

Beacon Hill Byline by Mary Rogeness

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Springfield's S.O.S.

What happened to Springfield? What went wrong in Springfield? And what can be done for Springfield? These questions are now on our minds as we read daily news articles about budget deficits and the junk bond ratings for the hub city of Western Massachusetts.

In last year's mayoral campaign, then-candidate Charlie Ryan brought up the precarious fiscal status of the city. Receivership is a possibility he raises now as mayor, and it is a word that is heard more often in Boston these days as it becomes general knowledge that Springfield's budget is \$20 million out of balance. The governor and the legislature are working to avoid that fate for our city. Here is a summary of proposals brought forward from different directions and the status of those proposals at deadline.

The governor, house of representatives and senate all propose the installation of a control board to run Springfield for at least the next three years. The mayor and city council president would serve on the board with three administration appointees, and the board would have complete control of all municipal operations. Because all decisions are by majority vote, the appointees control the decisions of the board. Other elected or appointed officials are limited to advisory roles.

Governor Romney's office first tried to deal with Springfield's lack of resources when the city's bond obligations could not be met in June and Wall Street rating agencies downgraded its bonds to junk status. In addition to the control board, the administration made a proposal for a \$20 million grant to the city, a \$30 million line of credit and \$2 million for control board funding. Collective bargaining and civil service statutes would be suspended.

The house, after considering the governor's plan, approved an alternative appropriation of the same \$52 million, this time as a loan. Union rights were not affected.

The senate acted last week and endorsed a loan of only \$32 million, at the same time opening the door to possible changes to city health insurance plans.

Each plan displeased city workers: the governor's because of suspended union protections; the house and senate because of loss of local control; the senate because of its insurance provision. The Springfield City Council tried to show that it did not need outside help when it attempted to cut the budget in the midst of the legislative debate. They identified cuts for July totaling well under \$200,000, a drop in the bucket when \$20 million must be removed.

If the city could repair itself without outside help, that would have been done. If the governor's plan had been adopted, the road back would be underway. As it is, the slide continues as Springfield overspends its resources every day.

I will support a bill that establishes a control board as soon as possible. The experiences of both Pittsfield (control board) and Chelsea (receiver) have been successful in keeping those cities from the failure of bankruptcy. The control board will be able to implement changes that are beyond the will of city officials. The changes may be difficult for the city, but more tolerable if we remember this fact. At best they will stabilize the city's finances and set it again on the right course. At worst, they will be too little, too late, and our city will go into receivership or even bankruptcy.

I'm pulling for Springfield.