



Gardiner MAINE

Gardiner City Hall - 6 Church Street, Gardiner, ME 04345 (207) 582-4200

August 2010

Dear Gardiner Resident/Business-Owner:

It has been my pleasure to serve as your City Manager for nearly five months now. We have a great community here in Gardiner and I want to thank you for the warm welcome I have received from members of the community and area business leaders.

Change in Assessment

Enclosed please find your tax bill for the new fiscal year. You will note that the mil rate has increased from \$17.20 to \$19.20. However, this does not mean your taxes will be going up by that amount. This is because our Assessor has lowered the general valuation of real property by approximately ten percent (10%) due to declining sale values resulting from the economic recession. Our municipal budget, as recently adopted by the City Council, would have resulted in a mil rate of \$18.85 at the new assessed rate. This would have resulted in no increases on your property taxes. For example:

- A Gardiner home previously valued at \$150,000 and receiving a Homestead exemption would pay \$2,356.40 in property taxes at the FY10 \$17.20 mil rate. In FY11, if that same home were now valued at \$135,000 (10% less) and received a Homestead exemption, it would pay the same \$2,356.40 in property taxes at the new \$18.85 mil rate.

However, due to a decrease in the Homestead reimbursement given to property owners by the State and a nearly \$100,000 increase in Gardiner's share of the school budget that voters approved in June, the mil rate had to be set \$0.35 higher, resulting in the \$19.20 rate to cover those cost differences. Please note that the change in the homestead exemption made by the State will reduce your maximum allowable exemption from \$13,000 to \$10,000.

City staff and the Council worked very hard to keep our own municipal spending in check so that we would not pass along a tax increase to our residents and business owners. As you will note, the factors that necessitated an increase in your taxes came both from the State (decreased Homestead exemption) and the higher School budget approved by voters. We will remain diligent throughout this fiscal year to look at other ways to contain costs.

Reminder: Fall Clean-Up

The City will hold its annual Fall Cleanup during the month of October. Tickets will be on sale mid-September. Please stay tuned for updated information on our web site at www.gardinermaine.com or call 582-4460.

Where History and Progress Meet

Tax Clubs

The City of Gardiner is once again offering residents the opportunity to enter into a Tax Club Agreement to assist residents with making their property tax payments. Residents who meet the following criteria may apply by September 1, 2010 to be a Tax Club participant:

- ⇒ All previous account balances from Real Estate and Personal Property tax bills must be paid in full before a tax club is issued.
- ⇒ Monthly payments shall be figured by dividing the total bill by nine (9) equal payments. Payments shall commence September 5, 2010 and be completed on May 5, 2011. Payments will be due on the fifth day of the month.
- ⇒ Interest will not accrue as long as the account is paid monthly and on time.
- ⇒ Failure to make monthly payments will result in removal from the Tax Club and interest will be charged as though a Tax Club was never set up. Once a Tax Club member's benefit is removed, it cannot be reinstated until the next fiscal year.
- ⇒ Tax Clubs are set up for individual accounts (map and lot). It is the taxpayer's responsibility to set up individual clubs, prior to September 1st.
- ⇒ Individual payment coupons will be issued designating to which account payments will be applied.
- ⇒ Escrowed accounts are currently excluded from Tax Clubs.

For more information, contact Kathleen Cutler, Tax Collector, at 582-2223 or by email taxcollector@gardinermaine.com . Remember, the deadline to enroll is September 1, 2010.

Reminder: Winter Parking Ban

I would like to remind you that on-street parking is banned in Gardiner between midnight and 6:00 a.m. from **November 1st to April 30th** regardless of weather conditions. Any vehicle found in violation of this order shall be subject to a fine and may be towed at the owner's expense. Thank you for doing your part in keeping our streets safe and passable for all vehicles during snow season.

Please feel free to contact my office at 582-4200 or citymanager@gardinermaine.com if you have any questions. Have a safe and enjoyable summer!

Sincerely,



Scott T. Morelli
City Manager