Budget Referendum for Lisbon Charter?

David Bowie, 140 Upland Road, former selectman and member of charter commissions

For the July 15 council meeting I had prepared an outline of remarks to address my concerns about the proposed charter amendment that would add a budget referendum process. To stay within the 3-minute limit on testimony I addressed only the concerns about whether the proposal qualified as an amendment. The purpose of this letter is to present a more complete context for my concerns.

Some citizens may wonder if a budget referendum was considered by the charter commission twenty years ago. The answer is "yes." The commission reviewed several possible options for Lisbon's government structure including council/manager, representative assembly, mayor/council, and a hybrid form of town meeting. We discussed a budget referendum and concluded that a referendum would create some of the same issues that compromised the existing town meeting system:

> Lisbon had grown to a point where the budget was very complex including varied revenue sources, multi-year expenses, lease-purchase items, revenue sharing, bonds/borrowing, county tax, school budget, TIF agreements, debt service, etc. Truly understanding every budget question was a challenge even for elected officials.
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> Only a fraction of the voters actually attended town meetings. Where town meeting had once been a single Saturday event, it had become a series of evening meetings that could run for several days. Attendance on the last evening was usually relatively small, and the mix of voters could be different each night.
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> Sometimes groups of citizens would attend to support a specific article on the meeting warrant. It was not unusual to see most of a group leave the meeting once their article of interest was decided.

The charter commission ended up supporting a council system:

> Elected councilors invest considerable time in understanding and preparing the budget before finally adopting it.
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> Elected officials have an implied moral obligation to act in the best interests of the Town. Reaching agreement on some items can be difficult at times, but there is time for negotiation.
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> Staggered terms encourage consistency in budget decisions from one year to the next.
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> A "special" town meeting process was included in the charter to enable a direct vote by citizens if ever necessary.

The proposed referendum process raises several concerns about possible negative impacts on Lisbon's budget process.

> A budget referendum does not guarantee full participation of citizens or even a representative share. A budget developed carefully by council over months could be turned down by a small vote margin.

A referendum would not necessarily address specific budget items that voters are concerned about.

It would be difficult to adequately inform the public about budget details to allow citizens to vote with understanding.

The proposed budget referendum calls for a public vote in June. If that vote does not support the council budget, a second referendum is conducted in July. If that second vote fails, the council is required to adopt a budget that is equal to the previous year's budget reduced by a third. Operating the Town on two-thirds of its budget would be virtually impossible without severed cuts to personnel, projects, and/or services. Some expenses could be postponed to a later budget, but that would just add to future costs. What would happen, if the referendum process failed to approve a council budget two years in a row? The council would be required to approve a budget equal to less than half of the budget from two years earlier! This makes no sense.

Concerns about the petition and process

The citizen petition requests an amendment to the Lisbon charter. An amendment is a detail change that "does not make a profound or fundamental alteration to the essential character or core operations of a municipality." The charter creates the elected council as the legislative body of the Town. The proposed referendum language is both a profound and fundamental change to Lisbon's charter. In my opinion a referendum process would require a revision of the charter. A revision requires a formal charter commission process. The town attorney's letter to council says that the petition language can be treated as an amendment. I am not an attorney, but it does not seem logical that such a major change to the charter qualifies as an amendment. I hope that additional legal opinions can be sought from other attorneys or Maine Municipal Association. A 2006 Superior Court case (Karytko vs. Town of Kennebunk) considered a situation in Kennebunk that was similar to Lisbon's current question. The court sided with the Town of Kennebunk in agreeing that the citizen petition required a charter revision.

Comments after listening to council discussion at July 15, 2025 hearing.

The council has not yet made a decision on the petition. There was discussion about combining the referendum question with other changes that are needed to update the Lisbon charter. This makes good sense. I am still concerned about having the petition language go forward as an amendment question in November separate from the charter commission question. If the language of the amendment is adopted by a vote, the Town is stuck with its provisions at least temporarily, even if a charter commission is also approved by voters. If the budget referendum petition language is approved, but a charter commission is not approved, then a potential financial crisis lies ahead.

The council has the right to deny a citizen petition for legitimate reasons. That would not prevent the idea of a budget referendum from being considered by a charter commission. That seems to be the case here. Again, seeking additional legal advice (perhaps from multiple sources) could help resolve this issue.

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