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CITY & TOWN

Frederick A. Laskey, Commissioner
Joseph J. Chessey, Jr., Deputy Commissioner

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Y2K — Business As Usual

written by David Davies

When midnight struck on Friday, December 31, 1999, many local officials were not out celebrating. Despite widespread predictions that local government would be among the least prepared for potential Y2K problems, local officials took the issue very seriously. When the fireworks erupted, many municipal managers were on duty in the final phase of maintaining "business as usual" into the year 2000. At midnight in Princeton, for example, town administrative and emergency personnel checked basic systems and by 12:06 a.m. had faxed a Millennium Rollover Weekend checklist into the Division of Local Services (DLS). Other communities did likewise in the early morning hours and throughout Saturday, January 1.

Local Services began its outreach role on Year 2000 preparedness over two years ago. At that time the emphasis was on speaking to associations of municipal officials, and distributing publications to raise the consciousness of managers that this issue needed their early active involvement. In August 1998, Deputy Commissioner Joseph J. Chessey Jr. requested municipal Y2K status reports during the tax rate setting process, and all cities and towns complied. The resulting data was the first comprehensive snapshot of local readiness efforts and what remained to be done. At about the same time, the Secretary of Administration and Finance was concerned that smaller communities might lack the staff or resources to pinpoint their vulnerabilities and plan for remediation. As a result, the Commonwealth's Information Technology Division (ITD) contracted with DLS to provide outreach assistance to the smallest communities. Subsequently, the Legislature asked ITD and DLS to expand the program to communities with up to 20,000 population. (Analysis had shown that most communities over that size had professional information technology staff.) Various municipal groups, especially the Massachusetts Municipal Association, assisted in this effort.

By the program's conclusion, 93 of 119 communities under 5,000 population (78 percent) had asked for and received assistance in conducting an inventory and analyzing hardware, software, devices, and services that might be vulnerable to Y2K errors or disruptions. In the 5,000 to 20,000 population group, 85 of 150 communities (57 percent) signed up for assistance. In summary, more than 50 percent of all communities in the state participated, with 66 percent of all eligible communities taking part in the program. Various cities and towns that declined assistance had aggressive and successful readiness programs underway, so choosing to rely on municipal resources did not necessarily indicate lack of commitment or preparedness. As part of the outreach program, DLS issued two reports for each municipality: a preliminary report highlighting potential issues while communities still had time to make changes or question vendors, and a final report that detailed compliance information.

Local Services developed a Y2K Clearinghouse website to serve a number of purposes. It allowed local officials and taxpayers to understand the details of local compliance efforts. When information on a product or service became available, DLS immediately shared it with others. The website enabled DLS to efficiently employ contractors, interns, and DLS staff to build and implement a database system without their being in one location. If they could access the Internet, they could input their information. The resulting database and website pages generated the reports, forms, model documents, and analysis needed at the local level. Since municipal departments tend to rely on the same vendors and products, all communities could benefit from information gathered from communities receiving DLS assistance. Hundreds of vendors and over 10,000 products and, whenever possible, the Y2K compliance sources were included in the database.

In August 1999, Deputy Commissioner Chessey again asked for a current Y2K status report as part of the tax rate setting process. At year's end 225 communities indicated that all systems would be ready by December 31. Many said contingency plans were in place, and included copies. Even with these assurances, local governments

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LEGAL

in Our Opinion

Encroachment and Property Rights

This year the Appeals Court resolved a dispute between two adjacent landowners in the North End of Boston. The plaintiff claimed the defendant's structure encroached on the courtyard of his property. The case is *Capodilupo v. Vozzella*[1] The plaintiff owned a parcel of registered land that was improved by a five-story brick building. His next door neighbor, Mr. Vozzella, owned a one-story building whose corner walls encroached by about four inches on the plaintiff's lot. The plaintiff initially brought suit in the Land Court and requested the court to order the removal of the offending structure. The defendant claimed the encroachment, if any existed, was trivial in nature and the Land Court should not grant the extreme remedy of removal. When the Land Court ordered removal, the defendant immediately appealed.

The Appeals Court reviewed the law on encroachment. Generally, where a land survey confirms that some structure encroaches on a plaintiff's parcel, a court will grant the injunctive relief of removal. Courts recognize that property rights are paramount and, ordinarily, will demand removal even where the encroachment was unintentional. A court will grant an injunction even if the cost of removal is very high compared to the injury suffered by the property owner whose lot is affected by the encroachment. In extraordinary cases, however, courts have denied injunctive relief and limited plaintiffs to monetary damages. Under rare circumstances, courts have ordered the remedy of damages where the encroachment was made innocently and the cost of removal would be disproportionate to a claimant's harm, or where the rights of the owner could be protected to a significant extent without the need for an injunction.

The defendant, in the case at hand, claimed that his situation did not justify the extreme remedy of removal since the encroachment was very slight. The defendant cited several cases where the Supreme Judicial Court did not order removal. In *Tramonte v. Colarusso*,[2] a brick wall at the third-story on the defendant's land overhung the plaintiff's land about one quarter of an inch. The court ruled that the encroachment was unintentional and so trivial that the plaintiff was entitled only to nominal damages. Then, in *Loughlin v. Wright Machine Company*,[3] the plaintiff owned a six-inch strip of land under which the defendant's sewer pipes ran. The court found that the pipes did not interfere with the plaintiff's use of the surface. In the court's view, the trespass was unintentional and insignificant, and the court awarded only nominal damages to the plaintiff. Later, in *Triulzi v. Costa*,[4] the court found that bricks in the defendant's wall projected a few inches into the abutting wall of the plaintiff. Injunctive relief was denied since there was no injury to the plaintiff. Instead of ordering the removal of the encroaching wall, the court held the plaintiff should receive only nominal damages.

