



CITY OF NEW BEDFORD

JONATHAN F. MITCHELL, MAYOR

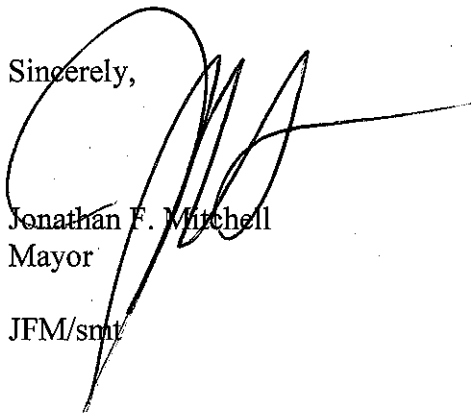
April 7, 2016

City Council President Linda Morad
Honorable Members of the City Council
133 William Street
New Bedford, MA 02740

Dear Council President Morad and Honorable Members of the City Council:

I am submitting for your approval an ORDINANCE amending Chapter 10, Finance, Article III, regarding demand fees for tax bills.

Sincerely,



Jonathan F. Mitchell
Mayor

JFM/smt



CITY OF NEW BEDFORD

In the Year Two Thousand and Sixteen

AN ORDINANCE

Amending Chapter 10, Finance; Taxation; Property

31- 509

Be it ordained by the City Council of the City of New Bedford as follows:—

SECTION 1. Chapter 10, Article III, Section 10-86, shall be struck in its entirety and the following shall be inserted in place thereof:

Sec. 10-86. - Tax bills.

After the delivery of the tax lists to the collector of taxes, the collector shall promptly issue tax bills, at the expense of the city, to each person assessed. Said tax bills shall, in addition to the other requirements of law, state the amount of personal property and real estate taxes. Except as otherwise provided by law, a notice of preliminary tax for real estate and personal property shall be sent out no later than July 1 of each year. The preliminary tax shall be due and payable in two (2) installments, the first installment due on August 1, the second installment on November 1, after which dates, if unpaid, they shall become delinquent and subject to interest as provided by the law.

The actual tax bill issued upon the establishment of the tax rate for the fiscal year, after credit is given for the preliminary tax payments previously made, and shall be due and payable in 2 installments, on February 1 and on May 1 respectively, after which dates, if unpaid, they shall become delinquent and subject to interest as provided by law.

After May 1, a demand notice for which thirty dollars (\$30.00) will be charged, will issue to each delinquent. Fourteen (14) days after the issuance of such demand notice the collector will proceed to collect such taxes and all legal costs, as provided by law. Such tax bill is a demand for said tax by the collector of taxes.

State Law reference—M.G.L.A. c. 59, § 57C.

M.G.L.A. c. 60 § 15

Section 2. Chapter 10, Article III, Section 10-87 shall be amended by striking "January 1" and replacing it with "May 1" so the section reads as follows:

Sec. 10-87. - Summons from collector when taxes not paid.

The collector of taxes may cause a summons to be served upon all persons whose taxes are not paid by May 1, for all sums then owing and due to city.

(Code 1963, § 4-119)

Section 3. Chapter 10, Article III, Section 10-90 shall be struck in its entirety and the following shall be inserted in place thereof:

Sec. 10-90. - Excise tax bills, motor vehicles and trailers.

Upon receipt of information relative to registration with respect to motor vehicles and trailers the local assessors shall issue a notice which shall be due and payable at the expiration of thirty days from the date upon which the notice was issued by the collector but failure to receive notice shall not affect the validity of the excise. If an excise remains unpaid after the due date, a demand notice for which thirty dollars (\$30.00) will be charged, will issue to the delinquent assessed party. Fourteen (14) days after the issuance of such demand notice the collector will proceed to collect such taxes and all legal costs according to law. Such tax bill is a demand for said tax by the collector of taxes.

State Law reference— M.G.L.A. c. 60A.

Section 4. The sections following Chapter 10, Article III, Section 10-90 shall be renumbered as follows:

Sec. 10-91. - Salary of the board of assessors.

