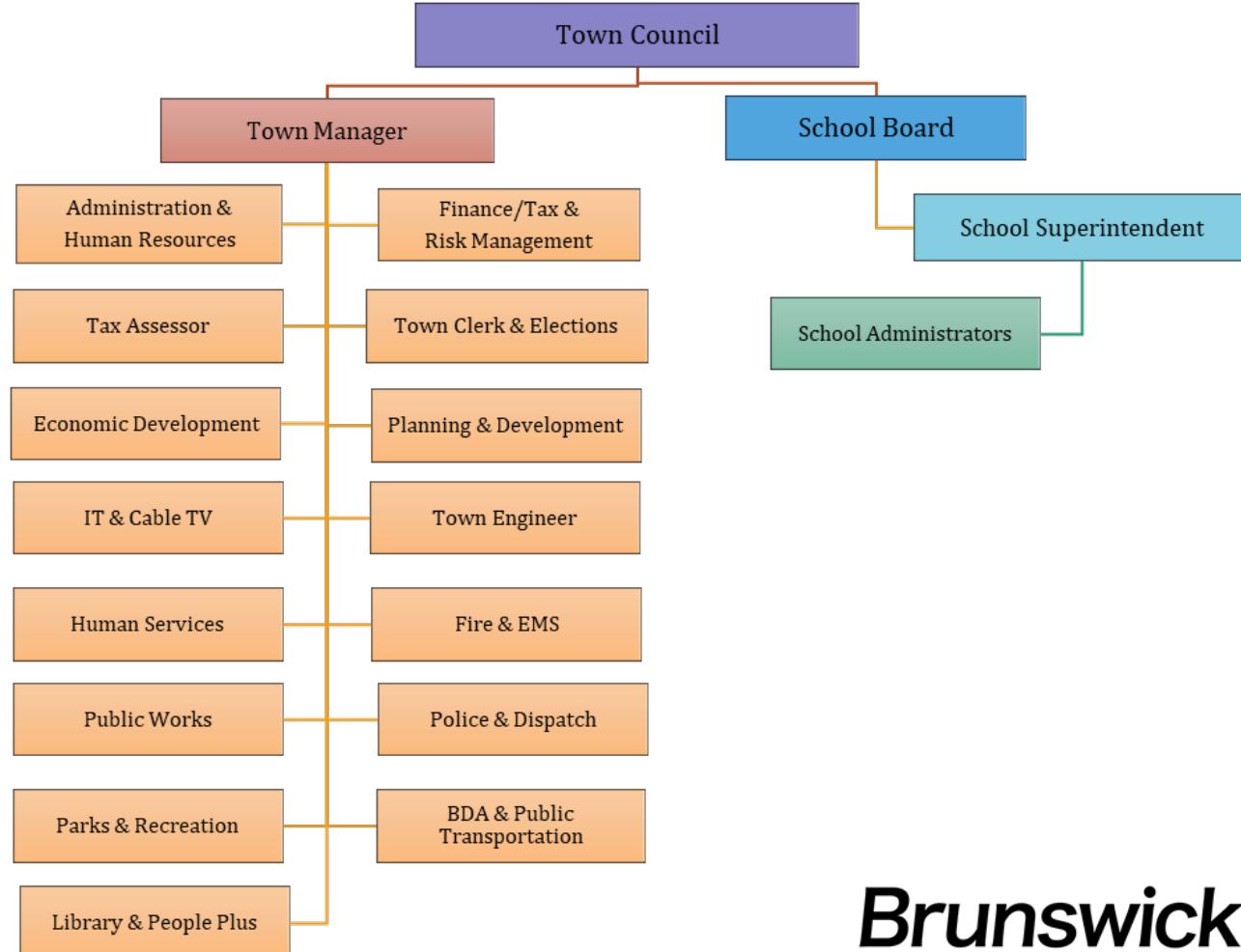
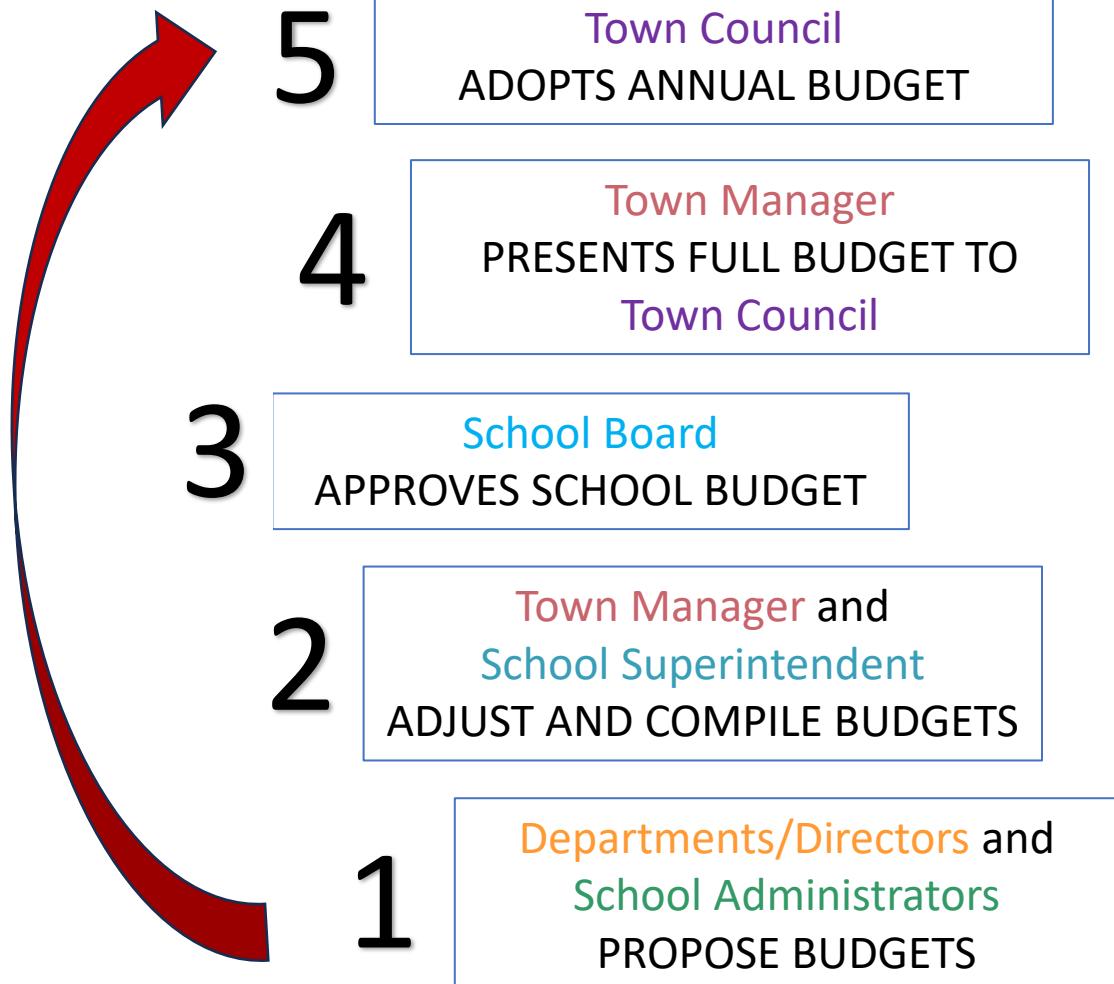
6.29%