In *Capodilupo*, however, the plaintiff owned registered land. Under the land registration system, there was greater protection from any unrecorded and unregistered liens. Furthermore, there could be no adverse possession by the defendant in conjunction with the plaintiff's registered land.[5] The plaintiff's certificate of title did not indicate that the defendant had any rights in the parcel. The plaintiff, therefore, urged the Appeals Court not to permit the encroachment to continue since it would amount to an encumbrance on his title.

The plaintiff relied on the recent case of *Feinzig v. Ficksman*,[6] where the Appeals Court found a driveway and a retaining wall had encroached on a 195 square foot portion of the Ficksman parcel. Both parcels were registered land. The Appeals Court ordered removal even though necessary access to a garage was thereby denied. The Appeals Court reasoned that the encroachment was significant. In *Feinzig*, the Appeals Court had relied on the then recent decision of *Goulding v. Cook*.[7] Reversing the Appeals Court, the Supreme Judicial Court had ordered Cook to remove a septic system, which encroached on about a 3,000 square foot portion of the plaintiff's lot. While sympathetic to Cook, who had no alternative site for the septic system and believed in good faith he owned the affected land, the Supreme Judicial Court held that the septic system must be removed since it was permanent and spatially significant. Permitting the encroachment to continue would be tantamount to allowing private eminent domain.

In *Capodilupo*, however, the Appeals Court refused to issue an injunction. The Appeals Court noted that the encroachment onto the plaintiff's courtyard where trash receptacles were stored did not deny to the plaintiff any beneficial use of the land. Also, removal of the encroaching walls would render the defendant's house unsafe. Accordingly, the Appeals Court held that removal was not legally required where the encroachment was trivial, notwithstanding that the affected land was registered. ■

written by James Crowley

1. 46 Mass. App. 224 (1999).
2. 256 Mass. 299 (1926).
3. 273 Mass. 310 (1930).
4. 296 Mass. 24 (1936).
5. M.G.L. Ch. 185 § 53.
6. 42 Mass. App. 113 (1997).
7. 422 Mass. 276 (1996).

FOCUS on Municipal Finance

FY1998 Municipal Spending

Has municipal spending increased with the strong economy in Massachusetts? This article compares FY1998 general fund expenditures with those of FY1997 and also looks at trends from FY1990 to FY1998. General fund expenditures increased by 5.3 percent from FY1997 to FY1998, quite a bit more than the 3.7 percent increase from FY1996 to FY1997. From FY1990 to FY1998, the total annual expenditures increased by 31.2 percent, while inflation over the same period was 23.9 percent.

When analyzed by category, it appears that several categories that had been decreasing throughout the 1990s received substantial increases in FY1998. Health and welfare increased the most,[1] however, in the period from FY1990 to FY1998 spending for health and welfare had decreased by 44.9 percent. Most of the decrease has occurred because of communities (most notably Boston, Springfield and Worcester) divesting from municipal hospitals. As a percent of total spending, health and welfare has decreased from 4.2 percent in FY1990 to 1.8 percent in FY1998. Another category with a large increase from FY1997 to FY1998 is debt service (8.2 percent). Spending for this category increased by 27.3 percent over the eight-year period, but has remained at about 6 percent of total spending from FY1990. Another unusually large increase occurred in fire, an increase of 7.6 percent. The increase over the eight-year period was 26 percent. As a percent of the total spending, fire has remained at approximately 6 percent. General government also had a large increase in spending in FY1998 (7.0 percent). However, over the eight-year period spending for this category increased only 21.5 percent. General government as a percent of total spending decreased from 5.5 percent in FY1990 to 5.1 percent in FY1998. Spending in the other public safety category (emergency medical services, inspectional services, dog officer, etc.) increased by 5 percent over FY1997 but actually decreased by 2.1 percent from FY1990 to FY1998. Spending for this category was 1.7 percent of the total budget in FY1990 and decreased to 1.3 percent by FY1998.

As might be expected with the increased state funding as well as increases in required local spending under Education Reform, spending for education increased by 7.0 percent from FY1997 to FY1998 and by 52.6

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Table 1

State Total General Fund Expenditures by Function

Expenditures	FY90	FY95	FY97	FY98	Change FY97–FY98	Change FY90–FY98
General Government	456,861,081	456,238,354	518,532,839	555,040,565	7.0%	21.5%
Police	620,844,165	712,861,026	794,934,951	839,765,365	5.6%	35.3%
Fire	516,595,783	562,154,754	604,995,094	651,073,145	7.6%	26.0%
Other Public Safety	142,709,003	142,091,278	133,014,765	139,643,630	5.0%	–2.1%
Education	3,440,838,075	4,262,415,710	4,906,761,084	5,252,423,354	7.0%	52.6%
Highways	333,862,310	316,406,981	357,608,041	362,807,515	1.5%	8.7%
Other Public Works	426,988,871	395,180,294	407,523,805	418,542,146	2.7%	–2.0%
Health and Welfare	348,983,201	312,041,861	138,609,653	192,299,004	38.7%	–44.9%
Culture and Recreation	197,075,557	205,558,424	233,307,372	244,838,340	4.9%	24.2%
Debt Service	522,773,113	550,563,716	614,950,859	665,290,478	8.2%	27.3%
Fixed costs	986,412,830	1,117,739,274	1,161,312,799	1,183,618,437	1.9%	20.0%
Intergovernmental	229,356,549	312,124,966	330,533,865	323,428,313	–2.1%	41.0%
Other	63,874,234	48,766,238	128,843,698	45,654,151	–64.6%	–28.5%
Total	**8,287,174,772**	**9,394,142,876**	**10,330,928,825**	**10,874,424,443**	**5.3%**	**31.2%**

Note: General fund expenditures do not include capital outlay or construction.