The members of the board of assessors shall receive for all services an annual base rate of twenty thousand two hundred ninety-one dollars (\$20,291.00), and the chairman shall receive an annual base rate of twenty-seven thousand fifty-four dollars (\$27,054.00).

(Ord. of 12-15-94, § 1; Ord. of 9-11-97, § 1)

Sec. 10-92. - Administrative assistant to the board of assessors; duties, responsibilities.

There shall be an administrative assistant to the board of assessors who shall have charge and control of the assessing department, shall be devoted to the duties of the

department and shall have all the powers and perform all the duties of assessors of cities in accordance and in compliance with Massachusetts General Laws, except as otherwise provided herein, and in addition shall:

- (1) Coordinate, administer, and supervise all non-elected employees in the assessing department in the provision of all services and activities of such department.
- (2) Establish full and fair cash valuations and classifications of all property, real and personal, on an annual basis in conformity with the General Laws relating thereto.
- (3) Provide for the custody, control, confidentiality, and security of all documents, materials, records, or information, in whatever form, of the assessing department, including without limitation the records of the board of assessors.
- (4) Review every application for abatement or exemption of taxes and excises. The administrative assistant shall submit his/her recommendation in writing to the board of assessors for action thereon. Said board may grant or deny the abatement as recommended, or substitute another amount. If an application for abatement or exemption is not granted or denied as provided for above prior to the expiration of three (3) months from the date of filing such application, it shall be deemed to be denied for all purposes including those of M.G.L.A. c. 59, § 64.
- (5) Possess exclusive authority, subject to all general or special laws or local ordinances relating thereto, to initiate, negotiate and execute on behalf of the assessing department all contracts for goods and services relating to the assessing function of the city.
- (6) Conduct investigations and studies on all matters relating to the valuation, assessment, abatement and exemption of properties.
- (7) Make reports and recommendations to the board of assessors, mayor and city council concerning valuation, assessment, abatement and exemption policies to promote economy and efficiency in assessment administration.
- (8) Represent the city before judicial and administrative bodies on all matters related to the administration and enforcement of the duties and responsibilities of the assessing department.
- (9) Develop, implement and maintain uniform systems, controls and procedures, consistent with local ordinances and regulations or policies prescribed by the financial officers of the city, for all financial activities of the assessing department.
- (10) Develop and prepare a detailed, annual budget and spending plan for the assessing department.
- (11) Make rules with the approval of the city council and the mayor for the administration of the provisions contained in this section.
- (12) Possess such other powers and duties as the mayor and city council may, from time to time, direct.

- (13) The administrative assistant shall appoint all assistants and other employees necessary to carry out the work of the assessing department in accordance with the provisions of M.G.L.A. c. 31, and shall also report directly to the chief financial officer or mayor if there is no chief financial officer of the City of New Bedford.
- (14) The administrative assistant shall not approve any abatement in settlement or other disposition of a complaint filed by an aggrieved person with the Appellate Tax Board pursuant to M.G.L.A. c. 59, § 69, without first having submitted a recommendation to the board of assessors for their action thereon. The board may grant or deny the settlement or disposition as recommended or substitute another amount.

(Ord. of 8-22-06, § 1)

Sec. 10-93. - Appointment; term; qualification of administrative assistant.

The administrative assistant shall be a resident of the City of New Bedford, appointed by the mayor, with the approval of the city council, for a term of five (5) years. Said assistant shall have a bachelor's degree from an accredited four-year college or university with major course work in accounting, finance, business or public administration, economics, statistics, real estate, computer science, engineering or mathematics and not less than five (5) years of paid, full-time experience in the public or private sector where the primary task involved the assessment or appraisal of real property, two (2) years of which were in mass appraisal or assessment administration; provided, however, that possession of any one or more of the following certificates or memberships may be substituted for the bachelor's degree requirement: (1) Certified Massachusetts Assessor, (2) Certified Appraisal Evaluation, (3) Designated member of Society of Real Estate Appraisers, (4) Designated member of the American Institute of Real Estate Appraisers, or any other professional designations which qualify a candidate to perform the duties of administrative assistant. The provisions of this subsection may be waived by the mayor, with the approval of a two-thirds (2/3) vote of the city council, if the mayor determines that there is no reasonable expectation that qualified persons will be able and willing to accept appointment as administrative assistant; provided, however, that a waiver granted pursuant to this subsection must be renewed annually. If such waiver is not presented to the city council by the first regularly scheduled meeting of the city council in April, then such administrative assistant shall cease to hold office. The waiver provided for herein shall be granted for not more than three consecutive times to each person.