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How is the Town's budget established?

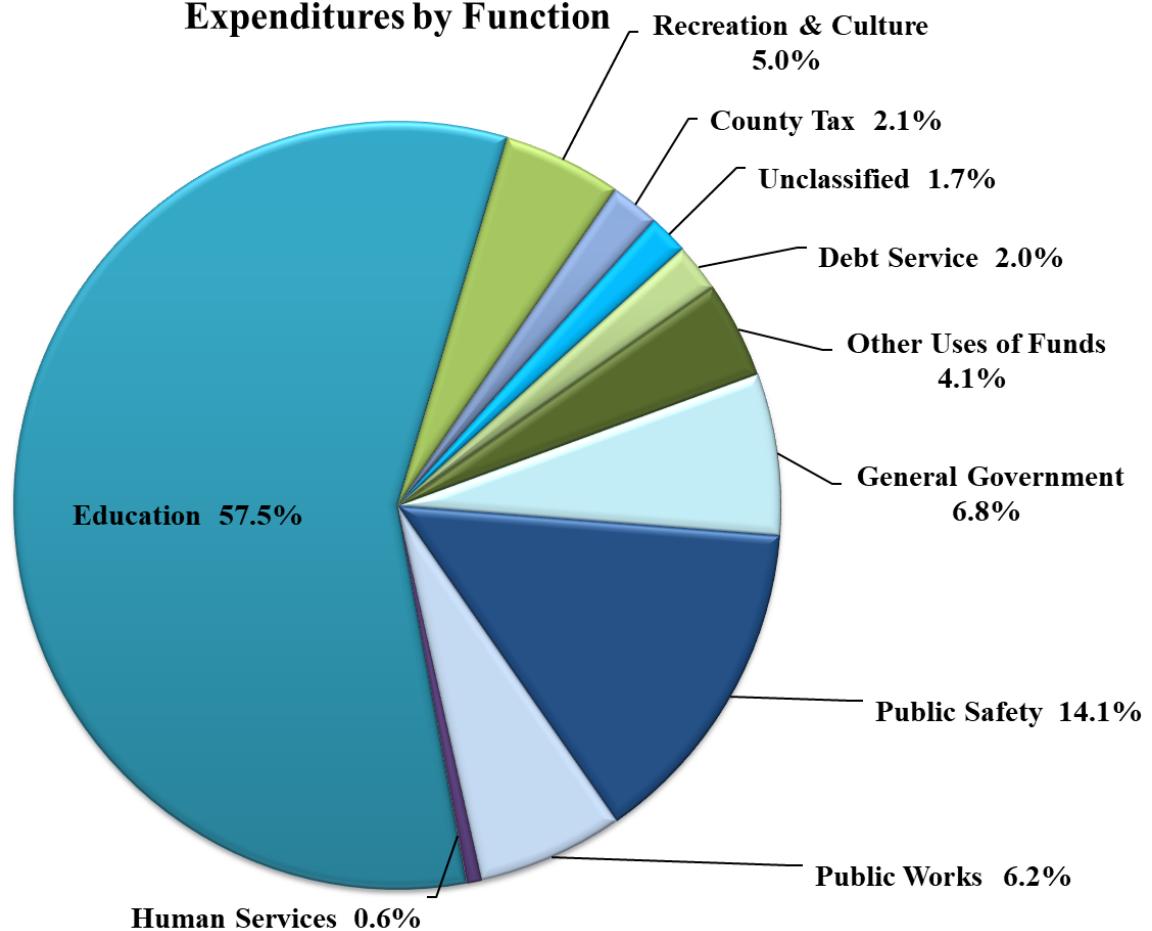


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From the bottom up

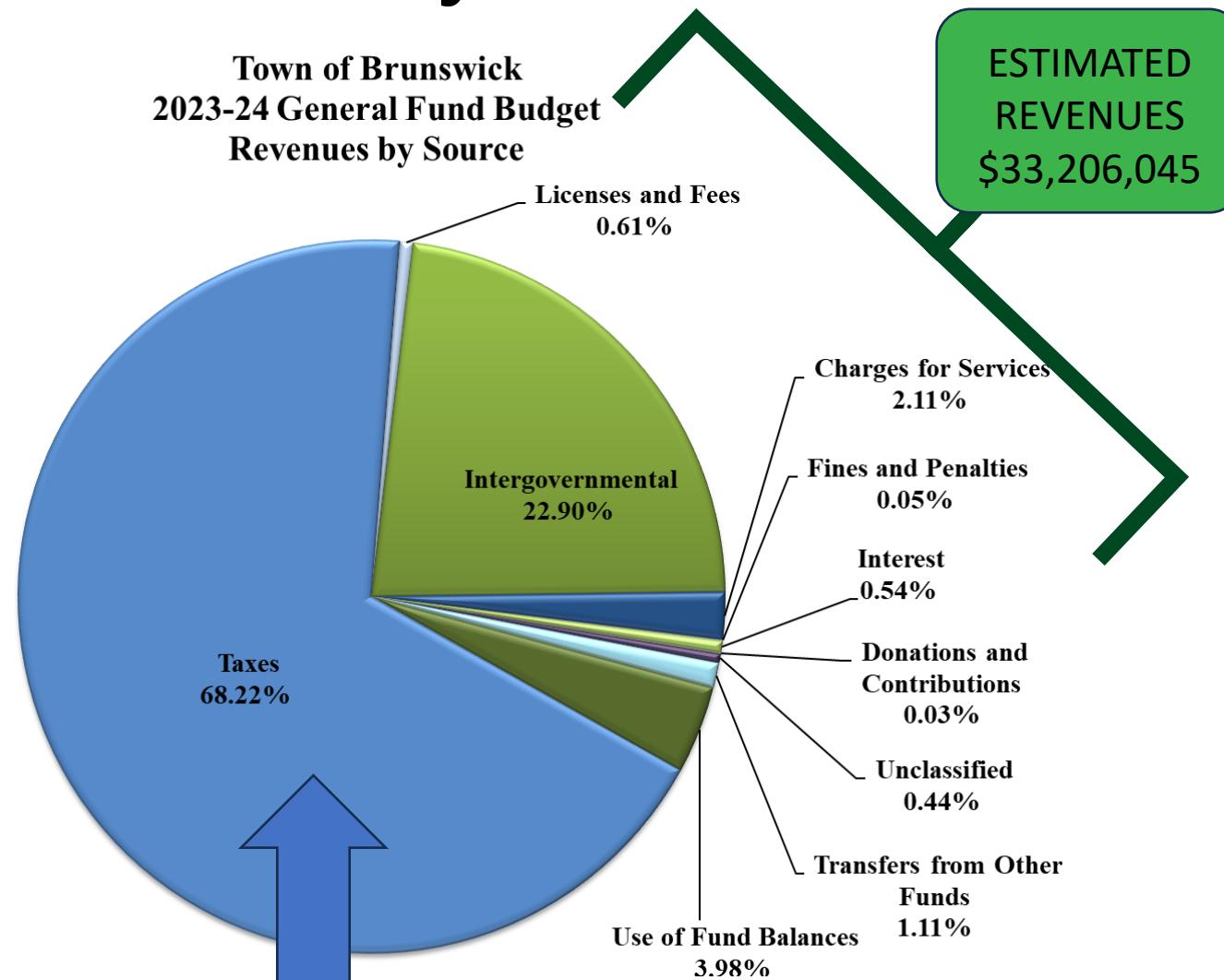
What is the Tax Levy?

**Town of Brunswick
2023-24 General Fund Budget
Expenditures by Function**



2023-24 EXPENDITURES
\$92,058,697

**Town of Brunswick
2023-24 General Fund Budget