General Fund Expenditures

Municipality	GENERAL FUND EXPENDITURES (in 000s) FY97 total	FY98 total	% change FY97–FY98	PER CAPITA Total FY98	Rank
Abington	19,906	21,541	8.2%	1,448	228
Acton	33,073	35,083	6.1%	1,827	88
Acushnet	11,433	12,171	6.5%	1,204	290
Adams	7,504	7,697	2.6%	878	338
Agawam	39,230	41,689	6.3%	1,559	181
Alford	635	793	24.8%	1,948	66
Amesbury	24,480	24,125	–1.4%	1,501	206
Amherst	32,430	34,594	6.7%	981	325
Andover	62,867	65,375	4.0%	2,080	52
Aquinnah	1,254	1,401	11.7%	5,602	2
Arlington	61,014	64,961	6.5%	1,496	209
Ashburnham	6,043	6,166	2.0%	1,106	311
Ashby	2,751	2,785	1.2%	929	331
Ashfield	2,226	2,467	10.8%	1,429	234
Ashland	19,509	20,448	4.8%	1,517	197
Athol	7,503	7,699	2.6%	690	346
Attleboro	63,992	69,273	8.3%	1,751	108
Auburn	21,468	21,829	1.7%	1,401	242
Avon	8,338	8,840	6.0%	1,914	72
Ayer	14,184	15,656	10.4%	2,083	51
Barnstable	70,947	73,584	3.7%	1,628	147
Barre	5,226	5,037	–3.6%	1,028	319
Becket	2,374	2,564	8.0%	1,708	119
Bedford	31,692	33,849	6.8%	2,427	25
Belchertown	17,998	19,860	10.3%	1,663	144
Bellingham	23,286	24,305	4.4%	1,532	190
Belmont	48,536	50,340	3.7%	2,106	47
Berkley	6,842	7,528	10.0%	1,395	247
Berlin	3,512	3,752	6.8%	1,563	177
Bernardston	1,921	2,144	11.6%	1,027	320
Beverly	62,115	66,006	6.3%	1,691	128
Billerica	68,556	71,719	4.6%	1,811	93
Blackstone	6,742	7,178	6.5%	856	341
Blandford	1,239	1,305	5.3%	1,158	301
Bolton	6,294	7,130	13.3%	2,127	43
Boston	1,354,245	1,391,591	2.8%	2,505	22
Bourne	25,586	26,828	4.9%	1,490	213
Boxborough	7,842	8,828	12.6%	2,120	45
Boxford	12,563	13,532	7.7%	1,497	207
Boylston	5,126	5,763	12.4%	1,482	217
Braintree	51,964	53,951	3.8%	1,546	186
Brewster	18,722	19,547	4.4%	2,028	58
Bridgewater	19,828	22,123	11.6%	902	334
Brimfield	4,399	4,566	3.8%	1,457	225
Brockton	156,034	165,568	6.1%	1,777	100
Brookfield	4,177	4,327	3.6%	1,472	221
Brookline	117,217	119,419	1.9%	2,215	37
Buckland	2,132	2,150	0.8%	1,114	307
Burlington	51,248	54,329	6.0%	2,293	29
Cambridge	226,567	239,088	5.5%	2,561	18
Canton	32,708	34,459	5.4%	1,667	140
Carlisle	10,808	11,642	7.7%	2,446	23
Carver	19,077	19,592	2.7%	1,682	131
Charlemont	1,793	1,866	4.1%	1,504	203
Charlton	7,971	8,634	8.3%	835	342
Chatham	23,928	18,009	–24.7%	2,537	20
Chelmsford	54,621	58,603	7.3%	1,735	113
Chelsea	66,699	72,977	9.4%	2,661	16
Cheshire	2,619	3,526	34.6%	1,031	318
Chester	1,403	1,403	0.0%	1,129	306
Chesterfield	1,370	1,394	1.8%	1,239	280
Chicopee	80,313	86,139	7.3%	1,594	163
Chilmark	2,856	3,032	6.1%	3,757	5
Clarksburg	2,073	2,184	5.4%	1,304	269
Clinton	18,474	19,486	5.5%	1,493	210
Cohasset	15,029	15,915	5.9%	2,243	34
Colrain	1,772	2,531	42.9%	1,380	251
Concord	35,472	37,593	6.0%	2,104	49
Conway	2,818	3,070	8.9%	1,857	83
Cummington	1,115	1,115	0.1%	1,420	235
Dalton	7,629	7,956	4.3%	1,161	300
Danvers	43,269	46,873	8.3%	1,861	80
Dartmouth	32,923	34,656	5.3%	1,216	288
Dedham	41,870	44,422	6.1%	1,873	78
Deerfield	6,514	7,416	13.9%	1,505	202
Dennis	22,877	24,863	8.7%	1,692	127
Dighton	6,196	6,495	4.8%	1,094	313
Douglas	9,402	10,370	10.3%	1,563	178
Dover	11,763	11,766	0.0%	2,147	41
Dracut	30,939	32,717	5.7%	1,163	297
Dudley	5,781	6,315	9.2%	644	349
Dunstable	3,181	3,023	–5.0%	1,106	310
Duxbury	26,227	28,095	7.1%	1,830	86
E. Bridgewater	18,931	21,349	12.8%	1,697	125
E. Brookfield	1,484	1,601	7.9%	791	344
E. Longmeadow	20,678	22,081	6.8%	1,582	167
Eastham	10,891	11,220	3.0%	2,229	35
Easthampton	20,078	19,786	–1.5%	1,266	275
