



Concerned Citizens of Wilbraham **EAGLE EYE NEWS**

Living Within Our Means

November/December 2008 ☆ Issue 14

A Public Service Newsletter Dedicated to Keeping the Citizens of Wilbraham Informed About Important Matters.

You Gotta Be Joking... 3-YEAR CONTRACTS!!!

An Opinion By Allan R. Kinney, Vice Chairman of CCW

The economy is in the worst shape since the great depression of the 1930s. Times were bad then. I worked nine hours a day, six days per week for \$6. Then, a factory job at 15 cents per hour for 48 hours per week for \$7.20. People were living in one room shacks with open stud walls and no heat. Bread was 7 cents a loaf. \$1.00 bought 8 gallons of gas.

Our town government should be preparing for hard times, hopefully not like the 1930's. The federal and state governments are in deep financial trouble. Houses are selling at large discounts, or not selling at all. Auto dealers are going out of business. Restaurants are reducing their hours or closing altogether. The unemployment rate is over 6.5 percent.

Experts are predicating this has not yet hit bottom and will take several years to recover.

Our Selectmen just signed 3 year contracts at 3 percent raises per year. What planet are they on, don't they see the same news all of us are seeing? To make things worse the School Committee just did the same thing. These raises with contracts for three years lock us into increased

expenses when our revenues are decreasing. Our local income is down. Money from the state is very much in question. I ask all our leaders: Where do they think the money is coming

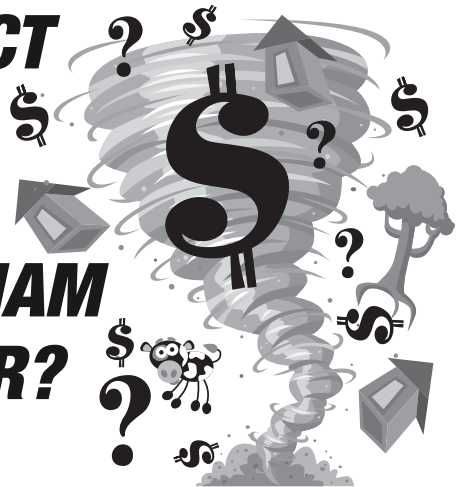
“Our Selectmen just signed 3 year contracts at 3 percent raises per year. What planet are they on, don't they see the same news all of us are seeing?”

*Allan R. Kinney
Vice Chairman, Board of Directors,
Concerned Citizens of Wilbraham*

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A PERFECT STORM FOR THE WILBRAHAM TAXPAYER?

*by Zigmond Pabich,
CCW Board Member*



In October 1991, a storm hit the east coast of North America with waves and rain so intense and deadly that the stories of those who faced it spawned a best selling book and a blockbuster motion picture. This tragedy resulted from a unique combination of winds, tides, and atmospheric conditions. Lives were lost because of bad decisions by fishing boat captains.

Over the last few years, the leadership of Wilbraham have made a number of decisions that when combined with future choices could lead to a perfect "Financial" storm. The potential casualty of these financial decisions could be the Wilbraham taxpayer.

For years the Concerned Citizens of Wilbraham have been cautioning town leadership to *"Live Within Our Means"*. Do what is necessary, but keep an eye on our financial horizons to take into account what is looming in our future. In November of 2006, the CCW hand delivered a letter with factual attachments to the "Wilbraham Town Leaders". It was addressed to the Board of Selectmen, Finance Committee, Financial Planning Committee, and the Hampden-Wilbraham Regional School Committee. The first sentence read **"Our community is headed for a financial disaster"**. Consider the following and decide if they have taken our advice.

(Continued to Page 4)

Minnechaug School Building Committee Meets; Updates Members on MSBA

On October 30, 2008 the School Building Committee met in the Media Center of Minnechaug Regional High School. 16 of the 27 Building Committee members were present. There were 13 guests in attendance of which 11 were members of the CCW. Oddly, none of the 4 appointed School Committee members were present.

Co-Chairman John Lovejoy opened the meeting with a recap of the business happenings with the MSBA since their previous meeting of June 2008. The main topic was the acceptance of Minnechaug into the new MSBA Model School Pilot Project.