Revenues by Source**



TAX LEVY (AMOUNT TO BE RAISED FROM TAXES)
\$58,852,652

**ESTIMATED
REVENUES**
\$33,206,045

How is the tax rate established?



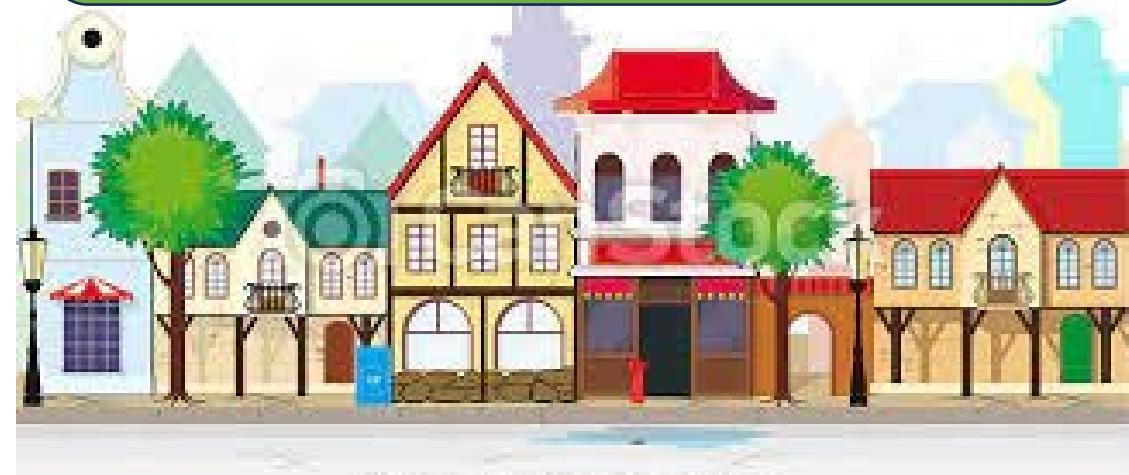
The Tax Levy is divided over the total taxable assessed property value of the Town

TAX LEVY \$58,852,652
(AMOUNT TO BE RAISED FROM TAXES)

**TOTAL TAXABLE VALUE
\$2,526,945,333**

=

TAX RATE



How are my 2023-24 taxes determined?

