

Shutesbury Community Preservation
Town Meeting Presentation
May 7, 2011

Good Morning

My name is DF, Chair of Shutesbury's Community Preservation Committee

I am going to briefly provide a review the Community Preservation program, an overview of our three budget warrant articles, and the Community Preservation Committee's unanimous recommendation that Town Meeting fund Shutesbury's first Community Preservation project.

The **Community Preservation Act** became law in Mass in 2001. It added a \$20 fee for deed filings. Those fees go into a State Trust fund that 'match' Shutesbury joined the Community Preservation program in 2009 with passage of a By-law that added a 1 ½ % surcharge onto our property tax bills, exempting the first \$100,000 of valuation and exempting low income residents. Towns may add a surcharge of between 1 and 3 %. If Town's surcharge is 3% then the state Trust fund matches 100% of the surcharge.

If the surcharge is less than 3%, Towns receive get a smaller % match based on how much money was collected into the trust fund. As more towns have joined the Community Preservation Program the % match from the Trust fund has declined from 100% to only 25% next FY.

147 of the 351 Massachusetts Towns have joined the CP program, although mostg surrounding towns are CP members. The CPAct requires that Towns transfer 10% of its estimated annual CP revenue to each of three designated accounts – Open Space, Historical Resources, and Community Housing.

Shutesbury's by-law created our Community Preservation Committee with nine members. Seven represent groups in Town with strong interest in what we recommend – Planning, Finance, Open Space, Historical Commission, Conservation, Recreation, Housing and two at large members. I want to publicly thank the members joining me on the CPC this year – Leslie Bracebridge, Sue Essig, Rita Farrell, Susanne Personette, Bill Wells, Al Springer, and Don Wasoluk.

The State's Community Preservation Act imposes strict requirements on CPCs. It also grants a strong role to the Community Preservation Committee to make recommendations to the Town's legislative body, Town Meeting, about how to spend the Town's Community Preservation Funds. Ultimately only Town Meeting can approve funding for Community Preservation Projects. However, Town Meeting may only vote on the recommendation made by Shutesbury's Community Preservation Committee.

This year the Community Preservation Committee is recommending funding of Shutesbury's first Community Preservation proposed project. Since last Town Meeting

we've done a lot of work. We gathered input from all Town Boards, from two public hearings, and by reviewing existing Town Plans. Based on that input we wrote guidelines for each of the designated funds, we developed an application process and forms and wrote the Town's Community Preservation Plan. If interested in more information, those documents are all on the Town's website.

Today, the CPC is recommending that Town Meeting vote and approve four warrant articles.

The first three – Warrant Article #3, 4 and 5 get the CP money in the right places.

A Community Preservation handout has been prepared on green paper – to help people understand where these numbers come from.

Remember, there are two basic sources of Annual Revenue for the Community Preservation Fund each year: the property tax surcharge and the Trust Fund Match. The Community Preservation Act requires that each year we allocate 10% of the estimated Annual Revenue into each of the three funds.

On the back side of the CPC green handout there is a breakdown of Shutesbury's annual revenue for each of the three years Shutesbury has been a member of the state's CP program. I have highlighted four numbers that I want to bring to your attention and explain.

In the middle of the page a line is bolded that say Total Community Preservation Fund is expected to be \$124,000. The top half of the page shows the annual revenue for each of the three years. The Property tax surcharge has averaged about \$34,000 each year. There is no state match during the first year of membership in Community Preservation program. The state match has declined a bit each year as more towns have joined the CP program.

Warrant Article 3 basically corrects the vote that we recommended last year. We were still quite new and trying to figure this all out and mistakenly recommended 10% of just the estimated property tax surcharge amount which was \$35,000. So, last year town meeting transferred \$3,500 to each of the three accounts in stead of \$4,396.

Warrant Articles 4 and 5 are the standard annual budget warrants. You can see where the numbers come from in the column of numbers at the bottom of the page. The Town is obligated to designate 10% of next year's estimated revenues into each of the three designated accounts. The Community Preservation Committee is recommending that the Town Meeting also appropriate 5% for expenses of the Community Preservation Committee and the remaining 65% into a budgetary reserve. You see that the five numbers total \$43,750 which is what we estimate the Community Preservation revenue for Fiscal Year 2012.