Superintendent Paul Gagliarducci made a powerpoint presentation of the new program and how that will work. He also reviewed the tour of the Whitman-Hanson Model School by himself, Principal Marty O'Shea, Director of Maintenance Ed Cenedella and John Lovejoy. A slide show of photographs of the Whitman school was presented. It was all very interesting and helpful. In fairness, however, up to that point there was no information presented that was not published in the last 2 issues of the *Eagle Eye News* newsletter.

Dr Gagliarducci has spoken with the architectural firm, Ai3, regarding possible minor modifications in the Model School and was reassured that the changes discussed would indeed be simple and easy to accommodate. He commented that the changes he discussed would be largely programmatic in

nature to accommodate curriculum differences of the 2 schools. He further stated that he was waiting for a phone call from the MSBA to begin in earnest the next planning phase of the project.

Co-chairman, Brian Garbecky, remarked on several features of the Whitman-Hanson School. He spoke on the "green" features and was very favorably impressed at some of the innovations.

As noted earlier, 11 of the 29 people at the meeting were CCW members. Members waited until the formal part of the meeting concluded nearly two hours later to ask questions but were not allowed to, nor were they even given the courtesy of an acknowledgment or explanation by Mr. Lovejoy who quickly adjourned the meeting when his business finished. So much for a public meeting. Perhaps they forgot this is a public meeting that involves taxpayers' money.

In closing the meeting Mr. Lovejoy cautioned on trying to estimate the possible cost of the project. However, Dr. Gagliarducci responded to a query on project cost and his response was "*my best guess is somewhere between \$75 million and \$90 million*". So that gives us a rough idea to think about.

The final estimate as to when the MSBA will be contacting our District to get down to brass tacks is somewhere around the first of December. We'll keep you posted.

Pool Cost Estimates Updated

By Robert L. Page Jr., Chairman CCW

In the previous *Eagle Eye News* Issue #13, I illustrated estimates of the potential new school pool costs in an article entitled *Dollars and Sense*.

It was determined that it was important to go back and do some additional research to insure that our information was as accurate as we could make it. Here are the updated results of our second look.



We reviewed 14 current articles on 6 lane school swimming pool construction costs that included pools with dimensions of 40 X 75 feet. We added to that area, space for dressing rooms, a pool apron, all the mechanicals and a small bleacher/seating area. We also spoke with a few schools with fairly new swimming pools. Additionally I scaled out the

"hypothetical" pool area in the Dore & Whittier Feasibility Study drawings and considered that information.

The following numbers include total construction costs, equipment costs, and soft costs (contingency, architectural, engineering, and contractor markup costs). The results are this: Total costs ranged from a low of \$3,500,000 to a high \$7,100,000. The average was \$4,600,000.

Finally, it must consider that between now and completed construction of such a pool would be approximately 3 years. Considering inflation of +5% or deflation of -5%, the final project costs could be plus or minus an estimated \$700,000. It's hard to know what the next 3 years are going to look like?

Eagle Eye News is a bi-monthly public service newsletter published by Concerned Citizens of Wilbraham, a taxpayer watchdog group dedicated to keeping Wilbraham citizens informed about important matters. Articles may be submitted for consideration, but are printed at the sole discretion of the editor and may be edited if too long. All submissions must be signed by the author.

• Design/Graphics and Interim Editor: Matt Villamaino
• Mail Address: CCW, 903 Stony Hill Rd., Wilbraham, MA 01095
• Phone 596-8719; Fax 596-8719
• www.ConcernedCitizensofWilbraham.org
• email: Editor@ConcernedCitizensofWilbraham.org

CCW Seeks New Members

It's no secret that many local, state, and federal governments are facing difficult financial times. Many are taking the necessary steps to cut and limit spending because it's expected that the next several years are going to be challenging at all levels. Some seem to be ignoring the handwriting on the wall.

Founded in 2003, the Concerned Citizens of Wilbraham (CCW), is a civic organization dedicated to helping the citizens of Wilbraham stay informed about community matters. We subscribe to the principle of "*Living Within Our Means*" and currently have over 300 members.

There's a lot going on in town right now, especially the proposed building of a new Minnechaug Regional High School, district school offices and swimming pool to name a few. Should these, or other issues, be approved by taxpayers, an override vote must then be approved by taxpayers to secure funding.

