

Position Paper on Ballot Question for 2 new schools

We have had a number of meetings to complete our due diligence on a matter that has a huge and long term (30 years) financial impact on our city. While the work done to develop the ideal proposal from the perspective of the educational needs is respected, it was recently learned that the only way to fund this is through a debt exclusion vote (proposition 21/2 override). On May 29th, when presented with a one school proposal (one included in the study), the Director of the MSBA stated the only option that would be considered is for two schools. So we are faced with an all or nothing option at this time.

The State Receiver said in one public meeting that if the project did not move forward he would develop an alternate plan. There is always more than one way to achieve a goal.

While those who have come forward to share the impact of a 132 Million dollar debt exclusion vote have been largely ignored, it does not change the reality of the situation. This project must be looked at in the context of our entire city.

The number of non tax paying properties is increasing in our city every year. This will place an increased burden on existing taxpayers.

We are now presented with a city budget reflecting a 5.7% increase. Those paying for the budget are receiving 1-2% increases if they are lucky, with many living on a fixed income trying to stay in their homes; others working two jobs to pay the rent or keep their home. Only eight (8) of thirteen (13) City Councilors attended the budget hearing this week.

Our largest taxpayer will be hugely affected by a debt exclusion override. The GM of the Holyoke Mall has shared with us that this would cause “severe hardship”. Small businesses are sharing that they are squeezed with the new mandated benefits along with tax increases, sewer rate increases, CPA tax etc. Our average income is \$37,000 per year. If this was only \$240.00 each year for each tax payer it would be affordable. The reality is the increase would range from \$240.00 each year for a taxpayer with a house of average value to over \$600,000 each year for our largest tax payer.

Other communities who have had these ballot questions placed do not have the same demographics as we do.

In addition to this consideration are the debts we have already incurred but have not yet started to pay. We have not yet received this information. Our Auditor is working on putting a summary together so that we can better understand the costs of

long term financial commitments we have already made.

A 2/3 vote of the City Council is required for this ballot question for be placed on the ballot. This is a high hurdle required because of the serious implications it has for our city. As your representatives it is our duty to look at any proposal to consider the community wide implications. We have 10,100 property tax payers and 25,000 registered voters.

I disagree that the current proposal is the ONLY option available for us to improve our schools. We already have many vacant buildings in our city and do not need any more. We are renovating Lyman Terrace rather than tearing it down. We need to re-look at renovations of our schools and improved use of underutilized schools such as Dean.

- The current proposal before us represents an ideal situation if we had the money set aside or a plan to fund the projects. Having neither of these and a shrinking tax base due to increasing number of non taxable entities buying properties in our city and only \$500,000 in growth projected next year for our city, this is the wrong time and too expensive for all of our taxpayers.

When you don't have money for the ideal plan, you have to step back and create a realistic plan.

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