INTEROFFICE MEMORANDUM

TO: TOWN OF RAYMOND BOARD OF ASSESSORS
FROM: CURT LEBEL, ASSESSORS AGENT
SUBJECT: TAX RATE AND COMMITMENT OF FY2013 PROPERTY TAXES
DATE: 9/4/2012
CC: DON WILLARD

Dear Board Members,

The assessing office has completed its annual preparation for tax commitment. Property tax appropriations approved by voters or their representatives have increased for this fiscal year which will necessitate an increase in the tax rate over last years 10.40 rate. Taxable Valuation has increased 5.3 million over last year to $998,406,400.00

In accordance with Title 36 § 710: "The assessors may assess on the estates such sum above the sum necessary for them to assess, not exceeding 5% thereof as a fractional division renders convenient, and certify that fact to their municipal treasurer". This amount of overage beyond the appropriated sums is known as overlay. Its primary function, as mentioned above is to allow the assessors to select a tax rate which does not create fractional amounts of tax and produces a valuation book which matches the corresponding warrants.

Below, I have selected three potential tax rates which satisfy the requirements above. I would highly recommend that the Board select one of these rates for the commitment of taxes.

PROPERTY TAX REVENUES

TAX RATE	**$**	**11.10**	**$**	**11.20**	**$**	**11.30**
TAXABLE VALUATION	$	998,406,400.00	$	998,406,400.00	$	998,406,400.00
COUNTY	$	589,109.00	$	589,109.00	$	589,109.00
SCHOOL	$	8,151,520.45	$	8,151,520.45	$	8,151,520.45
TIF AMOUNT	$	199,555.74	$	201,353.54	$	203,151.34
MUNICIPAL	$	2,115,045.22	$	2,114,414.24	$	2,113,783.26
OVERLAY	$	27,080.63	$	125,754.45	$	224,428.27
TOTAL PROPERTY TAX	$	11,082,311.04	$	11,182,151.68	$	11,281,992.32

NON PROPERTY TAX REVENUES USED TO REDUCE MUNICIPAL APPROPRIATION

	$	**11.10**	**$**	**11.20**	**$**	**11.30**
HOMESTEAD REIMB	$	(58,774.50)	$	(59,304.00)	$	(59,833.50)
BETE REIMB	$	(11,264.28)	$	(11,365.76)	$	(11,467.24)
STATE REV SHARING	$	(205,000.00)	$	(205,000.00)	$	(205,000.00)
OTHER REVENUES	$	(1,303,626.00)	$	(1,303,626.00)	$	(1,303,626.00)
MUNICIPAL APPROPRIATION	$	3,693,710.00	$	3,693,710.00	$	3,693,710.00
TOTAL NON TAX REV	$	(1,578,664.78)	$	(1,579,295.76)	$	(1,579,926.74)
TOTAL MUNICIPAL TAX REV	$	2,115,045.22	$	2,114,414.24	$	2,113,783.26

Below is a comparison to last year's property tax commitment using the median suggested rate of 11.20. As you can see the most significant impact on the property tax rate this year is the school appropriation, which is increased by $847k over last year.

TAX COMPARISON (2011-2012)

	2011	Mils	2012	Mils	Difference	% chg in Tax
School	$ 7,304,249.00	0.007355	$ 8,151,520.45	0.00816	$ 847,271.45	11.6%
County	$ 589,325.00	0.000593	$ 589,109.00	0.00059	$ (216.00)	0.0%
Municipal	$ 2,064,504.57	0.002079	$ 2,114,414.24	0.00212	$ 49,909.67	2.4%
Tax Increment Financing	$ 177,568.00	0.000179	$ 201,353.54	0.00020	$ 23,785.54	13.4%
Overlay	$ 191,988.31	0.000193	$ 125,754.45	0.00013	$ (66,233.86)	-34.5%
Total Tax Commitment	**$ 10,327,634.88**	**0.0104**	**$ 11,182,151.68**	**0.0112**	**$ 854,516.80**	**8.3%**

The Board will be asked to select and approve a tax rate at its September 11, 2012 meeting. Upon approval of the rate, the necessary warrants and certificates may be completed for signatures by the board members. I will be available at the meeting to answer any follow up questions the board may have.

Sincerely,

Curt E. Lebel

Assessors Agent