

Complete July 2010 Edition



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What Kind of Services Are You Sharing?

We need help from our City and Town readers: as part of our annual regionalization conference, and in an effort to better understand what services are already being shared we're conducting a survey. [The Regionalization Survey](#) is an opportunity to tell us about your community's efforts to share or regionalize services – or if there have been no efforts so far, why not? And what would or wouldn't you like to try?

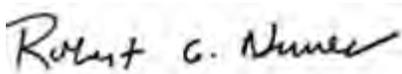
Your answers to the 29 survey questions will be presented at the 2nd annual Regionalization Conference set for Sept. 2 at the College of the Holy Cross, where last year some 350 local elected and appointed officials spent a day at the first such conference.

The survey asks for a bit of demographic information (are you a town manager, member of board of selectmen, department head, etc.) and then dives right into questions designed to reveal the particular areas of regionalized services that most appeal to you: police; ambulance/EMT; public health/health agent; building, plumbing and wiring inspection or zoning enforcement; assessing; accounting; animal control; weights and measures; shared highway equipment; library; recreation; conservation agent; town planner; purchasing.

The survey also asks for your view of the best way(s) to share services; and what in your view are the barriers to sharing more services regionally. The survey asks what your community needs to move regionalization forward; and what, if any, experience and success (or not) your town may have had in a regionalization project.

Finally, the survey asks what other municipal services you might be interested in sharing, and what types of training you would like from the state or a regional planning agency.

I urge you to take the time – about 10 minutes – to respond to the survey. It will provide valuable information and insight into the areas of regionalization which hold the most interest to you, and will also reveal the issues/obstacles you see to regionalization. Again, the results of the survey will be presented at the September 2nd conference in Worcester, and later available online to everyone. My thanks to the Franklin Regional Council of Governments for their assistance in developing and tabulating the survey.



[Deputy Commissioner & Director of Municipal Affairs](#)

Municipal Relief Bill enacted

Earlier this week, Gov. Deval Patrick signed the new [Municipal Relief](#) law with an Emergency Preamble. The preamble, which appears below the bill linked above, allows the provisions of the law to take immediate effect.

Highlights of the law, formally titled An Act Relative to Municipal Relief, include:

- Allowing cities and towns to extend their pension funding schedules out to 2040, rather than meeting the previous deadline of 2030 which seemed all but impossible given unprecedented asset losses from the stock market decline of 2008;
- Giving communities more flexibility in their borrowing by allowing the financing of projects over a term matching the asset's useful life up to 30 years;
- Permits communities to adopt a limited early retirement program;
- As noted in City and Town article of July 22, ["Certification Year Reshuffle,"](#) restructures the schedule for triennial property tax recertifications.

There is much more in the new law, including changes in bidding, intermunicipal agreements, and provisions to stimulate regionalization and shared services.

Certification Year Reshuffle

Marilyn H. Browne, Chief of Local Assessment, and

Donna Demirai, Assessment Bureau

Why did the [Bureau of Local Assessment](#) want to equalize the number of communities being certified in a given year? And how could it be accomplished? To begin with, all 351 communities have their real and personal property certified once every three years by the Bureau of Local Assessment (BLA). As it stood there were 135 communities in cycle one, 128 in cycle two and only 88 in the third cycle.

Over the years the number of communities certified in each cycle has evolved, but not in a predetermined orderly way so that it would result in an even and coherent distribution of communities; it just happened. Initially, in the early eighties, some communities had their values certified for the first time after protests and procrastinations, thereby leaving us with a lopsided three-year certification cycle. Through the years certification changed from a two-year cycle to the current three-year cycle. Some communities received postponements for a year due to unusual and unforeseen circumstances while others accelerated to get into another cycle for reasons of their own.

As part of the recently passed Municipal Relief Bill, BLA sought legislative authorization to reallocate certification years for a variety of reasons. If we group cities and towns thoughtfully and cohesively we can (1) encourage regionalization of services and/or data sharing. That is particularly important in small communities with budgetary constraints that preclude them from hiring any or an insufficient number of in-house professional appraisal staff or external vendors. Also, (2) vendors are likely to be more attracted to underserved regions of the state if several contiguous communities need services. Distributing the workload evenly over a three-year period will (3) allow BLA staff and vendors to pay more attention to communities unlike the hectic fiscal year 2010 with 135 certification communities vying for service, many at the same time. Evenly distributing (4) large cities throughout the three-year cycle and within each of our three regional offices will prevent an overload of these often challenging, complex and time-consuming communities in any one cycle or regional office. In the end, the goal is to (5) achieve full and fair cash value for taxpayers and (6) facilitate timely tax rate setting.

The BLA has long held the position that a community must have their property certified once every three years in order to have a classified tax rate (split rate). Therefore, we could not postpone any of the approximately one-third of communities that locally elect to shift an additional amount of tax levy to the commercial, industrial and personal property taxpayers. Accordingly, BLA, with the support of the [Massachusetts Association of Assessing Officials](#), sought legislation that would give BLA the authority to move some of those communities so that a rational statewide certification plan could be developed.

The BLA staff spent a couple of months working on a reallocation plan that would make sense for communities, for vendors that work for communities and for BLA. We will describe the considerations and principles employed to come up with the new three-year cycle schedule. Additionally, we will demonstrate how this reallocation will be implemented over the next six years ending in FY2016.

Reallocation Considerations

Simply dividing the 351 municipalities into three equal cycles was never a consideration. Developing a plan to logically group municipalities to the greatest extent possible was the goal. A committee of BLA staff first collected data from our appraisal staff in Boston, Worcester and Springfield looking for certain shared similarities before we devised a new three-year cycle. Listed below are some of the shared factors we considered:

- regional school districts,
- power plants,
- community traits such as being in the same real estate market and/or being predominately rural, agricultural, industrial, etc.,
- revaluation contractors,
- computer assisted mass appraisal systems,
- contiguous geography or traits such as seashore, mountains, etc. and,
- municipal taxing districts.

Reallocation Principles

Before the committee, under the leadership of Donna Demirai, could begin the slicing and dicing process they were given principles that they had to employ as follows:

1. communities would not be asked to be certified earlier than currently scheduled because we do not wish them to incur additional costs,
2. communities would not be postponed more than one year to maintain the integrity of the certification process for taxpayers and
3. communities would be kept in their original certification cycle as much as possible to minimize changes.

Reallocation Implementation

Postponing certain communities will begin for fiscal 2011. At that time 34 fiscal year 2011 communities will be postponed to FY2012. In FY2012 we will have the additional 34 municipalities and postpone 21 of the original FY2012 certification communities to FY2013. That type of progression continues and is demonstrated in the table below.