(Ord. of 8-22-06, § 1)

Sec. 10-94. - Department open.

The assessing department shall remain open to the public Monday through Friday during normal business hours except legal holidays.

(Ord. of 8-22-06, § 1)

Secs. 10-95—10-99. - Reserved.

Section 5. This ordinance shall take effect in accordance with the provisions of Chapter 43 of the General Laws.




OFFICE OF THE CFO

ARI J. SKY
CHIEF FINANCIAL OFFICER

CITY OF NEW BEDFORD

JONATHAN F. MITCHELL, MAYOR

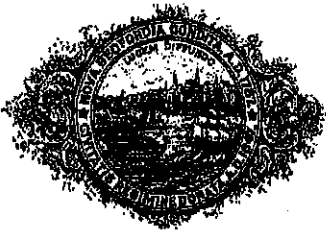
April 4, 2016

TO: Mayor Jon Mitchell
FROM: Ari J. Sky 
SUBJECT: Demand Fees Proposal

Please find attached a proposal to increase demand fees on real estate, personal property and excise tax bills. Demand fees are applied when the Treasurer's Office issues a second billing on a delinquent account. The current fee, which is \$5, has not been increased since at least 1990, and falls far short of offsetting the cost of administering a delinquent account.

Since 2008, Massachusetts General Law has authorized localities to assess a demand fee of up to \$30 for delinquent accounts. The implementation of a \$30 fee would serve to defray administration costs and provide a significant deterrent against ongoing delinquencies. I respectfully request that you and the City Council consider the attached amendment to the Code Ordinances to increase the demand fee to \$30.

Thank you for your consideration.



R. Renee Fernandes
Treasurer/Collector

CITY OF NEW BEDFORD

MASSACHUSETTS

OFFICE OF THE TREASURER

Mark P. Fuller
Assistant Treasurer

Blair S. Bailey
Tax Title Attorney

March 29, 2016

Honorable Mayor Jon Mitchell
133 William Street, 3rd Floor
New Bedford, MA 02740

Dear Mayor Mitchell:

I am respectfully submitting a Proposal to Increase Demand Fees on Real Estate, Personal Property and Excise Tax Bills to become effective upon approval of the City Council. The City has never increased fees on delinquent tax bills, although the cost of collection and lost revenue has impacted the city's finances negatively. In July, 2008, the Legislature made changes to Chapter 60, Section 15 of the general law that allows for increased demand fees up to \$30.

The demand increase would require an ordinance change and I have worked with the Solicitor's office to re-write City Ordinance 10-86 (Tax Bills) and 10-90 (Excise Tax) to reflect the quarterly tax payment schedule that was adopted in 1999 and the increase fee for delinquent payments.

Should you have any questions or require additional information, please don't hesitate to contact me. Thank you for your consideration.

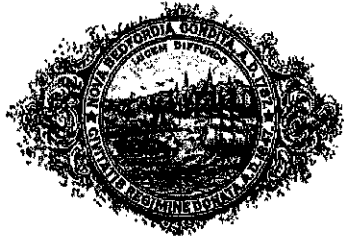
Sincerely,

A handwritten signature in black ink, appearing to read "R. Renee Fernandes", is written over a horizontal line.

R. Renee Fernandes
Treasurer-Collector

/rrf

enc(s)



CITY OF NEW BEDFORD

MASSACHUSETTS

OFFICE OF THE TREASURER

R. Renee Fernandes
Treasurer/Collector

Mark P. Fuller
Assistant Treasurer

Blair S. Bailey
Tax Title Attorney

PROPOSAL TO INCREASE DEMAND FEES ON REAL ESTATE, PERSONAL PROPERTY AND EXCISE TAX BILLS

The City of New Bedford is dependent on the timely payment of all taxes and assessments in order to maintain a healthy cash flow and enable that all charges against the City be paid in a timely manner. Budgets and pay cycles are predicated on receipt of payments due the City within 30 days of the billing. Delinquent taxpayers place stress on the city budget by altering the expected cash flow. Additionally, delinquent taxpayers create additional costs to the City in the form of subsequent billings, mailing costs, employee resources and attorney/court fees.

