City Council

Finance Committee Meeting

~Final~

36 Court Street
Springfield, MA 01103
http://www.springfieldcityhall.com

Councilor Tinothy Allen (Chair)

November 12, 2025 | 3:00 PM | City Hall - Room 200

Special Finance/Real Estate Tax Classification/Real Estate Tax Ratio Committee

Call To Order

3:00 PM Meeting called to order on November 12, 2025, in Hybrid Room 200, 36 Court Street, Springfield, MA 01103.

Roll Call

In Person: Timothy Allen (Chair), Victor Davila, Patrick Burns, Wilfredo Lopez (L), Mark Howard, Cathy Buono, Ruth Stutts, Matthew Fontaine, Sacoy Malone, Melanie Masuets, The Republican.

Virtual: Jessica Guerra, Scot Wellington, Patrick Greenhalgh, Kateri Walsh, Gianna Berardi, Lindsay Hackett, Chris Fraser, Diana Szynal, Madison Woodard, John Collins, Evan (?), Zaida Govan, Tracye Whitfield.

Public Portion

1. FY26 Tax Rate Preliminary Information

1. Meeting Summary

The 2025 Tax Classification Committee held its first meeting to review the City of Springfield's tax classification process, discuss the upcoming fiscal year timeline, and begin evaluating tax-related concerns impacting residents and businesses.

Jessica Guerra from the Board of Assessors delivered an overview of the tax classification process, including assessment timelines, valuation methodologies, Proposition 2½ limits, and available tax exemptions and credits for various resident groups. Cathy Buono outlined the committee's composition and emphasized the need for broader community engagement in future meetings.

The committee also discussed concerns regarding rising property taxes, the limits of existing assistance programs, and the need for more comprehensive tax relief strategies. Councilor Whitfield proposed the formation of two ad hoc committees to review the city budget and streamline internal processes.

The next meeting is scheduled for **Tuesday, November 18, 2025, at 3:00 PM**, when the committee expects to review updated data and make preliminary decisions regarding FY26 tax rates, pending DOR certification.

2. Tax Classification & Budget Overview
Jessica Guerra provided an overview of the FY26 tax classification process:

- The city budget must be adopted by **July 1** each fiscal year.
- The FY26 budget was adopted on **May 29, 2025**.
- Springfield has approximately **45,979 taxable parcels**.
- The Board of Assessors determines full and fair cash values for all taxable real and personal property.
- DOR will certify values and new growth before the committee can finalize the tax rate.
- The "penny sheet," which outlines tax rate scenarios, will be available at the next meeting after certification.

Cathy Buono noted that Diana Szynal from the Chamber was absent and will need to be incorporated into future committee work. Diana Szynal arrived moments later.

3. DOR Assessment Process & Tax Shift
Jessica Guerra outlined key concepts in Springfield's property tax structure:

- Proposition 2½ restricts annual levy increases.
- The city currently uses the **maximum shift of 1.75** between residential and CIP (commercial, industrial, and personal property) classes, meaning no further tax burden can be shifted away from homeowners.
- Historic data shows a gradual shift in tax responsibility across property classes, helping lower the residential tax rate while maintaining the overall levy.

4. Tax Exemptions & Resident Assistance
Jessica Guerra reviewed exemptions and credits available to residents, including:

- Senior exemptions
- Veterans' exemptions
- Circuit Breaker Tax Credit
- Other statutory exemptions for qualifying populations

She agreed to prepare a fact sheet summarizing all available programs for committee members.

Jessica Guerra also discussed targeted tax relief for FY26, including a donation-supported fund for low-income elderly or disabled residents. The home rule petition related to this initiative is still pending.

Committee members noted that only **1,100 exemptions** were granted out of **26,531 single-family parcels** in FY25, underscoring concerns that current programs reach only a small portion of residents in need.

5. Property Tax Relief Discussion
Councilor Govan expressed concerns about rising property taxes and the burden on residents who do not qualify for existing relief programs. She stressed the need to expand support for low-income and middle-class homeowners, including retirees on fixed incomes.

She referenced recent press releases regarding veteran benefits and urged the committee to explore broader, more inclusive strategies to ease the tax burden on households.

Councilor Whitfield emphasized the need to examine the city's budget for potential savings to offset tax pressures.

6. Committee Actions & Next Steps
Action Items
Jessica Guerra

- Send a fact sheet/cheat sheet summarizing definitions and tax programs before the next meeting.
- Provide the number of new parcels added and the associated revenue generated.
- Provide documentation on maximum shift rates and relevant DOR regulations.
- Provide the number of residents using each discount/exemption program.
- Provide the number of exempt parcels that are non-profits.
- Provide information on PILOT (Payment in Lieu of Taxes) revenue from current agreements.
- With Cathy, provide the certified free cash amount before the tax rate is set, if available.

Cathy Buono

- Follow up with Councilor Davila regarding assessment-related policies and procedures.
- Provide the exact deadline for submitting the tax rate to DOR.

- Work with Councilor Whitfield's new ad hoc committee to review the budget.
- Meet with Steve Lonergan to gather information on tax title properties and update the committee on city-owned parcels with sale potential.
- Move forward with a smaller auction of buildable lots after the start of the new year.

Councilor Whitfield

- Form an ad hoc financial overview committee to review budget line items.
- Form an ad hoc committee to streamline city processes.
- Review departmental grants to ensure no funding opportunities are missed.

7. Next Meeting
Date: Tuesday, *November 18, 2025*
Time: 3:00 PM
Focus: Review certified values, new growth, tax rate options, and data provided by Jessica Guerra, Assessor, and Cathy Buono, CAFO.

[MIN_SIGNATURES]