Easton	29,622	32,129	8.5%	1,508	201
Edgartown	12,963	13,643	5.2%	3,705	6
Egremont	2,078	2,133	2.7%	1,740	112
Erving	2,788	2,759	–1.1%	2,029	57
Essex	4,966	5,270	6.1%	1,547	185
Everett	68,645	72,257	5.3%	2,069	53
Fairhaven	19,629	22,274	13.5%	1,398	244
Fall River	129,789	136,070	4.8%	1,501	205
Falmouth	52,734	56,547	7.2%	1,799	95
Fitchburg	63,704	67,302	5.6%	1,682	132
Florida	1,467	1,564	6.5%	2,145	42
Foxborough	25,060	25,837	3.1%	1,577	173
Framingham	109,178	113,897	4.3%	1,762	104
Franklin	39,297	42,317	7.7%	1,493	211
Freetown	9,450	10,269	8.7%	1,162	299
Gardner	26,091	27,988	7.3%	1,381	250
Georgetown	10,203	11,530	13.0%	1,562	179
Gill	1,364	1,356	–0.6%	856	340
Gloucester	44,880	46,783	4.2%	1,577	171
Goshen	1,120	1,153	3.0%	1,364	256
Gosnold	481	553	15.1%	5,706	1
Grafton	15,894	17,190	8.2%	1,251	277
Granby	7,107	7,478	5.2%	1,275	272
Granville	2,665	2,820	5.8%	1,993	64
Grt. Barrington	10,026	10,603	5.8%	1,397	245
Greenfield	28,042	29,410	4.9%	1,610	153
Groton	11,922	12,881	8.0%	1,399	243
Groveland	6,772	6,753	–0.3%	1,156	302
Hadley	6,861	6,855	–0.1%	1,543	188
Halifax	8,803	9,605	9.1%	1,341	260
Hamilton	10,821	11,484	6.1%	1,522	195
Hampden	5,540	5,791	4.5%	1,222	286
Hancock	859	887	3.3%	1,543	187
Hanover	22,060	23,918	8.4%	1,801	94
Hanson	10,854	11,240	3.6%	1,154	304
Hardwick	2,703	2,716	0.5%	1,035	317
Harvard	10,533	11,082	5.2%	894	336
Harwich	25,427	26,577	4.5%	2,259	32
Hatfield	4,318	5,171	19.7%	1,609	155
Haverhill	80,730	88,032	9.0%	1,591	165
Hawley	431	457	5.9%	1,410	239
Heath	1,111	1,171	5.4%	1,597	160
Hingham	34,171	35,831	4.9%	1,753	106
Hinsdale	1,874	2,059	9.9%	1,110	309
Holbrook	16,052	17,756	10.6%	1,596	161
Holden	16,872	17,764	5.3%	1,170	296
Holland	2,855	3,167	10.9%	1,514	198
Holliston	21,758	23,782	9.3%	1,752	107
Holyoke	86,428	91,238	5.6%	2,227	36
Hopedale	8,876	9,455	6.5%	1,672	136
Hopkinton	19,700	21,551	9.4%	1,899	74
Hubbardston	3,026	3,286	8.6%	920	332
Hudson	28,811	30,427	5.6%	1,709	118
Hull	18,790	19,195	2.2%	1,823	89
Huntington	1,766	1,867	5.7%	882	337
Ipswich	17,994	19,952	10.9%	1,576	174
Kingston	15,600	17,509	12.2%	1,594	162
Lakeville	10,094	10,836	7.3%	1,218	287
Lancaster	5,718	6,250	9.3%	935	330
Lanesborough	4,615	4,645	0.7%	1,530	191
Lawrence	122,768	130,343	6.2%	1,878	77
Lee	8,766	8,888	1.4%	1,571	175
Leicester	13,938	14,508	4.1%	1,389	248
Lenox	10,309	11,352	10.1%	2,191	38
Leominster	49,770	53,460	7.4%	1,330	264
Leverett	2,869	2,644	–7.8%	1,441	229
Lexington	62,369	66,562	6.7%	2,249	33
Leyden	792	786	–0.8%	1,099	312
Lincoln	14,956	15,983	6.9%	2,018	61
Littleton	13,570	13,392	–1.3%	1,687	129
Longmeadow	27,699	29,313	5.8%	1,993	63
Lowell	180,189	205,238	13.9%	2,031	56
Ludlow	27,311	28,934	5.9%	1,526	194
Lunenburg	12,838	13,585	5.8%	1,434	233
Lynn	144,492	164,989	14.2%	2,035	55
Lynnfield	18,420	19,309	4.8%	1,700	121
Malden	86,483	78,386	–9.4%	1,489	216
Manchester	10,933	12,836	17.4%	2,349	27
Mansfield	33,346	35,813	7.4%	1,861	79
Marblehead	31,499	33,428	6.0%	1,663	142
Marion	9,229	9,660	4.7%	1,859	81
Marlborough	52,964	54,897	3.6%	1,650	145
Marshfield	32,972	35,063	6.3%	1,490	214
Mashpee	24,038	26,718	11.1%	2,860	15
Mattapoisett	9,606	10,198	6.2%	1,610	152
Maynard	17,295	18,239	5.5%	1,743	111
Medfield	20,845	22,112	6.1%	1,886	75
Medford	78,829	81,603	3.5%	1,458	224
Medway	16,961	19,935	17.5%	1,698	123
Melrose	38,794	40,804	5.2%	1,491	212
Mendon	4,957	5,832	17.7%	1,231	283
Merrimac	6,892	7,384	7.1%	1,238	282