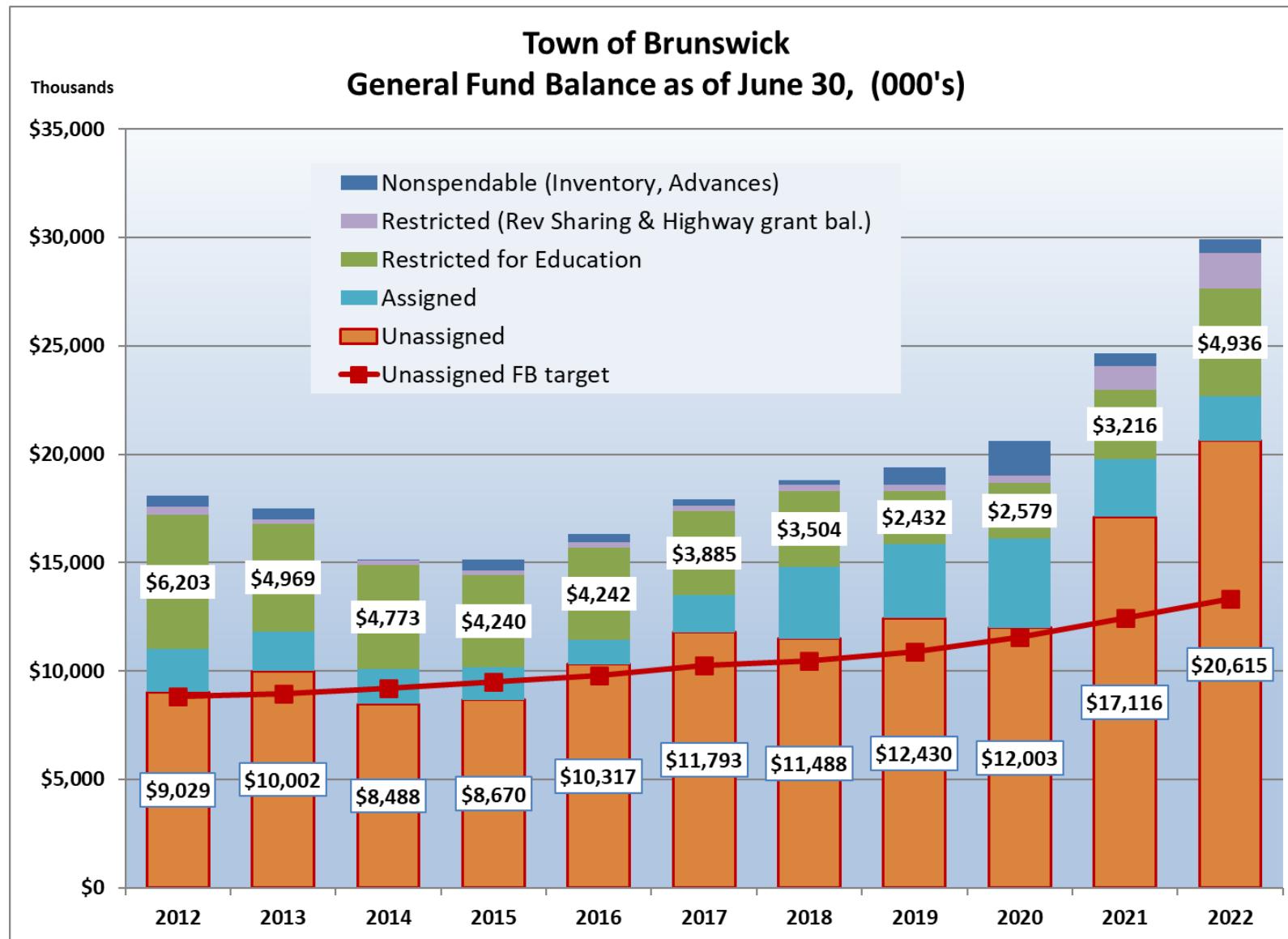
2022 Assessed Values	\$6,000 Budgeted taxes to be raised (\$6,000 over \$250,000 = \$24.00/1000)
Home #1 	
\$100,000 Assessed \$200,000 Market 50% of market value	\$2,400 tax bill ($\$100,000 \times 24.00/1000$)
Home #2 	
\$150,000 Assessed \$200,000 Market 75% of market value	\$3,600 tax bill ($\$150,000 \times 24.00/1000$)
Totals	<u>\$250,000</u>
	<u>\$6,000</u>

What if values are brought to 100% of market?

