

# Washburn Community Affairs 1940-1948—Government

10/6/11

During the war and immediate postwar years the affairs of the community—government, education, health, recreation, and so on—continued much as before. As usual, despite increased tax collections during the war and over \$100,000 received from the county, the city continued to teeter on the brink of financial insolvency. The customary emergency measures were taken—loans to pay “current and ordinary expenses,” along with reductions in expenses by foregoing, not only improvements, but even routine maintenance of the city’s deteriorating infrastructure. In May 1942, for example, because of the shortage of funds, the council decreed that “only the most necessary work would be taken care of,” while the work force was effectively reduced by half, by having the two halves of the force work alternating two week periods (that is, one half working while the other half was laid off). Another desperation measure adopted by the council was to demand that former relief recipients, who were employed, repay the city the amount of their benefits, going so far as to garnishee their checks. A storm of public protest forced the council to abandon the plan, the city returning the former relief recipients the money they had paid.

The Times closely followed the city’s financial situation, reporting budget figures, tax collection, and other facts, but not being



**Lars Larson**  
Guest Columnist

critical. In March 1946, however, it abandoned its neutral stance, charging “a ten-year record of excessive municipal spending, broken municipal budgets, and general mismanagement of municipal finances . . . for the past decade, during which Hans J. Thompson has occupied the office of mayor.” How about it, fellow citizens,” the Times concluded, “don’t you agree with us that IT’S TIME FOR A CHANGE!”

The man who came forward, “after repeated requests from many citizens,” to take up the Times’s challenge was Ernest H. Holman. He received the strong endorsement of the Times, which described him as a “young and vigorous man with ideas and ability.” Holman suggested small changes, so Washburn would “go forward instead of gradually backward,” including planting trees to beautify the city, resurfacing streets and avenues, advertising for small industries, promoting Memorial

Park as a tourist camp ground, encouraging interest in an airport, and providing a sheltered landing for small boats. These were not new ideas, having been advanced several times in the past, but Holman proposed to fulfill them by “working in harmony with the council . . . with the welfare of Washburn and its citizens always in mind.” Thompson said nothing publicly, but there was probably much “politicking” going on in his barbershop in the west end of the city. The Times, while detecting an “anti-Thompson trend” in the past two elections, predicted a close race, which indeed it was, with Holman winning by only 16 votes.

During Holman’s administration from April 1946 to April 1948, many of the changes he had suggested were achieved: the eastern section of Bayfield Street and many side streets were resurfaced with asphalt paving, an airport was constructed, two small industries were established, and many improvements were made in businesses along Bayfield Street. But the city’s financial condition, burdened with unexpected expenses, remained fragile. Money was borrowed to pay expenses, which were reduced with the usual expediency of eliminating all “unnecessary labor.” Council members were careful not to inconvenience themselves, however, defeating a proposal that they forego their meeting fees (\$2.50 a meeting), reportedly because “the sav-

ing effected by eliminating their wages would be so small it would not be worthwhile.”

In November 1946 the council raised the tax rate from 4% to 4.5% “to cover overdrafts during the year” due to the expense of pay increases for workers and teachers, repair of storm damage, and the purchase of two trucks, among other things. In a report in the Times, Mayor Holman elaborated on why the tax increase was necessary to keep the city financially solvent, noting that the root of the problem was the out-of-date low property valuations. While an article in the Times in August reported that the city assessment had substantially increased, the financial condition of the city remained in crisis into 1948. In early April a few days before the mayoralty election, the Times published another report by Mayor Holman, in which he defended his conduct of the city’s affairs. He said he had decided not to run for re-election because of his impression that “too many people seem to favor the old system which we had in power for such a long time,” but that he had been persuaded to change his mind by “people who are interested in how the city is run.” His impression that people preferred the “old system” was correct because he was defeated for re-election by former Mayor Hans Thompson.