Municipality	GENERAL FUND EXPENDITURES (in 000s) FY97 total	FY98 total	% change FY97–FY98	PER CAPITA Total FY98	Rank
Methuen	59,069	64,116	8.5%	1,527	192
Middleborough	29,284	31,129	6.3%	1,580	168
Middlefield	591	612	3.6%	1,375	253
Middleton	9,689	9,897	2.1%	1,639	146
Milford	40,889	42,950	5.0%	1,679	134
Millbury	15,008	16,232	8.2%	1,311	268
Millis	11,490	14,067	22.4%	1,735	114
Millville	2,154	2,372	10.1%	939	329
Milton	39,578	41,326	4.4%	1,610	151
Monroe	337	349	3.6%	3,145	9
Monson	12,963	14,183	9.4%	1,772	102
Montague	8,199	8,660	5.6%	1,044	315
Monterey	1,576	1,684	6.9%	2,103	50
Montgomery	1,109	826	–25.5%	1,013	322
Mt. Washington	271	275	1.6%	2,115	46
Nahant	6,529	6,390	–2.1%	1,683	130
Nantucket	32,110	30,455	–5.2%	3,883	3
Natick	57,040	63,410	11.2%	2,014	62
Needham	52,633	57,136	8.6%	2,046	54
New Ashford	284	296	4.5%	1,560	180
New Bedford	158,036	160,215	1.4%	1,663	143
New Braintree	950	991	4.3%	1,024	321
New Marlborough	2,162	2,236	3.4%	1,784	97
New Salem	1,166	1,130	–3.1%	1,379	252
Newbury	8,714	8,951	2.7%	1,451	227
Newburyport	26,341	25,367	–3.7%	1,509	199
Newton	149,307	156,248	4.6%	1,945	67
Norfolk	13,733	14,471	5.4%	1,371	255
N. Adams	26,334	27,082	2.8%	1,748	110
N. Andover	40,580	44,683	10.1%	1,783	98
N. Attleborough	35,851	40,226	12.2%	1,553	184
N. Brookfield	6,352	6,585	3.7%	1,359	258
N. Reading	22,613	23,946	5.9%	1,811	92
Northampton	44,027	46,106	4.7%	1,608	156
Northborough	21,016	22,518	7.1%	1,698	122
Northbridge	18,482	20,192	9.3%	1,439	231
Northfield	3,253	3,273	0.6%	1,114	308
Norton	21,365	22,831	6.9%	1,418	236
Norwell	19,152	20,883	9.0%	2,104	48
Norwood	72,393	72,450	0.1%	2,514	21
Oak Bluffs	10,718	10,870	1.4%	3,327	7
Oakham	1,411	1,542	9.2%	919	333
Orange	10,811	11,964	10.7%	1,605	158
Orleans	13,944	13,772	–1.2%	2,165	40
Otis	2,217	2,398	8.2%	2,263	31
Oxford	16,886	17,651	4.5%	1,325	265
Palmer	19,814	20,908	5.5%	1,763	103
Paxton	6,904	7,330	6.2%	1,750	109
Peabody	77,650	84,136	8.4%	1,710	117
Pelham	1,940	2,042	5.3%	1,436	232
Pembroke	20,641	22,255	7.8%	1,339	261
Pepperell	9,071	9,575	5.6%	873	339
Peru	811	866	6.9%	1,144	305
Petersham	1,273	1,517	19.2%	1,293	270
Phillipston	1,114	1,090	–2.2%	673	347
Pittsfield	70,538	73,247	3.8%	1,609	154
Plainfield	850	856	0.7%	1,405	241
Plainville	9,083	9,677	6.5%	1,316	267
Plymouth	78,622	82,891	5.4%	1,664	141
Plympton	3,873	4,027	4.0%	1,504	204
Princeton	4,542	4,909	8.1%	1,439	230
Provincetown	11,724	11,575	–1.3%	3,092	10
Quincy	150,694	158,738	5.3%	1,851	84
Randolph	44,085	47,590	8.0%	1,557	182
Raynham	11,384	12,464	9.5%	1,155	303
Reading	37,933	41,032	8.2%	1,756	105
Rehoboth	9,563	10,139	6.0%	1,056	314
Revere	73,264	79,711	8.8%	1,913	73
Richmond	2,753	2,813	2.2%	1,728	116
Rochester	7,404	7,625	3.0%	1,677	135
Rockland	26,633	25,947	–2.6%	1,463	223
Rockport	15,570	17,401	11.8%	2,276	30
Rowe	1,430	1,412	–1.3%	3,786	4
Rowley	6,262	6,619	5.7%	1,239	281
Royalston	684	773	13.0%	632	350
Russell	1,385	1,448	4.6%	901	335
Rutland	4,618	5,176	12.1%	948	327
Salem	65,836	68,486	4.0%	1,786	96
Salisbury	8,712	9,049	3.9%	1,250	278
Sandisfield	1,332	1,197	–10.2%	1,830	87
Sandwich	31,366	33,340	6.3%	1,779	99
Saugus	39,159	42,341	8.1%	1,593	164
Savoy	920	944	2.6%	1,362	257
Scituate	28,764	29,749	3.4%	1,692	126
Seekonk	19,676	21,163	7.6%	1,587	166
Sharon	30,310	33,212	9.6%	1,960	65