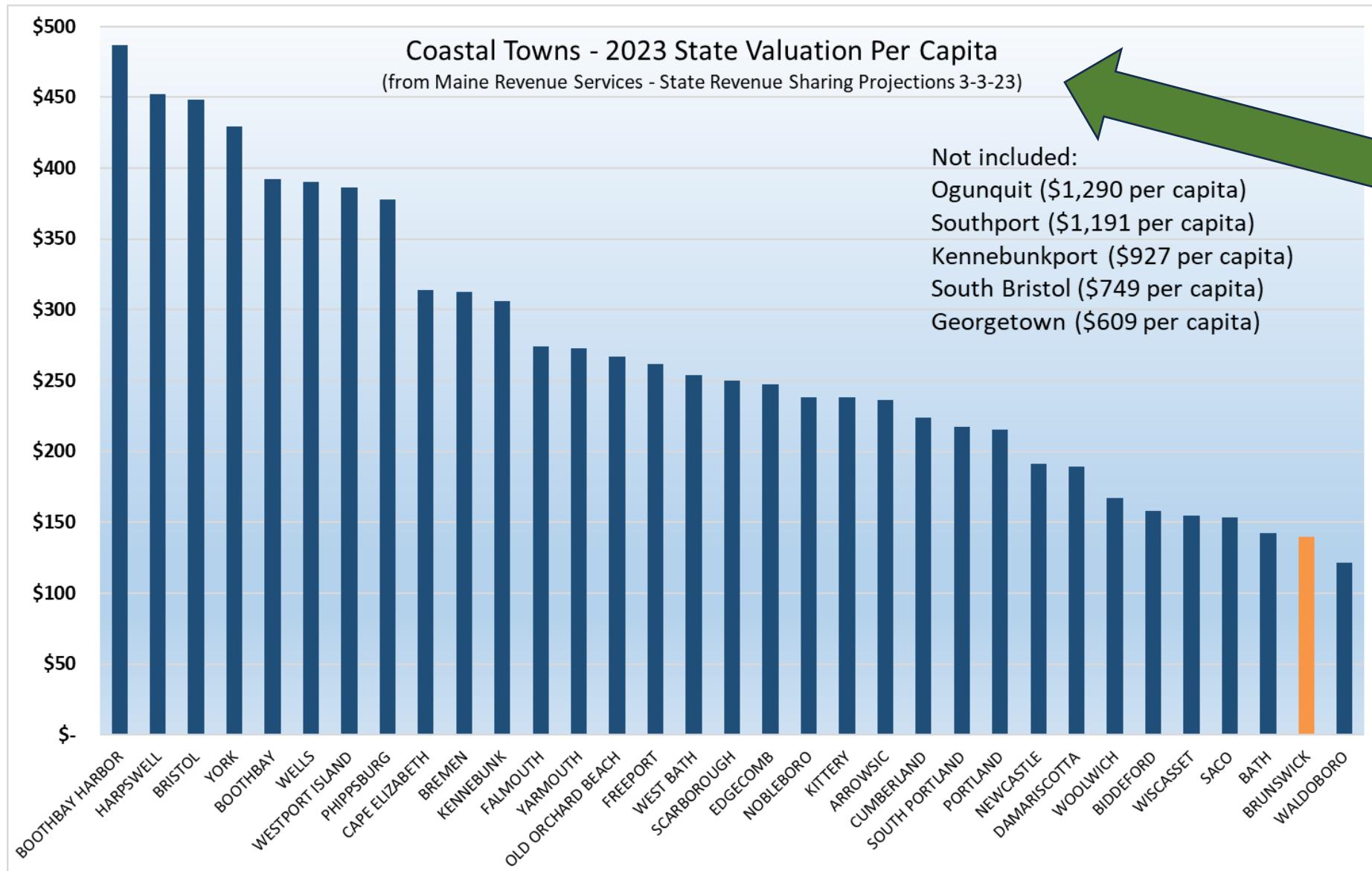
Updated Assessed Values (100%)	\$6,000 Budgeted taxes to be raised (\$6,000 over \$400,000 = \$15.00/1000)
	
\$200,000 100% of market value	\$3,000 tax bill ($\$200,000 \times 15.00/1000$)
	
\$200,000 100% of market value	\$3,000 tax bill ($\$200,000 \times 15.00/1000$)
Totals	<u>\$400,000</u>
	<u>\$6,000</u>

What is Brunswick's general fund balance?

Nonspendable
Restricted (Municipal)
Restricted (Education)
Assigned
Unassigned
Unassigned Target =
2 months of general
fund revenue



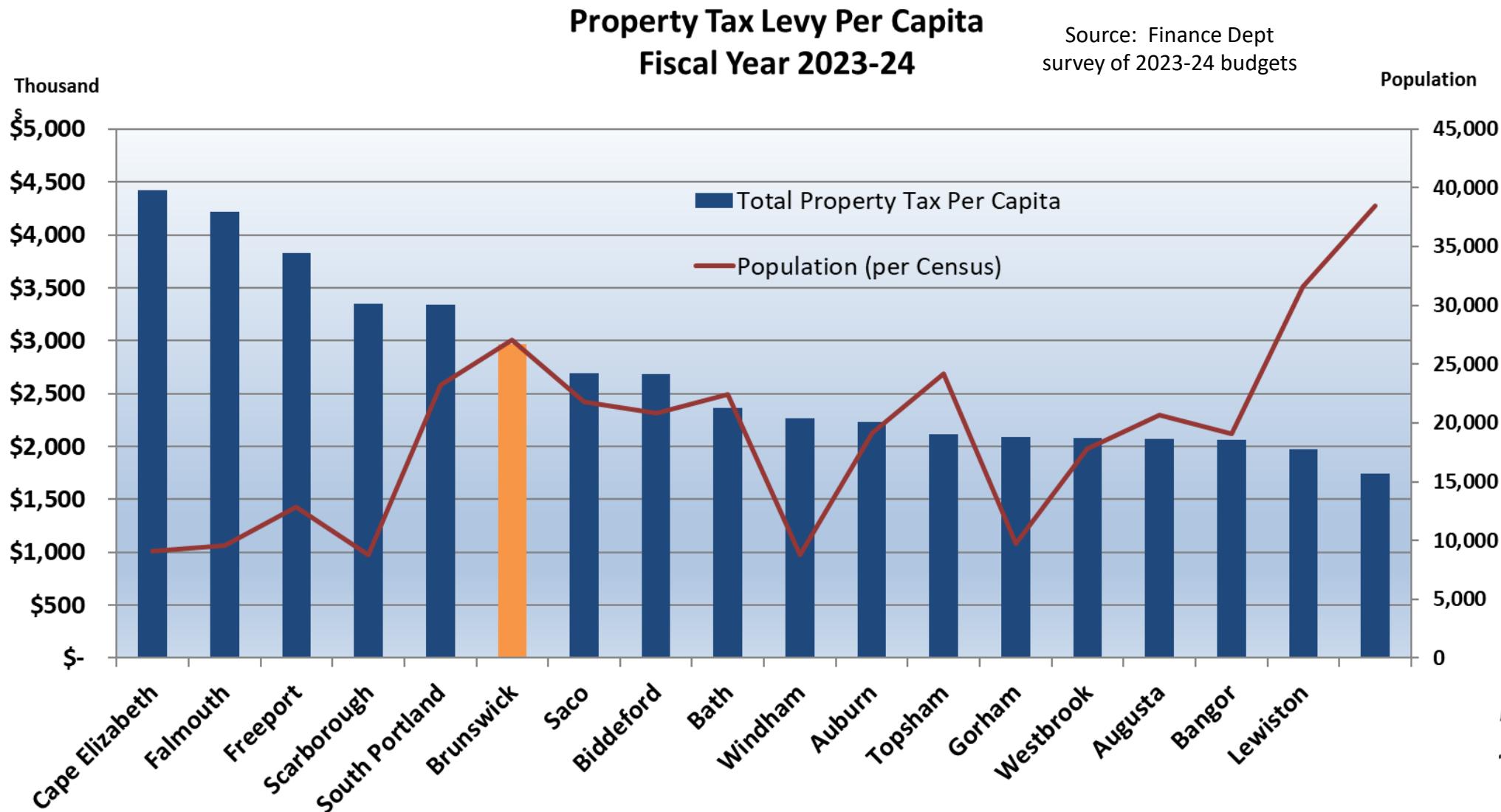
How do Brunswick property values compare?