Fiscal year 2014 is the first year that will reach the targeted annual number of 117 communities awaiting certification. The process is complete in FY2016.

Certification Cycles	Cycle 1	Cycle 2	Cycle 3	Cycle 1	Cycle 2	Cycle 3	Cycle 1
	FY10	FY11	FY12	FY13	FY14	FY15	FY16
Scheduled	135	128	88	135	94	101	106
Moved into Next Cycle		-34	-21	-50	-27	-11	0
Added from Previous Cycle			34	21	50	27	11
Total	135	94	101	106	117	117	117

Communities wishing to see how the new certification schedule will be phased in from FY11 through FY2016 and to see whether their community will be postponed a year should consult [Table 1 Excel](#).

In the end we have a new certification map that will make communities more able to work with each other, their vendors and BLA. In total, of the 351 cities and towns, 208 remained in their original cycles and 143 will be postponed one year. The puzzle came together despite all the variables because everyone involved was motivated to make it work because they trust that, in the end, all parties will benefit from the new certification reallocation design.

Note: A few communities requested to remain in FY2011 certification year because the legislative approval was at the end of the fiscal year and they had already prepared for their certification review. These few communities will nonetheless keep to the new certification schedule in future years, see [Table 1 Excel](#).

The authors thank the Certification Reallocation Committee members, Sandra Bruso, Scott Santangelo and Stephen Sullivan.

Community	Current	Cur Cycle	New Cycle	C1 FY10	C2 FY11	C3 FY12	C1 FY13	C2 FY14	C3 FY15	C1 FY16
Abington	FY10	1	1	X			X			X
Acton	FY10	1	1	X			X			X
Acushnet	FY10	1	2	X				X		
Adams	FY12	3	1				X			X
Agawam	FY12	3	1				X			X
Alford	FY11	2	2		X			X		
Amesbury	FY11	2	2		X			X		
Amherst	FY12	3	3			X			X	
Andover	FY12	3	3			X			X	
Aquinnah	FY11	2	3			X			X	
Arlington	FY10	1	1	X			X			X
Ashburnham	FY12	3	3			X			X	
Ashby	FY12	3	3			X			X	
Ashfield	FY12	3	3			X			X	
Ashland	FY12	3	3			X			X	
Athol	FY10	1	2	X				X		
Attleboro	FY11	2	2		X			X		
Auburn	FY10	1	2	X				X		
Avon	FY11	2	2		X			X		
Ayer	FY11	2	2		X			X		
Barnstable	FY10	1	1	X			X			X
Barre	FY10	1	1	X			X			X
Becket	FY10	1	2	X				X		
Bedford	FY11	2	3			X			X	
Belchertown	FY12	3	3			X			X	
Bellingham	FY10	1	2	X				X		
Belmont	FY10	1	1	X			X			X
Berkley	FY10	1	1	X			X			X
Berlin	FY10	1	2	X				X		
Bernardston	FY10	1	1	X			X			X
Beverly	FY11	2	3		X				X	
Billerica	FY12	3	3			X			X	
Blackstone	FY10	1	2	X				X		
Blandford	FY10	1	1	X			X			X
Bolton	FY12	3	1			X				X
Boston	FY10	1	1	X			X			X
Bourne	FY12	3	3			X			X	
Boxborough	FY12	3	1				X			X
Boxford	FY12	3	1				X			X
Boylston	FY11	2	2		X			X		
Braintree	FY12	3	3			X			X	
Brewster	FY10	1	2	X				X		
Bridgewater	FY12	3	1				X			X
Brimfield	FY11	2	2		X			X		

Community	Current	Cur Cycle	New Cycle	C1 FY10	C2 FY11	C3 FY12	C1 FY13	C2 FY14	C3 FY15	C1 FY16
Brockton	FY11	2	2		X			X		
Brookfield	FY10	1	2	X				X		
Brookline	FY12	3	3			X			X	
Buckland	FY10	1	2	X				X		
Burlington	FY12	3	3			X			X	
Cambridge	FY11	2	2		X			X		
Canton	FY10	1	2	X				X		
Carlisle	FY10	1	1	X			X			X
Carver	FY12	3	3			X			X	
Charlemont	FY11	2	2		X			X		
Charlton	FY11	2	3			X			X	
Chatham	FY10	1	1	X			X			X
Chelmsford	FY10	1	2	X				X		
Chelsea	FY10	1	1	X			X			X
Cheshire	FY10	1	1	X			X			X
Chester	FY12	3	1				X			X
Chesterfield	FY10	1	1	X			X			X
Chicopee	FY11	2	2		X			X		
Chilmark	FY12	3	3			X			X	
Clarksburg	FY10	1	1	X			X			X
Clinton	FY12	3	1			X				X
Cohasset	FY11	2	3			X			X	
Colrain	FY10	1	2	X				X		
Concord	FY11	2	3			X			X	
Conway	FY11	2	2		X			X		
Cummington	FY11	2	3			X			X	
Dalton	FY10	1	1	X			X			X
Danvers	FY10	1	1	X			X			X
Dartmouth	FY11	2	2		X			X		
Dedham	FY10	1	1	X			X			X
Deerfield	FY11	2	2		X			X		
Dennis	FY11	2	2		X			X		
Dighton	FY10	1	1	X			X			X
Douglas	FY11	2	3		X				X	
Dover	FY11	2	3			X			X	
Dracut	FY12	3	3			X			X	
Dudley	FY11	2	3			X			X	
Dunstable	FY11	2	2		X			X		
Duxbury	FY12	3	3			X			X	
East Bridgewater	FY10	1	1	X			X			X
East Brookfield	FY11	2	2		X			X		
East Longmeadow	FY11	2	3		X				X	
Eastham	FY10	1	2	X				X		
Easthampton	FY10	1	2	X				X		

