



# Town of Windham

Town Offices  
8 School Road  
Windham, Maine

## Legislation Text

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**File #:** 14-268, **Version:** 1

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**I. Council Action Requested.**

To set the tax rate for 2014-2015 at \$14.70 per thousand dollars of assessed value.

**II. Basis for Council Action.**

Council approval of this item is required because;

- a) Pursuant to Article V, Section 6 of the Charter the approval of the budget at budgetary town meeting established " the amount of the levy for the purposes of the Town in corresponding fiscal year," and
- b) Pursuant to Article II, Section 3(I) of the Charter the Town Council has the authority to "[e]xercise all the legislative, financial, borrowing and other powers now or hereafter given by statute to inhabitants of towns acting in Town Meeting."

**III. Issue Summary.**

The budget approved at budgetary town meeting establishes the amount to be raised for town and school purposes. The amount of the levy also includes the Town's share of RSU expenses, county taxes, and an amount for overlay, which can only be set by the legislative body. Overlay is the amount in addition to the amount to be raised which accounts for rounding of tax amounts and to cover the amount of reasonably anticipated abatements of value during the coming year.

A copy of the tax rate worksheet is attached. At \$14.70 per thousand the total proposed tax rate is 1.7% higher than for 2013-2014. The school component of the tax rate will increase by about 0.6% and 3.2% for the county, while the town portion will increase by about 3.9%.

Overlay for last year was \$111,735 compared to \$108,562 with the tax rate as proposed. To the extent overlay, which is used to offset tax abatements, remains unused it lapses to fund balance and helps stabilize the town's overall finances, budget and tax rates in the future.