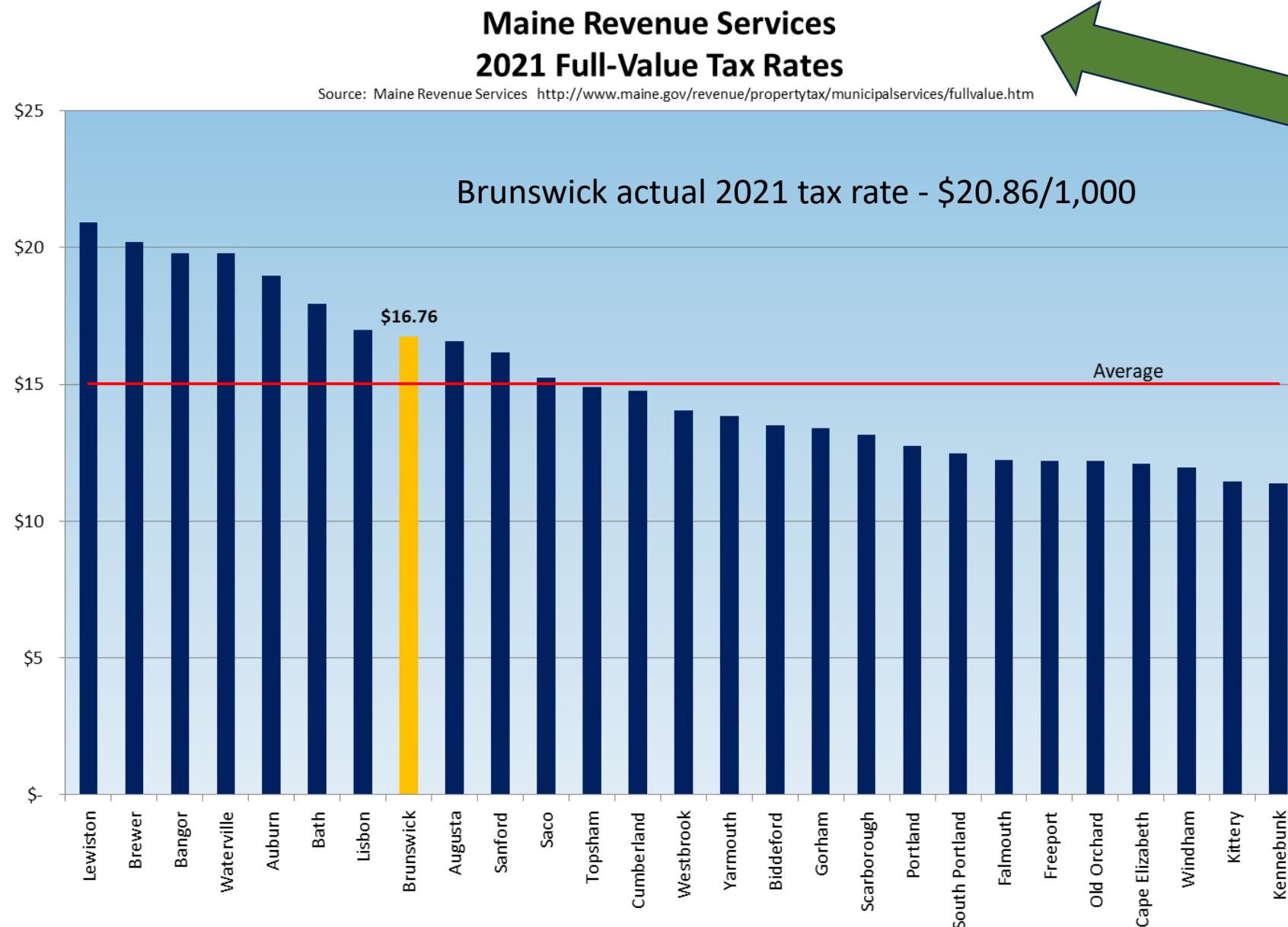
Note: based on
2021 property tax
assessment



How do Brunswick taxes compare? (Current year)



How does Brunswick's tax rate compare?