Community	Current	Cur Cycle	New Cycle	C1 FY10	C2 FY11	C3 FY12	C1 FY13	C2 FY14	C3 FY15	C1 FY16
Easton	FY10	1	2	X				X		
Edgartown	FY11	2	3			X			X	
Egremont	FY11	2	2		X			X		
Erving	FY12	3	1				X			X
Essex	FY10	1	2	X				X		
Everett	FY12	3	1				X			X
Fairhaven	FY11	2	2		X			X		
Fall River	FY10	1	1	X			X			X
Falmouth	FY11	2	3		X				X	
Fitchburg	FY10	1	1	X			X			X
Florida	FY12	3	3			X			X	
Foxborough	FY10	1	2	X				X		
Framingham	FY12	3	3			X			X	
Franklin	FY11	2	2		X			X		
Freetown	FY12	3	3			X			X	
Gardner	FY11	2	3			X			X	
Georgetown	FY10	1	1	X			X			X
Gill	FY11	2	2		X			X		
Gloucester	FY11	2	2		X			X		
Goshen	FY12	3	3			X			X	
Gosnold	FY11	2	2		X			X		
Grafton	FY10	1	2	X				X		
Granby	FY12	3	3			X			X	
Granville	FY10	1	1	X			X			X
Great Barrington	FY10	1	2	X				X		
Greenfield	FY11	2	2		X			X		
Groton	FY11	2	2		X			X		
Groveland	FY10	1	1	X			X			X
Hadley	FY11	2	3		X				X	
Halifax	FY10	1	2	X				X		
Hamilton	FY12	3	3			X			X	
Hampden	FY12	3	3			X			X	
Hancock	FY10	1	1	X			X			X
Hanover	FY11	2	3		X				X	
Hanson	FY10	1	2	X				X		
Hardwick	FY12	3	1			X				X
Harvard	FY11	2	3		X				X	
Harwich	FY10	1	1	X			X			X
Hatfield	FY10	1	1	X			X			X
Haverhill	FY11	2	3			X			X	
Hawley	FY12	3	3			X			X	
Heath	FY11	2	3		X				X	
Hingham	FY11	2	3			X			X	
Hinsdale	FY12	3	1				X			X

Community	Current	Cur Cycle	New Cycle	C1 FY10	C2 FY11	C3 FY12	C1 FY13	C2 FY14	C3 FY15	C1 FY16
Holbrook	FY10	1	1	X			X			X
Holden	FY10	1	2	X				X		
Holland	FY10	1	2	X				X		
Holliston	FY10	1	1	X			X			X
Holyoke	FY10	1	2	X				X		
Hopedale	FY12	3	1				X			X
Hopkinton	FY10	1	1	X			X			X
Hubbardston	FY10	1	1	X			X			X
Hudson	FY10	1	1	X			X			X
Hull	FY10	1	1	X			X			X
Huntington	FY10	1	1	X			X			X
Ipswich	FY10	1	2	X				X		
Kingston	FY10	1	2	X				X		
Lakeville	FY11	2	3		X				X	
Lancaster	FY11	2	3		X				X	
Lanesborough	FY11	2	3			X			X	
Lawrence	FY12	3	3			X			X	
Lee	FY11	2	3		X				X	
Leicester	FY11	2	2		X			X		
Lenox	FY11	2	3		X				X	
Leominster	FY12	3	3			X			X	
Leverett	FY12	3	3			X			X	
Lexington	FY11	2	3			X			X	
Leyden	FY11	2	2		X			X		
Lincoln	FY10	1	1	X			X			X
Littleton	FY10	1	1	X			X			X
Longmeadow	FY12	3	3			X			X	
Lowell	FY11	2	2		X			X		
Ludlow	FY11	2	3		X				X	
Lunenburg	FY12	3	3			X			X	
Lynn	FY11	2	3			X			X	
Lynnfield	FY11	2	2		X			X		
Malden	FY10	1	2	X				X		
Manchester	FY10	1	2	X				X		
Mansfield	FY11	2	2		X			X		
Marblehead	FY10	1	1	X			X			X
Marion	FY12	3	3			X			X	
Marlborough	FY12	3	1				X			X
Marshfield	FY11	2	3			X			X	
Mashpee	FY11	2	3		X				X	
Mattapoissett	FY12	3	3			X			X	
Maynard	FY10	1	1	X			X			X
Medfield	FY10	1	1	X			X			X
Medford	FY10	1	2	X				X		

Community	Current Cycle	Cur Cycle	New Cycle	C1 FY10	C2 FY11	C3 FY12	C1 FY13	C2 FY14	C3 FY15	C1 FY16
Medway	FY12	3	3			X			X	
Melrose	FY11	2	2		X			X		
Mendon	FY11	2	2		X			X		
Merrimac	FY10	1	1	X			X			X
Methuen	FY12	3	3			X			X	
Middleborough	FY10	1	2	X				X		
Middlefield	FY11	2	2		X			X		
Middleton	FY11	2	2		X			X		
Milford	FY10	1	1	X			X			X
Millbury	FY12	3	3			X			X	
Millis	FY11	2	3		X				X	
Millville	FY11	2	2		X			X		
Milton	FY12	3	1			X				X
Monroe	FY12	3	3			X			X	
Monson	FY11	2	2		X			X		
Montague	FY10	1	2	X				X		
Monterey	FY12	3	3			X			X	
Montgomery	FY10	1	1	X			X			X
Mount Washington	FY10	1	2	X				X		
Nahant	FY11	2	3		X				X	
Nantucket	FY10	1	1	X			X			X
Natick	FY10	1	1	X			X			X
Needham	FY12	3	3			X			X	
New Ashford	FY12	3	3			X			X	
New Bedford	FY10	1	2	X				X		
New Braintree	FY10	1	1	X			X			X
New Marlborough	FY10	1	2	X				X		
New Salem	FY12	3	1				X			X
Newbury	FY10	1	2	X				X		
Newburyport	FY11	2	2		X			X		
Newton	FY11	2	3			X			X	
Norfolk	FY10	1	1	X			X			X
North Adams	FY10	1	1	X			X			X
North Andover	FY10	1	1	X			X			X
North Attleborough	FY11	2	2		X			X		
North Brookfield	FY10	1	1	X			X			X
North Reading	FY11	2	2		X			X		
Northampton	FY10	1	1	X			X			X
Northborough	FY10	1	1	X			X			X
Northbridge	FY11	2	2		X			X		
Northfield	FY12	3	1				X			X
Norton	FY12	3	1				X			X
Norwell	FY12	3	3			X			X	
Norwood	FY12	3	1			X				X