The recommendation of 5% to appropriate for CPC expenses and the 65% to the budgetary reserve are recommended best practices by the Community Preservation Coalition. These votes maximize flexibility for the Town. For example, Warrant Article 5 appropriates 5% of next years estimated revenues vote allows the Community Preservation Committee to spend up to that amount if needed. There are potential proposals that could require the CPC to spend up to this amount for legal notices and other required expenses. If we do not vote the 5% now the Town would have to schedule a special town meeting during the year, The CPC has no intention on spending this money unless we are required to do so. Last year we recommended that \$1750 be appropriated for this purpose. The CPC spend less than \$400.

Transferring \$28,438 to a budgetary reserve basically allows Town Meeting to spend that money next year if Town Meeting decides it should do so. If Town Meeting does not transfer these funds into a budgetary reserve then they will not be available to us until after June 30, 2012 - if we needed them. If a proposal comes forward during 2012 that the CPC recommends and Town Meeting approves we would have to borrow funds because we had not placed the estimated revenues into a budgetary reserve.

By voting to approve Warrant Articles 3, 4, and 5 Town Meeting will put Community Preservation Funds as legally required and to transfer funds that give Town Meeting the most flexibility. Remember only Town Meeting, Shutesbury's legislative body can approve funding of Community Preservation projects.

Warrant Article 6 is the Community Preservation Committee's first recommendation to Town Meeting to fund a Community Preservation project. The members of the Community Preservation Committee voted unanimously in making this recommendation. In fact we were pleased with the first proposal for Community Preservation funding. Shutesbury's Historical Commission has requested funding to repair the decayed sills of the only Town owned one room school house in Shutesbury. The West Schoolhouse has been broadly documented by the Historic Commission and external experts, as one of Shutesbury's most important historical resources. The West Schoolhouse meets all the criteria as a _____ and qualifies for registry of _____.

The work will involve repairing or replacing the buildings sills on at least three sides. The Town Building Committee has the expertise and experience to oversee this project. They have determined the specifications for the project.

Decaying sills only get worse. Without the Community Preservation Fund we believe that Shutesbury would have eventually replaced the decayed sills rather than allow this irreplaceable treasure to be ruined. The current fiscal environment is very tight and its very likely that without the Community Preservation Fund this repair work would likely be delayed and end up costing tax payers more.

In addition, the Community Preservation Committee's guidelines encourage those that apply for funds to identify and secure private funds and volunteer contributions. The Historical Commission's proposal includes \$5,000 of private donations, equal to 1/3 of what is requested from the Community Preservation Fund, and 10% from volunteer sweat equity.

Also, and just as important, the Historical Commission proposal has broad support throughout the Town. Letters of support were submitted from several town boards. The Shutesbury Building Committee has also agreed to oversee the implementation of the project.

**Community Preservation Committee
May 7, 2011 Town Meeting**

Overview: West Schoolhouse Sills Project

Sponsor: Shutesbury Historical Commission

Goal: Preserve and protect Shutesbury's one remaining Town owned 1-room schoolhouse, West Schoolhouse built in 1842 by replacing its rotted sill, stabilizing the foundation stones, and repainting.

Cost: \$20,000 Total
\$15,000 requested from Community Preservation Fund
\$ 5,000 matching funds

In kind: \$1,275 building and site preparation –completed
\$TBD site work/landscaping following repairs

Project Management: Shutesbury Building Committee

Note: The West Schoolhouse is eligible for the National Register of Historic Places as according to expert, Margaret Heplar, “illustrates in detail the setting in which generations of Shutesbury Children received, in many cases, their only instruction. The West Schoolhouse possesses integrity of location, design, materials, workmanship, feeling and association.”

Recommendation: The Shutesbury Community Preservation Committee voted unanimously to recommend that Shutesbury Town Meeting approve \$15,000 of Community Preservation funds for the West Schoolhouse Sills Project as proposed.