



*City of New Bedford*  
COMMUNITY PRESERVATION COMMITTEE

JONATHAN F. MITCHELL  
MAYOR

June 2, 2017

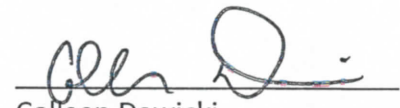
City Council President Joseph P. Lopes, and  
Honorable Members of the City Council  
133 William Street  
New Bedford, MA 02740

Dear Council President Joseph P. Lopes and Honorable Members of the City Council:

We respectfully submit for your consideration the CPA annual budgets for FY2016, FY2017 and FY2018 to appropriate or reserve from the **Community Preservation Fund** annual revenues in the amounts recommended by the Community Preservation Committee for committee administrative expenses, community preservation projects and other expenses in fiscal years 2016, 2017, and 2018, with each item to be considered a separate appropriation.

Sincerely,

  
Janine da Silva  
Co-Chair

  
Colleen Dawicki  
Co-Chair

CITY CLERK OFFICE  
NEW BEDFORD, MA  
2017 JUN - 2 2 03 21 8  
CITY CLERK



**JONATHAN F. MITCHELL**  
**MAYOR**

*City of New Bedford*  
**COMMUNITY PRESERVATION COMMITTEE**

**June 2, 2017**

**COMMUNITY PRESERVATION COMMITTEE FINANCIAL REPORT**

**INTRODUCTION:**

New Bedford voters adopted the Community Preservation Act (CPA) through a ballot question in November 2014. New Bedford elected to fund the CPA account through a 1.5% surcharge on annual tax assessments and established a Community Preservation Committee in 2016. The City began collecting surcharge revenue on the 2016 tax bills and will continue collection on a quarterly basis. There are two surcharge exemptions available:

- The first \$100,000 of taxable value of residential and commercial properties.
- Residential property owned and occupied by any person who qualifies for low income housing or low to moderate income senior housing.

The collection of CPA surcharges began with Fiscal Year 2016 (July 1, 2015 – June 30, 2016) and the State matching fund was distributed in November 2016.

Each year, the Community Preservation Committee (CPC) has to recommend an Annual Budget to the New Bedford City Council for their vote to reserve funding for the Community Preservation Fund. The CPC has not recommended any funding to date, and this report details the recommended amounts to be reserved and appropriated for FY 2016, 2017 and 2018.

The CPA has two primary funding sources, Tax Surcharge Receipts and the State Community Preservation Fund match. Funding will be reserved and/or appropriated into the Fund Balance.

## **SOURCES OF AVAILABLE FUNDS**

### **Tax Surcharge Receipts**

New Bedford residential and commercial property owners are currently billed a 1.5% surcharge on property taxes after the first \$100,000 valuation, as a result of city-wide vote accepting CPA. In FY 2016, New Bedford received \$854,863 in property tax surcharges dedicated to CPA. In FY 2017, New Bedford is estimated to receive \$888,611. In FY 2018, New Bedford is estimated to receive \$900,000.

### **State Community Preservation Fund**

Communities do not receive a distribution from the Massachusetts Community Preservation Fund for their first year participating in the program. New Bedford received a distribution from the Massachusetts Community Preservation Fund in November, 2016 (FY 2017) in the amount of \$175,904, representing a 20.60% match to local collections. New Bedford is estimated to receive \$133,300 in FY 2018, based on the Department of Revenue's projection of a 15% match from the Community Preservation Trust Fund.

### **Fund Balances**

State law mandates that, annually, at least 10% of surcharges plus state distribution funds be spent on actual projects, or be allocated for future projects in three specific CPA reserves; Community Housing, Open Space, and Historic Resources. The remainder of the funds, minus funds allocated for administrative expenses, is placed in a Budgeted Reserve fund, which can only be used for projects in these three areas and/or qualifying recreational projects.

## FY16 CPA ANNUAL BUDGET SUBMITTAL

The Community Preservation Committee recommends the following Community Preservation Fund Budget, which is based on local revenues only, to the New Bedford City Council for their vote to appropriate or reserve from the Community Preservation Fund annual revenues for community preservation projects and other expenses in fiscal year 2016, with each item to be considered a separate appropriation:

<b>COMMUNITY PRESERVATION ACT FUND FY16 BUDGET</b>	
<b>FY 16 REVENUE</b>	
LOCAL SURCHARGE (1.5% of real estate tax levy)	\$854,863
STATE MATCH (based on previous year's local revenue)	0
INTEREST	\$3,441
<b>TOTAL REVENUE</b>	<b>\$858,304</b>
<b>FY16 APPROPRIATIONS &amp; RESERVES</b>	
PROGRAM ADMINISTRATION (5% of estimated revenue)	0
HISTORIC RESOURCES RESERVE (10% of estimated revenue)	-\$85,830
COMMUNITY HOUSING RESERVE (10% of estimated revenue)	-\$85,830
OPEN SPACE & RECREATION RESERVE (10% of estimated revenue)	-\$85,830
BUDGETED RESERVE (70% of estimated revenue)	-\$600,814
<b>TOTAL</b>	<b>\$858,304</b>

The Committee seeks an affirmative vote on the Total Reserves of \$858,304.

