CAMBRIDGE MATTERS

Commissioner Steve Rideout

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Every day we make decisions. Sometimes they are made after careful consideration because we think that an issue is important to us. Sometimes they are made by our thinking that the issue is not that important and so do nothing. In doing nothing, we are making a decision that can impact us.

I realize that right now many of us are faced with decisions that are much more important than the “Tax Differential” about which I wrote to you a couple of weeks ago. Some are out of work or out of money or receive food and supplies from a food bank. Many of you have children at home who are not able to be in school. Some are ill or have a family member who has Covid-19 or is otherwise not well.

So while the “Tax Differential” may be low on your list of priorities, I tried to explain to you why it was important for homeowners to let the members of the County Council know what you wanted them to do to protect your interests. I heard back from some of you who planned to send an email or call them. One person was ok with the rate staying the same while the few others wanted city residents to be entitled to a greater tax reduction on their county taxes as a result of the services that the city provides – police, economic development, and planning and zoning – that the county does not have to provide for us.

Last evening was the County Council meeting where they heard from anyone from Cambridge or Hurlock who wanted to talk about the tax differentials for our communities. The City Manager and I called in and were the only ones from the community who spoke.

After introducing myself, this is what I said:

As a city resident, I am asking that the Tax Differential be applied according to the formula that has been established and used in the past.

I understand that the county is faced with financial challenges just as the city and its taxpayers are faced with similar challenges. We have been working on our city budget and are facing the need to use our reserves and to borrow money to meet city obligations over the next year or two.

I understand that the county has not changed the tax differential in the past few years, but this year real estate in Cambridge was reassessed and its value increased significantly. In order to be fair to our city homeowners and not overburden them, we are considering a budget based on the constant yield, so that they do not have to pay more than last year during this time of economic downturn.

If the county maintains the tax rate on city property as it was last year, with the increase in city assessed real estate values, you will be increasing the taxes on city residents at a time when the other 2/3 of county residents will be maintained at their current tax rate of $1.00 per $100 dollars of value.

So, the result is that the city residents, due to their increased assessment will be paying a greater increase in taxes than the rest of the taxpayers of Dorchester county. It seems to me that it would only be fair and equitable that city residents be treated equally with other county residents, and the way to do that is to apply the tax differential that is established by the formula which I understand would be a 9.8% tax differential.

I fully understand that the county is not required to do as I am asking but I also understand that not doing so will be treating the county residents who live in the city differently from the rest of the county residents.

Thank you.

One of the members of the County Council responded that they had made their budget as tight as possible and were trying to build some reserves for anticipated future expenses. I indicated that I did not have a problem with their budget but rather that the cost was not being spread evenly over all the county residents, including those of us who live in Cambridge. Mike Spears, the county finance director, was asked about what the difference would be to city taxpayers between applying the current 7.3% discount and the 9.8% discount that the formula indicated was appropriate. He estimated that it would mean about $20 per homeowner and would amount to approximately $200,000 additional tax payments from city residents.

Assuming the per homeowner cost is accurate and may not be considered that much, it is not accurate for any property assessed over $80,000 and the total amount from city residents cannot be considered insignificant. As I mentioned in my earlier Cambridge Matters on this topic, I am talking about your money that is coming out of your pocket. This is not something that benefits the Cambridge City government as this is not money that the City pays to the county. It is money that you who live in the city and own a home are paying.

While it is probably too late for this year, I hope that you remember this for next week, next month, and for years to come, as I think it is an example of how we need to pay closer attention to the work of our elected leaders. Your willingness to be engaged in what your city and county governments are doing or not doing is important to you. While it might not be important with one issue such as this, it is important as every month your elected officials make decisions that impact you.

Based on what I heard last evening, I think that the “Tax Differential” will remain the same as last year. I do not blame the members of County Council, three of whom represent a portion of the City of Cambridge, as there were not enough of us from the city that made any noise about this, as has been the case in past years. Just remember that that “only $20 on average” and “approximately $200,000 this year additional taxes from the city residents” will continue to grow in future years unless you make your voice heard. Other decisions have been made and will be made that will impact your lives. Please find a way to be more aware and engaged and make your voice heard. When the restrictions are lifted, go to the city and county council meetings, or watch the city council meetings on Town Hall Streams. Go to city Planning and Zoning and HPC meetings or watch them on Town Hall Streams. Contact your elected representatives about issues that are important to you, as their response will help you to decide if they deserve your vote next election day.

Thanks for reading.

Steve