Some overrides are necessary for the betterment of a community. Some are not. It's up to each individual to decide. That's why open communications are vital. If you would like to become more involved and more informed on decisions that affect you, your community, and the taxes you pay, we invite you to join CCW.

We hold monthly meetings, but you don't need to be a member of CCW to attend these meetings as they're open to the public. Handouts on important information and statistics are always available at meetings. In addition, we mail out a bi-monthly newsletter, *Eagle Eye News*, to all members and have a website at www.ConcernedCitizensOfWilbraham.com. There are no dues or mandatory time commitments from members. Come as often as you wish. Hear what's going on in town. Express your opinions...both your likes and dislikes. When things are done in town that upset you, or your taxes go up, it's too late to say, "*I should've done this or that!*" Get involved now!

The next CCW meeting will be held Thursday, December 18, 7:00 pm at a **new location: Wilbraham YMCA Senior Center**. For future dates, see *Schedule of Upcoming Meetings* on page 4. No reservations required.

For more information or to become a member, call Bob Page 596-8719 or Allan Kinney 596-3732.



**Thank you to the over 300
members who support
Concerned Citizens of Wilbraham.**

THERE IS STRENGTH IN NUMBERS!



**We Hope You Have a Safe,
Happy and Healthy Holiday
Season and New Year.**

You Gotta Be Kidding from Page 1

from to pay for these contracts?

The School contracts will raise their payroll over 3 years by about \$2 million dollars. The town contracts will raise the town budget by about \$600,000. Our leaders surely know something has to be done with Minnechaug and that can be a big increase in our taxes.

The Town and School District need to institute savings in their budgets to pay for these contract mandates. I say cuts in spending to balance the budgets is the way to do it.

Union contracts must address the following. New employees benefits must be adjusted as to length of service and be of a range that is sustainable. The Selectmen and School Committee must realize the three year contracts with these benefits in this economy are not sustainable.

It is time for you, our leaders, to step up to the plate and lead us out of this mess.

The money in all our reserve funds is great, but it's not enough and cannot be used to get us through this mess. The reserves must be kept at present levels to maintain our Moody's A1 bond rating.

It's going to take real leadership and sacrifice. We can do it, but it's not going to be business as usual.

A Perfect Storm from Page 1

• In 2004 our leadership supported a Community Preservation Act which increased local taxes to primarily purchase a track of land on Wilbraham mountain which in truth was not suitable for development. In addition to the primary objective came some state requirements that we use some of these funds for recreation, historical preservation, and low income housing. While the original motive has been accomplished and the property is paid for, we continue to tax the citizens and spend money in the other areas. In some cases money is just being accumulated for future possibilities. Is it now time to remove this extra tax and **allow taxpayers to keep the money in their own bank accounts?**

• In 2005 the CCW recognized that there was a growing liability for the town and sponsored a warrant at the Town Meeting to study the subject of Retiree Health Care Costs and report back to the town. 2-1/2 years later a report was finally prepared and shared with the community. We have a **growing \$25 million dollar unfunded liability!** It's now back in committee for review. At some point we must alter how we do business to begin curbing growth in this area. We also need to start accumulating the money necessary to honor our previous commitments. Employers all over our country have been dealing with this issue for years. **When do we start?** In addition, how much more of a liability do we have in the regional School District?

• Five years ago the School Building Committee determined that Minnechaug Regional High School should be replaced. The state has finally accepted that fact and has assigned us to the Model School Program. **This will save the community some serious money** in construction costs. Since we accepted the plan in August 2008, little has been communicated to the taxpayers. In fact the School Building Committee had their first meeting since June 2008 in early November and the date for future meetings has not been announced. With such a large cost savings opportunity shouldn't we be **charging forward?**

• High School Pool and Regional Administrative Offices: Since the state **will not be participating** in the cost of replacing these items, shouldn't there be a public dialogue reviewing our town options? It's very important that a new school be constructed ASAP while state funds are still available. It's also important that we consider all options for these two related projects. Most importantly the **taxpayer needs to have a choice** other than an all or nothing approach.