Sheffield	4,608	4,668	1.3%	1,579	170
Shelburne	2,127	2,093	–1.6%	1,040	316
Sherborn	10,264	10,680	4.1%	2,582	17
Shirley	6,870	7,642	11.2%	996	324
Shrewsbury	36,235	41,004	13.2%	1,475	219
Shutesbury	2,978	3,140	5.4%	1,846	85
Somerset	25,941	26,223	1.1%	1,481	218
Somerville	115,540	123,726	7.1%	1,670	139
S. Hadley	20,440	21,794	6.6%	1,275	273
Southampton	6,395	6,779	6.0%	1,372	254
Southborough	13,014	14,958	14.9%	1,918	70
Southbridge	23,177	24,612	6.2%	1,410	240
Southwick	8,116	8,418	3.7%	1,013	323
Spencer	7,692	8,305	8.0%	668	348
Springfield	297,848	300,006	0.7%	2,025	59
Sterling	7,792	8,317	6.7%	1,163	298
Stockbridge	3,570	3,607	1.1%	1,570	176
Stoneham	31,805	32,768	3.0%	1,472	220
Stoughton	38,428	40,313	4.9%	1,457	226
Stow	8,933	9,940	11.3%	1,701	120
Sturbridge	11,656	12,001	3.0%	1,490	215
Sudbury	34,518	37,674	9.1%	2,423	26
Sunderland	3,827	4,317	12.8%	1,231	284
Sutton	10,745	11,816	10.0%	1,555	183
Swampscott	26,861	28,064	4.5%	2,024	60
Swansea	17,992	18,423	2.4%	1,184	293
Taunton	80,034	82,856	3.5%	1,577	172
Templeton	4,170	4,168	–0.1%	586	351
Tewksbury	46,198	45,914	–0.6%	1,579	169
Tisbury	10,402	10,581	1.7%	3,045	12
Tolland	592	520	–12.3%	1,774	101
Topsfield	8,958	9,621	7.4%	1,538	189
Townsend	8,843	8,930	1.0%	974	326
Truro	5,555	5,954	7.2%	3,310	8
Tyngsborough	15,251	16,757	9.9%	1,628	148
Tyringham	713	772	8.2%	2,126	44
Upton	6,187	7,427	20.0%	1,345	259
Uxbridge	15,538	15,963	2.7%	1,410	238
Wakefield	38,008	39,780	4.7%	1,606	157
Wales	1,707	2,216	29.8%	1,417	237
Walpole	32,101	34,135	6.3%	1,508	200
Waltham	84,183	89,367	6.2%	1,527	193
Ware	13,525	14,264	5.5%	1,466	222
Wareham	31,771	32,993	3.8%	1,670	138
Warren	3,511	3,648	3.9%	800	343
Warwick	871	914	4.9%	1,196	291
Washington	848	762	–10.2%	1,226	285
Watertown	56,777	60,262	6.1%	1,858	82
Wayland	29,694	31,509	6.1%	2,553	19
Webster	18,455	20,124	9.0%	1,249	279
Wellesley	49,543	51,336	3.6%	1,916	71
Wellfleet	7,771	7,961	2.4%	2,867	14
Wendell	1,176	1,227	4.3%	1,283	271
Wenham	5,697	6,185	8.6%	1,383	249
W. Boylston	9,481	10,839	14.3%	1,612	150
W. Bridgewater	10,906	11,690	7.2%	1,734	115
W. Brookfield	2,520	2,601	3.2%	707	345
W. Newbury	5,213	5,614	7.7%	1,396	246
W. Springfield	44,899	46,968	4.6%	1,813	90
W. Stockbridge	2,414	2,414	0.0%	1,671	137
W. Tisbury	6,590	6,847	3.9%	2,964	13
Westborough	34,361	37,518	9.2%	2,432	24
Westfield	59,893	63,119	5.4%	1,680	133
Westford	29,648	33,204	12.0%	1,698	124
Westhampton	2,300	2,355	2.4%	1,603	159
Westminster	7,305	7,927	8.5%	1,182	294
Weston	31,320	32,899	5.0%	3,089	11
Westport	15,933	17,129	7.5%	1,210	289
Westwood	29,319	30,716	4.8%	2,334	28
Weymouth	67,676	69,683	3.0%	1,269	274
Whatley	2,641	2,788	5.6%	1,920	69
Whitman	12,891	13,416	4.1%	943	328
Wilbraham	16,081	16,589	3.2%	1,336	262
Williamsburg	3,008	3,052	1.5%	1,189	292
Williamstown	9,132	9,951	9.0%	1,252	276
Wilmington	36,786	38,748	5.3%	1,882	76
Winchendon	16,229	17,781	9.6%	1,938	68
Winchester	42,341	44,442	5.0%	2,185	39
Windsor	978	1,003	2.5%	1,321	266
Winthrop	21,613	22,946	6.2%	1,336	263
Woburn	64,034	60,216	–6.0%	1,624	149
Worcester	285,899	301,691	5.5%	1,812	91
Worthington	1,348	1,417	5.1%	1,173	295
Wrentham	13,842	15,347	10.9%	1,496	208
Yarmouth	33,057	34,677	4.9%	1,521	196
State totals	**10,330,928**	**10,874,424**	**5.2%**	**1,769**	