Community	Current	Cur Cycle	New Cycle	C1 FY10	C2 FY11	C3 FY12	C1 FY13	C2 FY14	C3 FY15	C1 FY16
Oak Bluffs	FY11	2	3			X			X	
Oakham	FY11	2	2		X			X		
Orange	FY11	2	2		X			X		
Orleans	FY11	2	2		X			X		
Otis	FY10	1	1	X			X			X
Oxford	FY11	2	3		X				X	
Palmer	FY11	2	2		X			X		
Paxton	FY10	1	2	X				X		
Peabody	FY10	1	1	X			X			X
Pelham	FY11	2	3			X			X	
Pembroke	FY11	2	3		X				X	
Pepperell	FY11	2	3			X			X	
Peru	FY11	2	2		X			X		
Petersham	FY10	1	1	X			X			X
Phillipston	FY10	1	1	X			X			X
Pittsfield	FY11	2	3			X			X	
Plainfield	FY12	3	3			X			X	
Plainville	FY12	3	1				X			X
Plymouth	FY11	2	3			X			X	
Plympton	FY11	2	2		X			X		
Princeton	FY12	3	1			X				X
Provincetown	FY12	3	1				X			X
Quincy	FY11	2	3			X			X	
Randolph	FY11	2	3		X				X	
Raynham	FY10	1	1	X			X			X
Reading	FY11	2	2		X			X		
Rehoboth	FY10	1	1	X			X			X
Revere	FY11	2	3			X			X	
Richmond	FY11	2	3			X			X	
Rochester	FY11	2	3		X				X	
Rockland	FY12	3	1			X				X
Rockport	FY10	1	2	X				X		
Rowe	FY12	3	3			X			X	
Rowley	FY11	2	2		X			X		
Royalston	FY11	2	2		X			X		
Russell	FY10	1	1	X			X			X
Rutland	FY11	2	2		X			X		
Salem	FY10	1	1	X			X			X
Salisbury	FY12	3	1			X				X
Sandisfield	FY10	1	1	X			X			X
Sandwich	FY11	2	3			X			X	
Saugus	FY11	2	3			X			X	
Savoy	FY10	1	1	X			X			X
Scituate	FY12	3	3			X			X	

Community	Current	Cur Cycle	New Cycle	C1 FY10	C2 FY11	C3 FY12	C1 FY13	C2 FY14	C3 FY15	C1 FY16
Seekonk	FY12	3	1				X			X
Sharon	FY10	1	2	X				X		
Sheffield	FY10	1	2	X				X		
Shelburne	FY11	2	2		X			X		
Sherborn	FY12	3	3			X			X	
Shirley	FY10	1	2	X				X		
Shrewsbury	FY10	1	2	X				X		
Shutesbury	FY11	2	3			X			X	
Somerset	FY10	1	1	X			X			X
Somerville	FY10	1	2	X				X		
South Hadley	FY10	1	2	X				X		
Southampton	FY11	2	2		X			X		
Southborough	FY10	1	1	X			X			X
Southbridge	FY10	1	1	X			X			X
Southwick	FY10	1	1	X			X			X
Spencer	FY10	1	2	X				X		
Springfield	FY11	2	3			X			X	
Sterling	FY10	1	1	X			X			X
Stockbridge	FY11	2	3			X			X	
Stoneham	FY12	3	3			X			X	
Stoughton	FY11	2	2		X			X		
Stow	FY10	1	1	X			X			X
Sturbridge	FY11	2	2		X			X		
Sudbury	FY10	1	1	X			X			X
Sunderland	FY11	2	2		X			X		
Sutton	FY12	3	3			X			X	
Swampscott	FY11	2	3		X				X	
Swansea	FY11	2	2		X			X		
Taunton	FY10	1	1	X			X			X
Templeton	FY10	1	1	X			X			X
Tewksbury	FY10	1	1	X			X			X
Tisbury	FY11	2	3			X			X	
Tolland	FY12	3	1				X			X
Topsfield	FY10	1	1	X			X			X
Townsend	FY12	3	3			X			X	
Truro	FY11	2	2		X			X		
Tyngsborough	FY10	1	2	X				X		
Tyringham	FY11	2	3			X			X	
Upton	FY11	2	2		X			X		
Uxbridge	FY10	1	2	X				X		
Wakefield	FY11	2	2		X			X		
Wales	FY11	2	2		X			X		
Walpole	FY11	2	2		X			X		
Waltham	FY10	1	1	X			X			X

Community	Current	Cur Cycle	New Cycle	C1 FY10	C2 FY11	C3 FY12	C1 FY13	C2 FY14	C3 FY15	C1 FY16
Ware	FY12	3	3			X			X	
Wareham	FY12	3	3			X			X	
Warren	FY11	2	3		X				X	
Warwick	FY10	1	1	X			X			X
Washington	FY10	1	2	X				X		
Watertown	FY10	1	1	X			X			X
Wayland	FY12	3	3			X			X	
Webster	FY12	3	3			X			X	
Wellesley	FY12	3	3			X			X	
Wellfleet	FY10	1	2	X				X		
Wendell	FY12	3	1			X				X
Wenham	FY12	3	3			X			X	
West Boylston	FY11	2	2		X			X		
West Bridgewater	FY12	3	1				X			X
West Brookfield	FY11	2	3		X				X	
West Newbury	FY10	1	1	X			X			X
West Springfield	FY11	2	2		X			X		
West Stockbridge	FY12	3	3			X			X	
West Tisbury	FY11	2	3			X			X	
Westborough	FY12	3	1				X			X
Westfield	FY10	1	1	X			X			X
Westford	FY11	2	2		X			X		
Westhampton	FY10	1	1	X			X			X
Westminster	FY10	1	1	X			X			X
Weston	FY11	2	3			X			X	
Westport	FY12	3	1				X			X
Westwood	FY12	3	1			X				X
Weymouth	FY11	2	3		X				X	
Whately	FY11	2	2		X			X		
Whitman	FY11	2	2		X			X		
Wilbraham	FY10	1	2	X				X		
Williamsburg	FY10	1	1	X			X			X
Williamstown	FY12	3	3			X			X	
Wilmington	FY10	1	1	X			X			X
Winchendon	FY12	3	3			X			X	
Winchester	FY11	2	3		X				X	
Windsor	FY12	3	1			X				X
Winthrop	FY12	3	3			X			X	
Woburn	FY11	2	3		X				X	
Worcester	FY11	2	2		X			X		
Worthington	FY11	2	3		X				X	
Wrentham	FY10	1	1	X			X			X
Yarmouth	FY10	1	1	X			X			X
Total				135	94	101	106	117	117	117

Community	Current	Cur Cycle	New Cycle	C1 FY10	C2 FY11	C3 FY12	C1 FY13	C2 FY14	C3 FY15	C1 FY16
Postponements					34	21	50	27	11	

DLS ALERT: Bureau of Accounts Annual Year-End Letters

The [Bureau of Accounts](#) has released several annual year-end letters setting forth certain reporting requirements and other related matters for municipal accountants/auditors, treasurers, collectors, clerks and regional school district business officials.