Staff proposes an increase in demand fees for real estate, personal property (\$30) and excise tax (\$30).

OBJECTIVE.

Defray the cost of printing and postage for 2nd billing to delinquent taxpayers and subordinate the loss in revenue and investment earning potential from the untimely payment of tax obligations.

AUTHORITY.

Legislation enacted in July, 2008, located in the outside section 15 of MGL c 60; § 15. Legislation allows for demand fees to be increased from \$5 up to \$30.

City of New Bedford ordinance Sec 10-86 (Tax Bills) legislates the demand fees for real estate and personal property. Excise tax demand fees are handled in the same manner as increases to other fees and are addressed in the city ordinance Sec 10-90.

HISTORY.

	2016 Budget	2016 Projected	2015 Actual	2014 Actual	2013 Actual
Real Estate	13,500	68,000	13,540	11,350	11,975
Pers Prop	1,700	2,800	625	470	1,175
Excise Tax	100,000	500,000	98,580	83,155	83,345
TOTAL	115,200	570,800	112,745	94,975	96,495

SCHEDULE OF DEMAND FEES FOR SELECT MASSACHUSETTS COMMUNITIES

COMMUNITY		REAL ESTATE	PERSONAL PROPERTY	MOTOR VEHICLE EXCISE
BROCKTON	2010	30.00	30.00	30.00
FAIRHAVEN	2008	30.00	30.00	30.00
HAVERHILL		30.00	30.00	30.00
LAWRENCE		30.00	30.00	30.00
SOMERVILLE		30.00	30.00	30.00
SPRINGFIELD	2016	30.00	30.00	30.00
WESTPORT	2012	30.00	30.00	30.00
BRAINTREE	2012	25.00	25.00	25.00
TAUNTON	2009	25.00	25.00	25.00
DARTMOUTH	2008	20.00	20.00	20.00
ACUSHNET	2009	15.00	15.00	15.00
FITCHBURG	2012	15.00	15.00	15.00
MATTAPOISETT	2010	15.00	15.00	15.00
WAREHAM	2009	15.00	15.00	15.00
FALL RIVER	2014	10.00	10.00	10.00
MARION	2010	10.00	10.00	10.00
BOSTON	NO CHANGE	5.00	5.00	5.00
CAMBRIDGE	NO CHANGE	5.00	5.00	5.00
QUINCY	NO CHANGE	5.00	5.00	5.00
WORCESTER	NO CHANGE	5.00	5.00	5.00



PART I ADMINISTRATION OF THE GOVERNMENT
TITLE IX TAXATION
CHAPTER 60 COLLECTION OF LOCAL TAXES
Section 15 Fees of collector

Section 15. The following interest, charges and fees, and no other, when accrued, shall severally be added to the amount of the tax and collected as a part thereof:

1. For interest, as provided by law;
2. For each written demand provided for by law, not more than \$30;
3. For preparing advertisement of sale or taking, \$10 for each parcel of real estate included in the advertisement and the necessary legal fees for search of title;
4. For advertisement of sale or taking in newspaper, the cost thereof;
5. For posting notices of sale or taking, \$5 for each parcel or real estate included in the notice;
6. For affidavit, \$10 for each parcel of land included therein;
7. For recording affidavit, the cost thereof;
8. For preparing deed or instrument of taking, \$10;
9. For the issuance and delivery of a warrant to an officer, \$10;
10. For notice by mail or other means to the delinquent that warrant to collect has been issued, \$12;
11. For exhibiting a warrant to collect or delivering a copy thereof to the delinquent or his representative or leaving it at his last and usual place of abode or of business, and without distraint or arrest, \$17.
12. For distraining goods of the delinquent, \$10 and the necessary cost thereof;