

ARGUMENT AGAINST MEASURE ____

We are experiencing the worst pandemic of the past century, with no end in sight. The United States GDP shrank at a record 32.9% in the second quarter of 2020, the sharpest economic contraction in **history**. Estimates are that the economy will not recover completely until at least 2022.

In the first seven months of 2020, the volume of Piedmont home sales dropped by \$33,494,500, reducing transfer tax revenue by over \$435,000; annualized, the number would be almost \$750,000. Since properties are selling much more slowly, houses are staying on the assessor's rolls at Prop 13 values rather than being reassessed. This means that Piedmont won't see the usual increase in property taxes that has padded its coffers in years past. With almost 75% of its revenue coming from "Taxes and Fees", should Piedmont be taking on \$20 million of general obligation debt in the midst of fiscal uncertainty?

Moreover, while we do need new pool facilities, we have absolutely no idea when the health crisis will end, and people will actually feel they are able to safely use a public pool.

This is not the time to increase Piedmont's debt by \$20 million! To go out and borrow \$20 million at a time of complete uncertainty ranks somewhere between foolhardiness and fiscal insanity.

We do not have to commit to this project now. It is not a case of "if we don't do it now, we can never do it". Interest rates will remain low for the foreseeable future. Why are we rushing into this project at this time?

Let's wait a year and see if things return to normal. If they do, we will happily support a bond. But until we have clarity, we need to exercise fiscal responsibility and vote NO on this ill-timed measure.

The undersigned proponents or authors of the direct argument or opposed to Measure ____ at the General Municipal Election for the City of Piedmont to be held on November 3, 2020, hereby state that such argument is true and correct to the best of their knowledge and belief.

Signed: _____

Printed Name Andy Wasserman, Retired CFO

Date: August 13, 2020

Signed: _____

Printed Name Larry Miller, Certified Financial Planner

Date: August 13, 2020