Any questions in any of these matters should be directed to the jurisdiction's Bureau of Accounts field representative.



To: City Auditors, Town and Special Purpose District Accountants
From: Gerard D. Perry, Director of Accounts
Date: July, 2010

This letter sets forth the requirements for certification of free cash for the General Fund, certification of retained earnings for all enterprise funds, submission of Schedule A, submission of the Snow and Ice annual report and certain other related matters.

M.G.L. Chapter 59, §23 clearly contemplates only one certification, based on the balance sheet submitted by the city auditor, town or district accountant, or supported by audited financial statements if required by the Director. Requests for a revision, apart from a free cash update, are unlikely to be approved. Appropriation is allowed after Bureau certification; appropriation prior to certification will be considered defective requiring additional local action.

For jurisdictions required to submit audited financial statements prior to free cash certification, the Director may decide not to certify an amount if the independent auditor's opinion is adverse or if the opinion is disclaimed.

Balance Sheet - Form Submission Requirements

All procedures necessary to properly close accounting records should be completed. Pre-closing trial balances will not be accepted. Submit hard-copy documentation which has not already been entered or uploaded into Gateway.

For jurisdictions anticipating appropriation from free cash in December, the Bureau suggests that balance sheets in proper form be submitted no later than November 15 to allow sufficient time for Bureau review and certification. Due to the high volume of tax rates certified by the Bureau during November and December, certification of free cash during these months may be delayed.

The following required forms are down-loadable from the DLS website when linked and are up-loadable or data entered into Gateway under Misc Forms. The up-load or data entry into Gateway is currently only available to cities and towns.

- Combined Balance Sheet and Combining Balance Sheets for each fund type including individual fund balances;
- Detailed analysis of undesignated fund balance/surplus revenue;
- [FY2010 Year End Checklist](#);
- [Cash Reconciliation Form](#);
- [Treasurer's Quarterly Cash Report](#) as of June 30;
- [Schedule of Outstanding Receivables](#) as of June 30;
- [Statement of Indebtedness](#) as of June 30;
- [Snow and Ice Annual Report](#);
- Audited financial statements if required by the Director;
- Other information as requested by the Bureau.

Balance Sheet Presentation

- If committed before July 1, the FY2011 property tax commitment is not recorded until July 1. Cash received before July 1 toward that commitment is recorded as FY2011 deferred revenue.
- Invested funds must be reported at fair value as of June 30 per GASB 31.
- Claims Trust Funds per G.L. Chapter 32B, §3A must be accounted for in accordance with GAAP. "IBNR" claims must be accrued and reported on the balance sheet. A June 30, 2010 deficit in this fund must be provided for on the FY2011 tax rate.
- Funds appropriated for employee contracts, if included in the omnibus budget, may be encumbered only if the employer and employee bargaining representatives agree to contractual terms by July 15 with a final ratification.
- The State Special Education Reimbursement Fund (Circuit Breaker) June 30 balance can be no greater than the Department of Elementary and Secondary Education's FY2010 reimbursement, not including extraordinary assistance or funds obligated by the school committee for FY2011 purposes. Any excess fund balance must close to the General Fund on June 30.
- MTBE litigation settlement proceeds received in FY2010 not applied as per [Bulletin 2008-13B](#) must close to the General Fund on June 30.
- Special election for United States Senator proceeds received in FY2010 not applied as per [Bulletin 2010-05B](#) must close to the General Fund on June 30.
- Massachusetts School Building Authority (MSBA) lump-sum payments may require reservation and amortization. Review [IGR 08-102](#) and the [FY2011 Estimated Receipts Worksheet](#) for instructions.
- Interfund borrowing advances must be repaid no later than June 30. [IGR 92-105](#). Debt authorized for jurisdictions under legal restriction to obtain approval from the Commissioner of Revenue must first receive local approval then the Commissioner's before interfund borrowing and expenditure of funds can occur.
- Appropriations from the stabilization fund prior to July 1, the funding source of which is the next fiscal year's tax levy are neither recorded nor expendable until July 1.
- Community Preservation Fund balances reported on the June 30 balance sheet must match balances reported on form [CP-2](#) due on October 31.
- Appropriations from Community Preservation Fund (CPF) prior to July 1, the funding source of which is FY2011 CPF estimated revenues are neither recorded nor expendable until July 1.

Potential Increases to Free Cash

The following amounts may be requested by the jurisdiction's accounting official to be included in the certification:

- FY2010 state aid payments received by September 30;
- Other reimbursements received by September 30 for FY2010 expenditures that resulted in a deficit fund balance as of June 30, including funds from FEMA/MEMA for storm related damages, may be applied to offset the deficit;
- Expected special July, 2010 distribution of meals excise tax;
- Expected reimbursement from the MSBA or other state or federal department or agency (except FEMA/MEMA and MWPAT) for FY2010 expenditures that resulted in a deficit fund balance as of June 30 may be applied to offset the deficit provided:
 - (a) a documented reimbursement request was filed with the appropriate authority by September 30; and
 - (b) the Bureau can confirm that payment will be made.

Potential Decreases to Free Cash

The following reasons will contribute to a free cash reduction unless otherwise noted. The Director may reduce the calculated amount of free cash if, in his opinion, the calculated amount cannot be substantiated by supporting documentation.

- A variance between balance sheet and cash and/or outstanding receivables detail;
- Illegal deficits or any legal deficit not provided for on the tax rate (if tax rate certification preceded free cash certification);
- Individual capital projects fund balance deficit unless funds were borrowed by June 30;
- A self-insurance health claims trust fund balance deficit (note: must be provided for on next tax rate);
- A Chapter 90 fund balance deficit unless:
 - (a) funds were borrowed by June 30; or
 - (b) reimbursement was received by September 30; or
 - (c) reimbursement was filed with MassDOT by September 30 and Bureau can confirm that payment will be made;
- An appropriation overdraft for storm damage unless:
 - (a) payment of emergency liability payments was approved by the Director of Accounts per G.L. Chapter 44, §31; or
 - (b) funds were borrowed by June 30; or
 - (c) reimbursement was received by September 30.

Certification Notice

Certification letters will be e-mailed to the mayor/manager, board of selectmen, finance director, accounting officer and treasurer immediately upon approval, provided an e-mail address is reported in DLS' Local Officials Directory. Officials are advised to check their e-mail address in the Directory and notify their jurisdiction's clerk if incorrect.