Table 2

FY1998 Municipal Spending
➡ *continued from page three*

percent from FY1990 to FY1998. As a percent of the total spending, education has increased from 41.5 percent in FY1990 to 48.3 percent in FY1998. Police spending increased by 5.6 percent over FY1997 and 35.3 percent over the eight-year period. Spending for police, as a percent of the total spending, has remained at about 7.7 percent. Spending for highways increased by only 1.5 percent over FY1997, and over the eight-year period increased by a total of only 8.7 percent. As a percent of the total, highway spending decreased from 4 percent in FY1990 to 3.3 percent in FY1998. Spending for other public works (waste and sewerage collection and disposal, cemetery, etc.) increased by 2.7 percent from FY1997 to FY1998 but decreased by 2 percent over the eight years. As a percent of total spending, this category declined from 5.2 percent in FY1990 to 3.8 percent in FY1998. Spending for culture and recreation which includes public libraries increased by 4.9 percent from FY1997 to FY1998 but only 24.2 percent over the eight-year period. As a percent of total spending, it has remained relatively stable at about 2.3 percent. Fixed costs such as employee health insurance and retirement increased by 1.9 percent in FY1998 and 20 percent from FY1990 to FY1998. They have declined from 11.9 percent of total spending in FY1990 to 10.9 percent in FY1998.

Table 1 shows the amount of expenditures for each functional category in FY1990, FY1995, FY1997 and FY1998. It also shows the percentage change for each function between FY1997 and FY1998 and between FY1990 and FY1998. It includes the statewide total general fund expenditures for each year, as well as the statewide percentages.

Communities

Table 2 shows FY1997 and FY1998 total general fund expenditures for all 351 cities and towns. It also shows the percent change from FY1997 to FY1998, general fund expenditures per capita and the rank by per capita expenditures. The statewide average per capita general fund spending is $1,769.

The top 10 communities in spending per capita are small towns. Eight of the 10 are located on the Cape and Islands. These communities have higher per capita expenditures because they provide services for large summertime populations in addition to their year-round residents. They all rank in the top 25 for Equalized Valuations (EQV) per capita. The numbers in parentheses are the community's rank by EQV per capita. Gosnold (Elizabeth Islands) has the highest per capita expenditures at $5,706. It ranks lowest in the state for population and second highest for EQV per capita. The other nine in order by expenditures per capita are Aquinnah (3), Nantucket (4), Rowe (5), Chilmark (1), Edgartown (6), Oak Bluffs (14), Truro (7), Monroe (25) and Provincetown (21). Aquinnah, Monroe and Rowe have very small populations. Rowe has a defunct nuclear power plant adding to the property tax base, while Monroe has a dam.

Templeton (329) spent the least per capita, $586. The next nine communities ranked in order on expenditures per capita are Royalston (286), Dudley (323), Spencer (325), Phillipston (275), Athol (339), West Brookfield (252), East Brookfield (226), Warren (305) and Charlton (249). The communities' rank on EQV per capita, which is not as strongly correlated as that of the communities at the top of the list when ranked on expenditures per capita, is in parentheses. All of the lowest spending communities are located in western Worcester County in a corridor from the New Hampshire border to the Connecticut boundary. All belong to K-12 regional school districts with the state aid to education going directly to the districts, thereby significantly reducing the local expenditures per capita.

Thirty communities spent less in FY1998 than they had in the prior fiscal year. Most of the communities had differences of 3 percent or less (17) but two communities had large decreases, Montgomery (25.5 percent) and Chatham (24.7 percent). Montgomery renovated their town hall in FY1997, temporarily increasing spending. FY1998 is normalized. In Chatham a significant court judgment in FY1997 increased the general fund spending in that year.

Five communities increased their general fund spending by more than 20 percent from FY1997 to FY1998: Colrain (42.9 percent), Cheshire (34.6 percent), Wales (29.8 percent), Alford (24.8 percent), and Millis (22.4 percent). All but Millis are communities with expenditures of less than $4 million annually, where one-time expenses can have a significant impact. Colrain bought a fire truck and remodeled their town hall in FY1998. Cheshire and Alford had Chapter 90 funds to upgrade highways. Wales' additional spending resulted from a combination of additional special elections, public building maintenance, and costs incurred due to problems with the wells servicing town hall and a local school. In Millis, most of the increase in expenditures was caused by the recognition of a $2.4 million school bond refunding as revenue. ■

written by Jean McCarthy

1. Much of that increase was due to the fact that the City of Boston accounted for the $60 million Public Health Commission in this category this year when it was included in Other last year. The Other category decreased by 64.6 percent for the same reason.

DLS UPDATE

Sewer Rate Relief Fund

The FY2000 appropriation for Sewer Rate Relief is $53,914,000. To receive Sewer Rate Relief Funds an entity must have eligible indebtedness. Eligible indebtedness is defined as permanent debt issued on or after January 1, 1990, for a term greater than five years to finance or refinance the costs of planning, design, or construction of any water pollution control project. The project must comply with the Federal Water Pollution Control Act. Projects that received state grants are ineligible, and projects financed through the Massachusetts Water Pollution Abatement Trust (MWPAT) are also ineligible unless an applicant's total issues through MWPAT exceeded $50,000,000 on June 30, 1995.

Generally speaking, awards from the Sewer Rate Relief Fund are computed at 20 percent of the applicant's eligible debt service. DLS develops guidelines to certify indebtedness and to ensure the equitable distribution of funds in consultation with the Department of Environmental Protection. Application forms were due by December 17, 1999. The local board or official responsible for setting sewer rates must submit certification that the funds have been or will be used to reduce sewer charges to the DLS before funds can be distributed. DLS has debt schedules on file for cities, towns and districts that received Sewer Rate Relief Funds last year. For those communities, DLS will compute the FY2000 award based on the information on file in its office. However, if there are additional new projects or changes with respect to an approved project, such as a bond refunding, then additional documentation will be required to process the FY2000 award.