• Town Employee and Teacher Contracts were recently negotiated with these groups basically being granted a 3% increase for the next three years. In various issues of *Eagle Eye News*, the Concerned Citizens of Wilbraham advocated **beforehand** that Wilbraham town and school officials hold the line at 2 1/2%. Unless there are significant savings in other parts of the budgets, this increase insures an override vote at a future town meeting. Why couldn't we hold the line at 2 1/2%? While the world, country, and state struggle to maintain some kind of fiscal integrity in these very difficult times, why is **Wilbraham**

behaving like it's business as usual? I suspect over the next three years many of our townspeople's income will experience far less than a 3% increase. Wouldn't a shorter term contract have given us some future flexibility?

By now I have probably upset and or startled most of you for one reason or another. Hopefully enough for you to challenge our town leaders in these difficult times. As Wilbraham taxpayers you have the right and obligation to help get our "Financial Captains" to steer the good ship Wilbraham out of the storm and into calmer water. Let's do what is needed now and avoid a course to a financial tragedy.

BECOME INVOLVED NOW!

Town Stabilization Fund and Free Cash Set Record

The Town of Wilbraham has just set a historic record for its *Stabilization Fund and Free Cash*. It currently stands at an impressive \$1,600,000! A special thank you to our Finance Committee and Chair Sue Bunnell, and our Board of Selectmen for their fiscal responsibility and leadership in this area. For your information, that number is also the largest percentage as a function of our municipal operating budget.

A Stabilization Fund is established as a reserve of surplus revenues to be used for the purposes of covering revenue shortfalls, state or local losses of federal funds, and other such things. The fund is sometimes referred to as a *Rainy Day Fund*.

Schedule of Upcoming Meetings

Concerned Citizens of Wilbraham at Wilbraham Senior Ctr • Thursdays • 7:00 pm

- December 18, 2008
- January 22, 2008
- February 26, 2008

Board of Selectmen at Town Hall, Selectmen's Meeting Room • Mondays • 7:00 pm

- December 15, 2008,
- January 5, 12, 26, 2009
- February 2, 2009

Hampden-Wilbraham Regional School Committee • Tuesdays • 7:00 pm

- December 9, 2008, Wilbraham Middle Sch.
- January 13, 2009, Minnechaug
- January 27, 2009, Soule Road School
- February 10, 2009, Green Meadows Sch.

Get Involved - Your Opinion Matters

Please Read: This spreadsheet is provided to our readers to illustrate a comparison of the per capita spending of our community to other similar neighboring communities. There is no good or better to be read into this information. The five categories chosen were considered to be of the greatest interest by author Bob Page. The information contained is the most currently available from the Massachusetts Department of Revenue.

How Do We Compare General Fund Expenditures Per Capita

Fiscal Year 2007

| | Police | Fire | Education | Public Works | Culture & Recreation | Total Expenditures |
|------------------|---------------|--------------|-----------------|---------------|----------------------|--------------------|
| Agawam | \$ 131 | \$ 108 | \$ 1,109 | \$ 155 | \$ 39 | \$ 2,223 |
| Amherst | \$ 121 | \$ 102 | \$ 921 | \$ 43 | \$ 83 | \$ 1,646 |
| Belchertown | \$ 144 | \$ 110 | \$ 1,398 | \$ 76 | \$ 43 | \$ 2,546 |
| Brimfield | \$ 32 | \$ 28 | \$ 1,392 | \$ 165 | \$ 68 | \$ 2,097 |
| East Longmeadow | \$ 123 | \$ 40 | \$ 1,439 | \$ 208 | \$ 46 | \$ 2,623 |
| Granby | \$ 135 | \$ 20 | \$ 1,246 | \$ 45 | \$ 17 | \$ 2,018 |
| Hadley | \$ 157 | \$ 30 | \$ 1,112 | \$ 123 | \$ 25 | \$ 3,175 |
| Hampden | \$ 163 | \$ 5 | \$ 1,106 | \$ 107 | \$ 22 | \$ 1,715 |
| Hatfield | \$ 21 | \$ 26 | \$ 1,193 | \$ 164 | \$ 20 | \$ 2,173 |
| Longmeadow | \$ 151 | \$ 108 | \$ 1,591 | \$ 141 | \$ 73 | \$ 2,781 |
| Ludlow | \$ 120 | \$ 80 | \$ 1,034 | \$ 152 | \$ 24 | \$ 2,093 |
| Monson | \$ 107 | \$ 22 | \$ 1,301 | \$ 114 | \$ 63 | \$ 2,556 |
| Northampton | \$ 146 | \$ 118 | \$ 963 | \$ 111 | \$ 51 | \$ 2,307 |
| Palmer | \$ 124 | \$ - | \$ 1,274 | \$ 75 | \$ 77 | \$ 2,368 |
| South Hadley | \$ 128 | \$ - | \$ 989 | \$ 46 | \$ 56 | \$ 1,915 |
| West Springfield | \$ 222 | \$ 138 | \$ 1,138 | \$ 308 | \$ 42 | \$ 2,400 |
| Westfield | \$ 148 | \$ 110 | \$ 1,222 | \$ 119 | \$ 26 | \$ 2,223 |
| Wilbraham | \$ 135 | \$ 99 | \$ 1,226 | \$ 106 | \$ 63 | \$ 2,016 |
| AVERAGE | \$ 128 | \$ 64 | \$ 1,203 | \$ 125 | \$ 47 | \$ 2,271 |