Free Cash Certification Update

One free cash certification update is allowed per fiscal year. Certification may be updated by receipts attributable principally to prior fiscal year property taxes, net of refunds, received from July 1 through March 31. At minimum, a listing of taxes collected by fiscal year must be provided to the Bureau for update purposes. This certified update provides additional appropriation authority.

An update will not be certified if use of such funds could, in the Director's opinion, result in a negative free cash as of the following June 30. No similar update may be requested for the following fiscal year if an update is certified and such a negative free cash results.

The Bureau will continue to allow non-recurrent distributions received in the current fiscal year to be included in a free cash certification update subject to the conditions noted above.

Schedule A Form and Notice

The FY2010 Schedule A will be due October 31. General Laws provide for the withholding of local aid payments to cities and towns that do not submit a Schedule A to the Bureau timely.

The FY2010 Schedule A in Gateway is currently available. The Excel version of Schedule A will be available in early August. Please note any particular instructions in the annual Schedule A Guidelines and Reference Manual.

Schedule A approval letters will be e-mailed to addresses reported in the DLS Local Officials Directory as budgeting, accountant/auditor, comptroller and finance director. These officials are advised to check their e-mail account in this Directory and notify their jurisdiction's clerk if it is incorrect.

Snow and Ice

The [Snow and Ice Report](#) must be filed with the Bureau by September 15.

DLS Website and Gateway

All IGRs and Bulletins referred to in this letter can be found on the DLS website at www.mass.gov/dls. Many forms referred to are found in Gateway or may be downloaded from the DLS website, completed and uploaded into Gateway. If you have any questions with regard to any item in this letter, please do not hesitate to contact your Bureau of Accounts field representative.



July, 2010

To: City, Town and District Clerks:

This letter is to remind you of important reporting duties required by G.L. chapter 44, §28, chapter 59, §21D and chapter 71, §16B and of certain other matters. The purpose of these requirements is to ensure that the Department of Revenue has current information regarding borrowing, Proposition 2½ referendum questions and city/town council or town meeting action. This information is critical in our efforts to maintain complete and accurate records of indebtedness and to review and certify tax rates.

Borrowing Authorizations

Clerks (including regional school district personnel) are required to send to the Director of Accounts, within 48 hours after the vote becomes effective, certified copies of all debt authorizations.

The votes must be declared passed by a unanimous vote or an actual counted 2/3rds majority or by a “declared 2/3rds majority.” If a vote is contingent upon a Proposition 2½ debt exclusion or override, it is not considered “passed” until the exclusion vote passes. Certified election results for the debt exclusion must also be submitted with a contingent vote to authorize debt.

DA-82 Loan Authorization Report. In addition to the statutory reporting requirements, the Bureau of Accounts also requires form DA-82. The purpose of the DA-82 is to ensure that debt authorizations occurred at a duly called, valid meeting that complied with the open meeting law and other legal requirements. The DA-82 is not required for cities. Please send in this report with the debt authorizations.

[Form DA-82](#) can be found on the Bureau of Accounts’ website.

City/Town Council and Town Meeting Action

City/town clerks must report all town meeting or city/town council appropriation action in the appropriate column of page 4 of the tax rate or pro forma recapitulation form.

City/town clerks, pursuant to M.G.L. Chapter 71, §16 where there has been a reduction in the regional school assessment, are allowed to reduce the appropriation made by the city/council/town meeting action down to the new assessment. Clerks should report this adjustment as a negative amount in the appropriate column of the tax rate or pro forma recapitulation form, page 4.

Rescission of appropriations from the FY2010 tax levy since the FY2010 tax rate was set should be reported on the FY2011 tax rate recap first as the initial appropriation made followed by a negative for the same amount. In this way, FY2011 action will not be affected.

Transfers made via the alternative method detailed in the Division of Local Services' [IGR 06-209](#) should not be reported to the Bureau of Accounts on the tax rate or pro forma recapitulation form.

Proposition 2 1/2 Questions

Please send specimen ballots with certified election results for all Proposition 2½ questions voted this year. Your submission should include winners as well as losers and clearly show the date, purpose and type of vote (override, underide, debt exclusion or capital expenditure exclusion). These votes should be directed to Lisa Juskiewicz in the Municipal Data Management Bureau.

Please indicate municipal capital stabilization fund overrides per G.L. chapter 59, §21C(g) separately (see Division of Local Services IGR 04-201).

Local Options

Please send any local option votes that require notification to the Division of Local Services (e.g. adoption of the Community Preservation Act, quarterly tax billing, meals excise, additional hotel/motel excise) to the Municipal Data Management Bureau.

Affidavit as to Time of Sending Tax Bills

One completed copy of this affidavit should be filed in the tax collector's office and another in the clerk's office. Do not send a copy of this document to the Bureau of Accounts unless requested by the Director.

Notifications

The Division of Local Services expanded and refined automatic notifications of Bureau approvals in FY2010, including immediate e-mail notifications of free cash certification. These notifications are sent to e-mail addresses in the Local Officials Directory which local finance officials should check for accuracy. In some cases, local network firewall settings have resulted in non-delivery of these e-mail messages. Local officials should work with their computer staff to ensure that messages sent by the Division are not blocked or considered SPAM since the Division now relies on e-mail to deliver legally required notifications.

Division of Local Services Website

All Informational Guideline Releases and Bulletins issued by the Division of Local Services can only be found on our website at www.mass.gov/dls. If you currently do not have a subscription to receive this information, please log on and subscribe online.

Thank you for your assistance with these important matters. If you have any questions, please do not hesitate to contact the Bureau.

Sincerely,

A handwritten signature in cursive script that reads "Gerard D. Perry".

Gerard D. Perry
Director of Accounts



July, 2010

To: City/Town/District Collectors:

This letter sets forth the annual reporting requirements of collectors to the Bureau of Accounts and includes other matters.

Schedule of Outstanding Receivables

For FY2011, this schedule must be completed and returned to the accountant/auditor who will forward it with additional documentation for free cash certification to the Bureau.

This schedule compares the detailed listings of the collector, treasurer or department head with the balance of certain outstanding receivables of the accountant/auditor.

Compensating Balance Analysis

This report must be completed and returned to the Bureau by September 30, 2010 only if your city, town or district had a compensating balance account in FY2010. Please send to the Bureau a copy of any new agreement for FY2011, even if you do not have to complete the worksheet.

If you have any questions regarding your account, please contact your bank. If you have any questions regarding the completion of the worksheet, please contact Gerry Cole of the Bureau's public finance section at 617-626-4110.