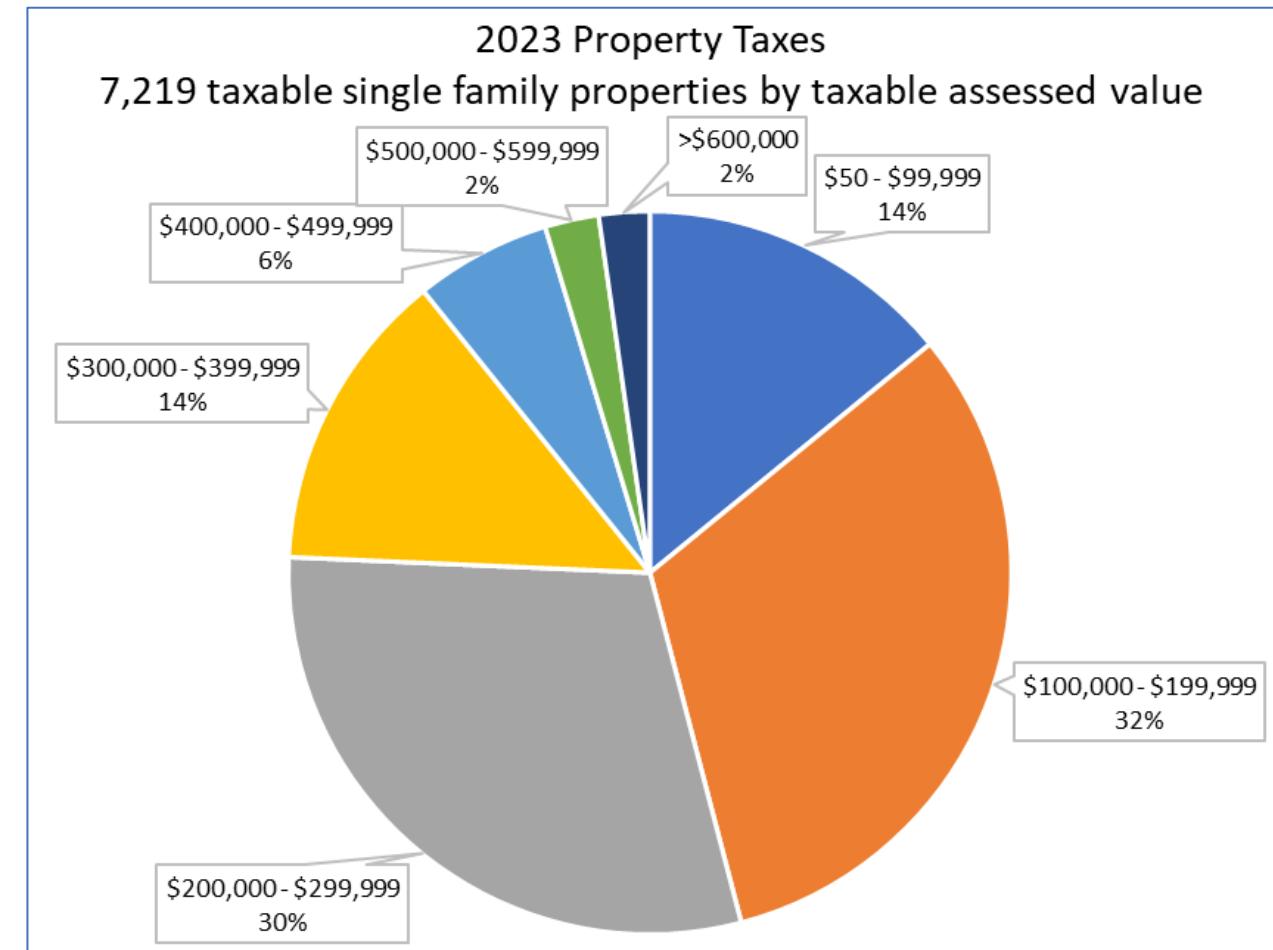
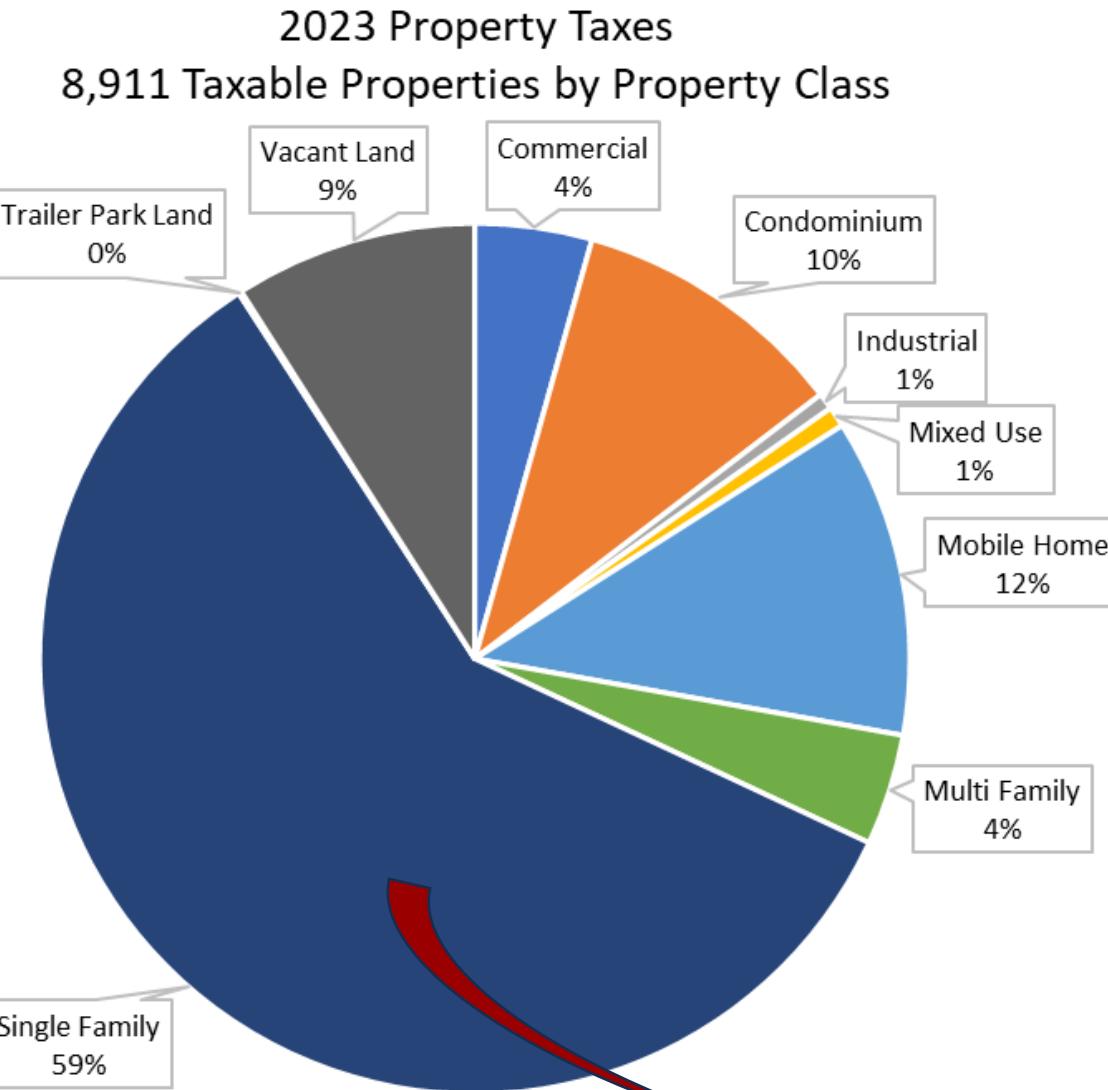


Note: based on
2021 property tax
commitment

For comparison purposes,
the State calculates what the
tax rate would be at full
value for each municipality.
Equalized tax rate is derived
by dividing the municipal
commitment by state
valuation, with adjustments
for Homestead/BETE
exemptions and TIFs



What makes up Brunswick's taxable value?