The Sewer Rate Relief Fund was established in 1993 to help mitigate the escalating costs of sewer service in Massachusetts. DLS will issue award letters in January and make payments by March 31, 2000. Administration of this program is assigned to James R. Johnson, Director of Accounts. Questions should be directed to Christopher Harrington at (617) 626-2397.

FY2000 Cherry Sheet Manuals Available

Mayors and selectmen received copies of the FY2000 Cherry Sheet Manual in mid-January. The Division of Local Services (DLS) developed the manual to guide public officials, as well as private citizens and organizations interested in municipal finance, through the FY2000 Cherry Sheet. The manual presents in-depth information, including formulas and statutory citations, on each of the programs which comprise the municipal and regional Cherry Sheets. Organized into six sections, the manual includes an introduction, a description of municipal and regional receipt programs, a description of assessments, the FY2000 payment schedule, and other cherry Sheet resources available through DLS. The manual provides sample copies of all three Cherry Sheet forms showing the FY2000 state totals. Municipal officials can request additional copies by contacting Elaine Lombardi at (617) 626-2337. Cherry Sheet program descriptions are also available through the DLS home page on the Internet. The address is on page 8.

New Deputy Bureau Chief

The Bureau of Local Assessment has a new Deputy Bureau Chief. Brenda Cameron, former Director of Assessing in Stoughton, accepted her new responsibilities on January 3, 2000. Brenda worked as a property tax appraiser in the Bureau of Local Assessment from 1985 to 1990. She left BLA to become the Assistant Assessor in Walpole and subseqently Director of Assessing in Stoughton. Brenda holds the Massachusetts Association of Assessing Officer's designation, Massachusetts Accredited Assessor (MAA) and Residential Massachusetts Assessor (RMA). In addition, she graduated from New England School of Law in May 1999. "Brenda brings a wonderful blend of talents to her new position", said Chief of the Bureau of Local Assessment Marilyn H. Browne. "She is a welcome addition to the Division." ■

Y2K — Business As Usual

➡ *continued from page one*

recognized that citizens and employees would want to know as soon as possible that Monday, January 3, 2000 would be "business as usual" in city and town halls. As part of an overall effort to report on system operational status, DLS invited cities and towns to fax or phone in their status as early as possible on Saturday, January 1. Over 160 communities did so and reported no significant problems. This fact was reported to the media, along with similar news from other public and private sectors. Sunday newspapers reported the major Y2K hurdle had been cleared and all concerned breathed a collective sigh of relief. ■

Municipal Fiscal Calendar

March 1

DOE: *Notify communities of estimated net school spending requirement for the next year.*

Personal Property Owner: *Submit form of list. This is a listing of all personal property filed by the owner with the Assessors each year for the purpose of determining taxes in the next fiscal year.*

Non-Profit Organization: *Final filing date for 3-ABC forms. These must be filed on or before March 1 (this deadline may be extended by the assessors). In no event should the forms be filed later than 30 days after the tax bill is mailed.*

March 31

State Treasurer: *Notification of quarterly local aid payment on or before March 31.*

New Massachusetts Withholding Tax Schedules

With the passage of the FY2000 budget, the state income tax will decrease from 5.95 percent to 5.75 percent over three years. For treasurers' and payroll offices, this reduction in the state income tax means new state withholding tax schedules. The Department of Revenue publishes the withholding tax schedules and instructions in the Circular M publication. The Circular M for January 1–December 31, 2000 is available on DOR's website and will only be mailed upon request. For cities, towns and school districts, Local Services established a link from our website to DOR's website for state tax withholding information.

In addition, DOR's *Taxpayer Advisory Bulletin* publication mailing list is being revamped. The March 2000 issue will be the last mailing under the old mailing list. To receive future issues of the *Taxpayer Advisory Bulletin*, a request must be sent to the Publishing Services Office, PO Box 9481, Boston, MA 02205-9481. ■

Correction

The article entitled "Why Become a City?" in the November issue of City & Town missed the fact that Agawam adopted a manager-council form of government in 1971 while maintaining the name "town," and that Methuen's change happened in 1972. Southbridge followed in 1973 and Franklin in 1978. ■

Data Bank Highlight

Information on municipal expenditures is available both through the Municipal Data Bank page on the DLS website, and by e-mail or hard copy from the Data Bank staff. Both current and historical data for all Massachusetts cities and towns can be downloaded in spreadsheets from the Municipal Spreadsheet Database. Users can design reports online for current data using the Community Report Builder. The Report Builder can select comparable communities based on total expenditures or specific expenditures. It also allows communities which are similar in population, income, assessed value of property, etc., to be compared in terms of expenditures overall, or for a specific function like education or police.

To obtain information from the Municipal Data Bank, visit our website, listed below, or call Dora Brown or Debbie DePerri at (617) 626-2300. For technical assistance, contact Medi Ba at (617) 626-2355. ■

City & Town

City & Town is published by the Massachusetts Department of Revenue's Division of Local Services (DLS) and is designed to address matters of interest to local officials. DLS offers numerous publications on municipal law and finance, available by calling (617) 626-2300, or through the DLS website at **www.state.ma.us/dls** or by writing to PO Box 9490, Boston, MA 02205-9490.

Marilyn H. Browne, Managing Editor

Jean M. McCarthy, Editor

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Division of Local Services
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