## FY17 CPA ANNUAL BUDGET SUBMITTAL

The Community Preservation Committee recommends the following Community Preservation Fund Budget, which is based on local annual revenues of \$888,611, and the State of Massachusetts match of \$175,904 to the New Bedford City Council for their vote to appropriate or reserve from the Community Preservation Fund annual revenues for community preservation projects and other expenses in fiscal year 2017, with each item to be considered a separate appropriation:

<b>COMMUNITY PRESERVATION ACT FUND FY17 BUDGET</b>	
<b>FY 17 REVENUE</b>	
LOCAL SURCHARGE (1.5% of real estate tax levy)	\$888,611
STATE MATCH (based on previous year's local revenue)	\$175,904
INTEREST (estimated)	\$3500
<b>TOTAL REVENUE</b>	<b>\$1,068,015</b>
<b>FY17 APPROPRIATIONS &amp; RESERVES</b>	
PROGRAM ADMINISTRATION (5% of estimated revenue)	0
HISTORIC RESOURCES RESERVE (10% of estimated revenue)	-\$106,801
COMMUNITY HOUSING RESERVE (10% of estimated revenue)	-\$106,801
OPEN SPACE & RECREATION RESERVE (10% of estimated revenue)	-\$106,801
BUDGETED RESERVE (70% of estimated revenue)	-\$747,612
<b>TOTAL</b>	<b>\$1,068,015</b>

The Committee seeks an affirmative vote on the Total Reserves of \$1,068,015.

## FY18 CPA ANNUAL BUDGET SUBMITTAL

The Community Preservation Committee recommends the following Community Preservation Fund Annual Revenues, which is based on estimated local annual revenues of \$900,000, and estimated State of Massachusetts match of \$133,500 to the New Bedford City Council for their vote to appropriate or reserve from the Community Preservation Fund annual revenues for the committee administrative expenses, community preservation projects and other expenses in fiscal year 2018, with each item to be considered a separate appropriation:

<b>COMMUNITY PRESERVATION ACT FUND FY18 BUDGET</b>	
<b>FY 18 REVENUE ESTIMATED</b>	
LOCAL SURCHARGE (1.5% of real estate tax levy)	\$900,000
STATE MATCH (based on previous year's local revenue)	\$133,500
INTEREST	\$3600
<b>TOTAL REVENUE</b>	<b>\$1,037,100</b>
<b>FY18 APPROPRIATIONS &amp; RESERVES</b>	
PROGRAM ADMINISTRATION (5% of estimated revenue)	-\$51,855
Printing	\$ 5,500
Marketing, Advertisement, Website	\$ 3,500
Public Meeting logistics	\$ 3,000
Consultants, Surveys	\$ 39,855
HISTORIC RESOURCES RESERVE (10% of estimated revenue)	-\$103,710
COMMUNITY HOUSING RESERVE (10% of estimated revenue)	-\$103,710
OPEN SPACE & RECREATION RESERVE (10% of estimated revenue)	-\$103,710
BUDGETED RESERVE (65% of estimated revenue)	-\$674,115
<b>TOTAL</b>	<b>\$1,037,100</b>

The Committee seeks an affirmative vote on the Total Appropriations of \$51,855.

The Committee seeks an affirmative vote on the Total Reserves of \$985,245.

**TOTAL CPA FUNDING**

CPA AVAILABLE FUNDS			
	FY16	FY17	FY18 ESTIMATED
<b>REVENUE</b>			
LOCAL SURCHARGE	\$854,863	\$888,611	\$900,000
STATE MATCH	0	\$175,904	\$133,500
INTEREST	\$3441	\$3500	\$3600
FUND BALANCE FORWARDED		\$858,034	\$1,926,319
<b>TOTAL REVENUE</b>	<b>\$858,304</b>	<b>\$1,926,319</b>	<b>\$2,963,419</b>
<b>EXPENDITURES</b>			
PROGRAM ADMINISTRATION (5% of estimated revenue)	0	0	-\$51,855

CPA FY18 ANTICIPATED FUNDS	HISTORIC RESOURCES	HOUSING	OPEN SPACE/ RECREATION
<b>RESTRICTED</b>			
FUND BALANCES (unspent previous years)			
FY 16 BUDGET RESERVES	\$85,830	\$85,830	\$85,830
FY 17 BUDGET RESERVES	\$106,801	\$106,801	\$106,801
FY18 BUDGET RESERVES (estimated)	\$103,710	\$103,710	\$103,710
<b>TOTALS</b>	<b>\$296,341</b>	<b>\$296,341</b>	<b>\$296,341</b>
<b>UNRESTRICTED</b>			
FY16 BUDGETED RESERVE		\$600,814	
FY17 BUDGETED RESERVE		\$747,612	
FY18 BUDGETED RESERVE		\$674,115	
<b>TOTAL</b>		<b>\$2,022,541</b>	