Information supplied by: Massachusetts Department of Revenue, Division of Local Services

Compiled by Concerned Citizens of Wilbraham

It's Just A Tool

This spreadsheet as reproduced in the last *Eagle Eye News* was designed to answer the question: How much is the proposed new Minnechaug project going to raise my taxes?

The answer is always the same. It depends on how much the project costs. We did a "what if" page that would aid people in coming up with their own estimate.

The MSBA said the rate for Hampden and Wilbraham, would be 53.73%. Because we were being considered for the Model School Pilot

Project, up to an additional 5% bonus could be added. That would bring the total MSBA contribution to 58.73% This is not a final number. Could be more, could be less.

It was determined that a bond interest rate of 4.5 % was a reasonable estimate and the current bonding term of time is 25 years.

So when you put this all together, anyone who is interested to have a rough idea about what the Minnechaug project is going to cost their personal budget can look it up for themselves. Superintendent Gagliarducci estimates a project cost between \$75 to \$90 million. Use the spreadsheet below and see for yourself your budget impact.

Please Read: This chart is intended to provide information that will aid taxpayers in determining what the possible impact will be on their property taxes if we build a new Model School Minnechaug. It is not intended to suggest what that final cost will be. It should be noted that column number one represents only the cost of the school itself. The cost of a pool or district offices have not been included as the state does not share in the cost of these amenities. Finally, it has not been determined yet if the state will share in the cost of the demolition of the old Minnechaug.

WHAT'S IT GOING TO COST ?

Estimated Financial Impact of Model School Minnechaug on the Residents of Wilbraham

or "What Does It Mean To Me"

(Revised Sept 2008)

| Total Estimated Cost of High School Only | Two Towns (3) share after State Contribution Deducted | Wilbraham's Share for Bonding <i>Not including Pool & District Offices</i> | TRADITIONAL 25 YEAR BONDING for WILBRAHAM | | |
|--|---|--|---|--|--|
| | | | Annual Tax Cost per Ave. House Year 1 | Annual Tax Cost per Ave. House Year 12 | Annual Tax Cost per Ave. House Year 25 |
| \$ 65,000,000 | \$ 26,825,500 | \$ 20,119,125 | \$ 342 | \$ 262 | \$ 169 |
| \$ 70,000,000 | \$ 28,889,000 | \$ 21,666,750 | \$ 368 | \$ 282 | \$ 182 |
| \$ 75,000,000 | \$ 30,952,500 | \$ 23,214,375 | \$ 395 | \$ 302 | \$ 195 |
| \$ 80,000,000 | \$ 33,016,000 | \$ 24,762,000 | \$ 421 | \$ 322 | \$ 208 |
| \$ 85,000,000 | \$ 35,079,500 | \$ 26,309,625 | \$ 447 | \$ 342 | \$ 221 |
| \$ 90,000,000 | \$ 37,143,000 | \$ 27,857,250 | \$ 474 | \$ 362 | \$ 234 |

1. Assuming Bonding rate of 4.5% and 25 Year Bond.
2. Average Home assessed value @ \$305,000.
3. Assuming State contribution @ 53.73 % plus 5% Model School Bonus equals 58.73%

Prepared by Concerned Citizens of Wilbraham