Affidavit as to Time of Sending Tax Bills

Please keep one completed copy and file another with the city or town clerk. Do not send a copy of this document to the Bureau of Accounts unless requested by the Director.

Forms

Additional forms are available on our web site at www.Mass.gov/dls.

Mailing Address, Fax and E-mail Address

Compensating balance information may be should be mailed, faxed or e-mailed to:

Public Finance Section
Bureau of Accounts
P.O. Box 9569
Boston, Mass. 02114-9569

Fax: 617-626-3916

E-mail: coleg@dor.state.ma.us.

If you have any questions with regard to any item found in this letter, please do not hesitate to contact the Bureau.

Sincerely,

A handwritten signature in cursive script that reads "Gerard D. Perry".

Gerard D. Perry
Director of Accounts



To: Regional School District Business Officials
From: Gerard D. Perry, Director of Accounts
Date: July, 2010

This letter sets forth the year-end reporting requirements pursuant to G.L. chapter 71, §16B½ and 603 CMR 41.06 for certification of excess and deficiency (E & D) for the General Fund and certain other related matters.

E & D used as part of the certification of assessments to member communities must first be certified by the Director of Accounts. Use prior to certification will be considered defective.

Balance Sheet Submission Requirements

- Combined Balance Sheet and Combining Balance Sheet for each fund type including individual fund balances;
- Detailed analysis of undesignated fund balance;
- [FY2010 Year End Checklist](#);
- [Cash Reconciliation Form](#);
- [Treasurer's Quarterly Cash Report](#) as of June 30;
- [Statement of Indebtedness](#) as of June 30;
- Summary of the FY2011 budget (operating and capital);
- Schedule of assessments to each member city and town;
- Audited financial statements if required by the Director;
- Other information as requested by the Bureau.

Please be reminded that 603 CMR 41.06 indicates that quarterly regional school district state aid in whole or in part may be withheld if the regional school district has not filed the required balance sheet forms and schedules as of June 30, 2010 to the Bureau of Accounts by October 31, 2010. To be properly filed, the forms indicated above must be completed and submitted to the Bureau.

For jurisdictions in which the Director of Accounts requires audited financial statements prior to certification of E & D, the Director may decide not to certify an amount if the independent auditor's opinion is adverse or if the opinion is disclaimed.

Balance Sheet Presentation

All procedures necessary to properly close accounting records should be completed. Pre-closing trial balances will not be accepted. Submit hard-copy documentation allowing sufficient time for Bureau review and certification as well as for local action.

- Invested funds must be reported at fair value as of June 30 per GASB 31.
- Claims Trust Funds per G.L. Chapter 32B, §3A must be accounted for in accordance with GAAP. "IBNR" claims must be accrued and reported on the balance sheet. A June 30, 2010 deficit in this fund by law must be provided for in the FY2011 regional school district budget.
- Funds appropriated for employee contracts, if included in omnibus budget, may be encumbered only if the employer and employee bargaining representatives agree to contractual terms by July 15 with a final ratification.
- The State Special Education Reimbursement Fund (Circuit Breaker) June 30 balance can be no greater than the Department of Elementary and Secondary Education's FY2010 reimbursement, not including extraordinary assistance or funds obligated by the regional school district committee for FY2011 purposes. Any excess fund balance must close to the General Fund on June 30. Any FY2010 deficit in the fund must be charged to the FY2011 regional school district budget and will have no effect on June 30, 2010 E & D. Proof of this charge must be provided to the Bureau of Accounts, otherwise E & D will be reduced.
- Massachusetts School Building Authority (MSBA) lump-sum payments may require reservation and amortization. Review [IGR 08-102](#) and the [FY2011 Estimated Receipts Worksheet](#) for instructions.
- Interfund borrowing advances must be repaid no later than June 30. [IGR 92-105](#). Debt authorized for jurisdictions under legal restriction to obtain approval from the Commissioner of Revenue must first receive local approval and then the Commissioner's before interfund borrowing and expenditure of funds can occur.
- Reservations of interest income from investments, certain bond/BAN premiums, rebates and medicare/medicaid reimbursements are improper and unless special legislation or the Director of Accounts requires such reservation, they must be closed to the district's General Fund. Also, close all encumbrances to the General Fund not supported by a legal commitment made to a third party.
- Any bond or bond anticipation note premium that will not be returned to the member communities because of debt exclusion votes taken by the members, must be closed to the district's General Fund on June 30. Per G.L. chapter 44, §20, the Bureau must then reduce the members' debt exclusions by the amount that represents their proportionate share of the premium kept by the district through maturity of the debt. Otherwise, the premium must be reserved and returned to district members by no later than June 30. The return of premium may be either by a reduction to the capital assessment or by separate check.

Potential Increases to E & D

The following amounts may be requested by the jurisdiction's accounting official to be included in the certification:

- FY2010 state aid payments received by September 30;
- Other reimbursements received by September 30 for FY2010 expenditures that resulted in deficit fund balances as of June 30 may be applied to offset the deficit;
- Expected reimbursement from MSBA or other state or federal department or agency for FY2010 expenditures that resulted in a deficit fund balance as of June 30 may be applied to offset the deficit provided:
 - (a) a documented reimbursement request was filed with the appropriate authority by September 30; and
 - (b) the Bureau can confirm that the payment will be made.

Potential Decreases to E & D

The following reasons will contribute to an E & D reduction unless otherwise noted. The Director may reduce the calculated amount of E & D if, in his opinion, the calculated amount cannot be substantiated by supporting documentation.

- A variance between the balance sheet and treasurer's cash;
- Illegal deficits or any deficit not provided for in the district assessment;
- Individual capital projects fund balance deficit unless funds were borrowed by June 30;
- A self-insurance health claims trust fund balance deficit (note: must be provided for in next regional school district budget);
- FY2010 circuit breaker fund balance deficit not charged to FY2011 school budget.

Auto E-Mail of E & D Certification

Certification letters will be e-mailed to the superintendent and school business manager, the board of selectmen in each member town and the city council in each member city immediately upon approval, provided an e-mail address is reported in DLS' Local Officials Directory.

Distribution of Local Aid

Regional school districts are reminded of G.L. chapter 58, §18F which provides for the withholding of local aid payments to districts that do not submit a prior year's annual financial report to the Department of Elementary and Secondary Education.

If you have any questions or comments, please contact your [Bureau of Accounts' field representative](#).



July, 2010

To: City, Town, Special Purpose District and Regional School District Treasurers:

This letter sets forth the treasurers' annual reporting requirements to the Bureau of Accounts and includes other matters.

