

VOTE ON September 8th, 2020!

Stop the Town of Gray from Overspending and Raising Taxes!

1. On June 14, 2020 Gray voters were presented with this question: “Shall the Town vote to increase the Town of Gray's tax levy limit established for FYE 2021 by State law to \$361,785 in the event that the municipal budget approved under the preceding articles will result in a tax commitment that is greater than the property tax levy limit, as recommended by the Town Council?” as Article 10 of the Town Budget items. This Article failed with 805 in favor, 863 opposed, and 163 abstaining.

2. The “property tax levy limit” referred to above is set by a Maine law commonly referred to as LD1, which limits the property tax levy annual increase to something called a “Growth Limitation Factor.” Like most things governments do, the Growth Limitation Factor calculation is complicated and not straightforward, but it considers statewide average annual income growth for the previous 10 years, adjusted for inflation, and growth in the municipality's tax base. LD1 only applies to the municipal budget, not the MSAD 15 school budget. Gray's municipal budget for the 2020-2021 fiscal year as recommended by the Town Council would exceed the property tax levy limit allowed by LD1, hence the need for a citizen's vote to waive the limit.

3. After the failed vote on Article 10, instead of going back to work on a budget that would not exceed the LD1 limit, the Town Council decided to pose the same question to voters again, hoping it will pass the second time. One of the Town Councilors has admitted that she intends a third referendum vote if the second vote fails!

4. The second vote was originally planned for a Town Meeting in August, of which very few people were aware. You would not have known about this meeting unless you checked the Town's website frequently, or were on a “special” email distribution list defined by one or more Council members in favor of a “yes” vote. Thanks to the efforts of an informed citizen, this Town Meeting was canceled. (It would have been limited to only 137 participants due to Covid restrictions.)

5. The second referendum vote is now underway for this question. A voter can obtain and cast a ballot at the Town Office, by mail, or by going to Newbegin Gym to vote in person on September 8th, 8AM - 8PM. All voting has to be complete by 8PM September 8th.

6. If the question is approved, not only will the tax levy limit be increased for the upcoming fiscal year, but for every subsequent year from now until the end of time, over what it would be if the question fails. This is because the LD1 calculation is always based on the previous year's tax levy limit. Keep this in mind when you are told that a “yes” vote will not increase the mil rate. It may not for this upcoming year*, but it almost certainly will in subsequent years.

* The conclusion that the mil rate won't increase for the coming year hadn't been made at the time of the July referendum, and it is based on the State's more recent estimate of its revenue sharing with the towns. It is not a firm commitment; there could be a shortfall.

7. It was suggested to the Town Council Chair that the question be changed such that the levy increase would only apply to the upcoming fiscal year and not affect subsequent years, but this doesn't appear to have been seriously considered.

8. The Town Council is not unanimous on this issue. Councilor Sharon Young is urging voters to reject the article again, and said “Wouldn't it be absolutely wonderful to see taxes decrease while so many people are suffering from health and economic worries... We can defer some long-term wants, no matter how worthy and wise those wants are.” (Lakes Region Weekly for Friday, August 14th, 2020 page 11).

9. Voting in the referendum is an all-too-rare opportunity for **you** to set a limit on **your** property taxes. Don't let it pass you by. **Please vote NO.**