

CITY OF NORTHAMPTON

MASSACHUSETTS

April 16, 2009

In City Council,

Upon recommendation of Mayor Mary Clare Higgins

Ordered, that

a special election be held in Northampton on June 16, 2009, and that the following question be placed on the ballot, pursuant to Mass General Laws Chapt. 59 §21c(g):

Shall the City of Northampton be allowed to assess an additional \$2,000,000 in real estate and personal property taxes for the purposes of funding the operating budgets of City Departments including Public Safety, Libraries, the School Department and Smith Vocational and Agricultural High School and to fund increases in property tax exemptions granted to qualifying seniors who meet certain age, whole estate or total assets, annual income, and residency requirements pursuant to M.G.L. Ch. 59 §.5 (41C) for the fiscal year beginning July first Two Thousand and Nine according to the following allocation: City Departments including Public Safety, Libraries, \$765,000; Smith Vocational and Agricultural School, \$180,000; School Department, \$1,000,000; M.G.L. Ch. 59 S.5 (41C) exemptions \$55,000.

Yes ____ No ____



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MEMORANDUM

To: Mayor Mary Clare Higgins and City Councilors
From: Chris Pile, Finance Director
CC: Wendy Mazza, City Clerk
Date: April 16, 2009
Re: Proposition 2 ½ Levy Limit Override Ballot Question

Proposition 2 ½ limits the amount of revenue a city or town may raise from local property taxes each year to fund municipal operations. This amount is known as the annual levy limit. However, the law allows a city or town to increase tax revenues above that limit with voter approval. Voter approval of a levy limit override under M.G.L. Ch. 59 §21C(g) increases the amount of revenue a community may raise from the property tax on a permanent basis. An override is designed to provide a community with the ability to generate sufficient revenues to fund costs that are likely to continue into the future, such as annual operating and fixed expenses, although it may be used to provide funds for any valid municipal spending purpose.

Proposition 2 ½ referenda questions are placed on an election ballot by majority vote of the "local appropriating body," which in a city is the City Council. The City Council must vote the question exactly as it will appear on the ballot. The usual laws and procedures related to municipal elections apply. The City Clerk must receive written notice of the referendum at least 35 days before the date of the election (G.L. Ch. 54 S. 42C).

All override questions require a statement of the purpose or purposes for which the additional monies will be used. The purpose used in the question must be a spending purpose. This means a purpose for which a community's appropriating body could vote to appropriate money. The spending purpose may be broad in scope, such as general or departmental operating purposes, or may be stated as a specific program or service.

Attached is an order for City Council consideration to place a Proposition 2 ½ levy limit override referendum question on a special municipal election ballot for an election to be held on June 16th. The City Solicitor has reviewed and approved the proposed wording. The referendum question is approved by voters if a majority of the people voting on that question vote "yes."