Median taxable single family residence: \$209,850
2023 tax rate: 0.02329
Tax bill = \$4,887



Brunswick, ME Quarterly Sales Statistics

Q1 FY2024 (July 1, 2023 - September 30, 2023)

Single Family	Closed Sales			Median Sales Price			Total \$ Volume (in millions)		
	Q1 2023	Q1 2024	+/- (%)	Q1 2023	Q1 2024	+/- (%)	Q1 2023	Q1 2024	+/- (%)
Rural Zone	23	16	-30	\$ 639,900	\$ 747,500	+17	14.101	11.998	-15
Growth Zone	39	49	+26	\$ 400,000	\$ 510,000	+28	18.657	26.237	+41
Waterfront	3	5	+67	\$ 1,300,000	\$ 825,000	-37	1.600	3.916	+145
Condo/PUD	29	44	+52	\$ 299,900	\$ 347,750	+16	9.924	17.854	+80
Manufactured	15	-	-100	\$ 87,500	\$ -	-100	1.728	-	-100
Total Town	109	114	+5	\$ 381,000	\$ 485,000	+27	46.010	60.005	+30

Multi-Family	Q1 2023			Q1 2024			+/- (%)		
	Q1 2023	Q1 2024	+/- (%)	Q1 2023	Q1 2024	+/- (%)	Q1 2023	Q1 2024	+/- (%)
2-4 Family	3	4	+33	\$ 502,000	\$ 655,000	+30	1.577	2.580	+64
5+ Family	3	-	-100	\$ 920,000	\$ -	-100	2.820	-	-100
Total Town	6	4	-33	\$ 775,000	\$ 655,000	-15	4.397	2.580	-41

Commercial	Q1 2023			Q1 2024			+/- (%)		
	Q1 2023	Q1 2024	+/- (%)	Q1 2023	Q1 2024	+/- (%)	Q1 2023	Q1 2024	+/- (%)
Commercial	4	5	+25	\$ 520,000	\$ 1,614,000	+210	2.619	15.216	+481
Industrial	-	-	-0	\$ -	\$ -	-0	-	-	-0
Total Town	4	5	+25	\$ 520,000	\$ 1,614,000	+210	2.619	15.216	+481

Vacant Land	Q1 2023			Q1 2024			+/- (%)		
	Q1 2023	Q1 2024	+/- (%)	Q1 2023	Q1 2024	+/- (%)	Q1 2023	Q1 2024	+/- (%)
Rural Zone	4	6	+50	\$ 73,000	\$ 180,000	+147	0.389	1.125	+189
Growth Zone	-	2	+0	\$ -	\$ 138,000	+0	-	0.276	+0
Waterfront	1	1	+0	\$ 179,000	\$ 735,000	+311	0.179	0.735	+311
Total Town	5	9	+80	\$ 76,000	\$ 160,000	+111	0.568	2.136	+276

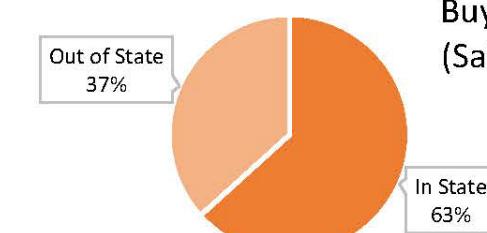
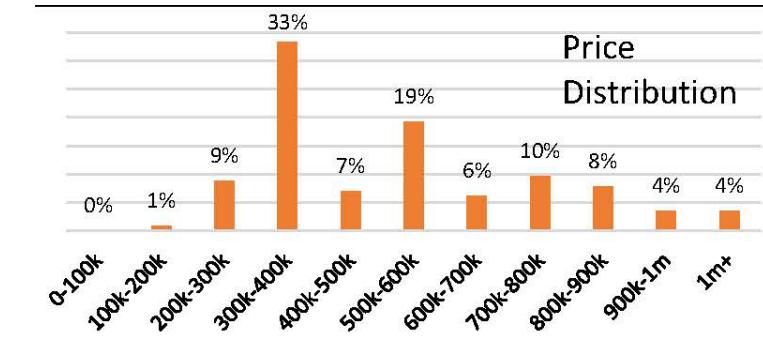
About this Fact Sheet

The statistics provided on this fact sheet are derived from arm's-length transactions only. An arm's-length transaction is a sale between a willing and informed buyer and a willing and informed seller, neither under any undue pressure to buy or sell, with a price expressed in dollars. Non-arm's-length transactions, such as, foreclosure sales or sales between related parties, are not included. Data shown on this fact sheet is for informational purposes only. The Town of Brunswick does not guarantee, nor is it in any way responsible for, the accuracy of the data provided in this report. Data maintained may not reflect all real estate activity.

Single Family Sales Statistics

	Q1 2023	Q1 2024	+/- (%)
Median Days Listed	7	5	-29
% List Price Received	104.0%	102.2%	-2
Low Price	\$ 35,000	\$ 140,000	300
High Price	\$ 1,600,000	\$ 1,285,000	-20
30-Yr FRM*	5.62%	7.04%	25.3

*Source: Freddie Mac 13 week average



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Questions?

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