Statement of Indebtedness

This statement as of June 30, 2010 must be completed and returned to the Bureau by September 30, 2010 or upon submission of a balance sheet for FY2011 free cash/excess & deficiency certification, whichever is earlier.

Treasurer's Quarterly Cash Report

The fourth quarterly report as of June 30, 2010 must be completed and returned to the Bureau by September 30, 2010 or upon submission of a balance sheet for FY2011 free cash/excess & deficiency certification, whichever is earlier.

The first three quarterly reports of FY2010 should be completed timely and filed in both the treasurer's and accountant's/auditor's or school business manager's offices for possible Bureau inspection or audit.

Compensating Balance Report

This report as of June 30, 2010 must be completed and returned to the Bureau by September 30, 2010 only if your city, town or district had a compensating balance account in FY2010. Please send to the Bureau a copy of any new agreement for FY2011, even if you do not have to complete the worksheet.

If you have any questions regarding your account, please contact your bank. If you have any questions regarding the completion of the worksheet, please contact Gerry Cole of the Bureau's public finance section at 617-626-4110.

Request for Debt Exclusion Information

To forestall any delay in setting the FY2011 tax rate, the Bureau requests that treasurers in communities with debt exclusions complete and return this worksheet to your Bureau of Accounts field representative as soon as possible. Please include debt schedules or any other relevant information that supports this request.

G.L. chapter 44, §20 as amended by chapter 46, §33 of the Acts of 2003 and chapter 139 of the Acts of 2006, restricts a community's debt exclusion to the true interest cost incurred to finance the excluded project. Premiums received at the time of sale must be offset against the stated interest cost in computing the debt exclusion amount.

For regional school district treasurers, any premium received must either close to the region's General Fund in FY2010 or be reserved and returned to its members to reduce the FY2011 capital assessment. Any amount not so returned, by law, requires the Bureau to reduce the member's levy limit by an amount that represents a proportionate share of the bond premium over the applicable amount of time.

If you have any questions regarding the completion of the worksheet, please contact your Bureau of Accounts field representative.

Schedule of Outstanding Receivables

This schedule as of June 30, 2010 must be completed by a city, town or special purpose district treasurer and returned to the accountant/auditor who will forward it with additional documentation for free cash certification to the Bureau.

This schedule compares the detailed listings of the collector, treasurer or department head with the balance of certain outstanding receivables of the accountant/auditor.

This schedule does not apply to regional school districts.

Fidelity Bonds

To properly guard public funds, a jurisdiction's treasurer and its chief executive officer must periodically review who is handling these funds and be sure that he/she is bonded either personally or by blanket coverage.

State House Note Program

In connection with the state house note certification process, we emphasize the necessity for timely submission of notes and supporting documentation. This enables us to properly schedule the necessary review and approval activities, especially during the peak borrowing months of December and June. The Bureau strongly suggests that note and supporting documentation submission be at least five business days prior to the issue date. This eliminates the possibility of notes remaining uncertified as of the issue date which would jeopardize receipt of funds.

As a reminder, year-end deficit fund balances resulting from anticipated other governmental reimbursements or borrowing authorizations are deducted from free cash/excess and deficiency unless the funds are borrowed (e.g. BANs, GANs, SANs) by June 30, 2010 that equaled or exceeded the amount of the deficit. Capital projects are analyzed on an individual, not aggregate basis.

[State House Note forms](#) can be found on the Bureau of Accounts' website.

Interfund (“Internal”) Borrowing Prior To Issuance of Debt

G.L. chapter 44, §20A allows for interfund borrowing prior to issuance of debt to make expenditure for purposes for which the authorized debt will be issued. Interfund advances must be repaid during the same fiscal year and there are borrowing restrictions. See [IGR 92-105](#). Debt authorized for jurisdictions under legal restriction to obtain approval from the Commissioner of Revenue must first receive local approval and then the Commissioner’s approval before interfund borrowing and expenditure of funds can occur.

Loss of Invested Funds

The Massachusetts Attorney General’s Office has assisted various Massachusetts cities, towns and other governmental entities in the recovery of municipal funds as a result of having received and followed inappropriate investment advice. Treasurers who may wish to discuss this matter are urged to contact either Gerard D. Perry, Director of Accounts, at 617-626-2134 or Glenn Kaplan, Chief of the Attorney General’s Insurance and Services Division, at 617-727-2200 x2453.

Certification of City/Town and Regional School District Notes and Receipt of Audit Reports

Audit reports for the period ending June 30, 2010 for cities, towns and special purpose districts are required if expenditure of federal funds exceeds \$500,000. Annual audits of regional school districts are required under provisions of G.L. chapter 71, §16A.

For FY2011, to continue past practice, the Bureau will not certify revenue notes (RANs) of a city, town, special purpose district or regional school district if a required audit for the year ending June 30, 2009 has not been submitted.

Per federal rule, audits must be completed no later than nine months after the end of the fiscal year unless extension is granted by the jurisdiction’s federal cognizant agency.

Deficit Capital Projects Fund Balances

Year-end deficit fund balances resulting from anticipated other governmental reimbursements or borrowing authorizations are deducted from free cash unless funds are borrowed (e.g. BANs, GANS, SANs) by June 30, 2010 that equaled or exceeded the amount of the deficit. Capital projects are analyzed on an individual, not aggregate basis.

Chapter 90 Bond Issue Apportionments

As in prior years, communities are allowed to appropriate these apportionments as available funds. Spending from this appropriation could have a negative impact on free cash if expenditures are not reimbursed by June 30, 2010 unless:

- Borrowing occurs by June 30, 2010 in anticipation of receiving the reimbursement;
- Reimbursement received by September 30, 2010 can be documented;
- A documented request for reimbursement was filed with MassDOT by September 30, 2010 and the Bureau can confirm that the payment will be made.

Storm Damage Deficits

Any appropriation overdraft for storm damage deficits will reduce free cash unless:

- payment of emergency liability payments was approved by the Director of Accounts per G.L. Chapter 44, §31;
- funds were borrowed by June 30; or
- a reimbursement was received by September 30.

Mailing Address, Fax and E-mail Address

Statements of Indebtedness, the Treasurer's Quarterly Report and Compensating Balance Report should be mailed, faxed or e-mailed to:

Public Finance Section
Bureau of Accounts
P.O. Box 9569
Boston, Mass. 02114-9569
Fax: 617-626-3916
E-mail: coleg@dor.state.ma.us.

If you have any questions with regard to any item found in this letter, please do not hesitate to contact the Bureau.

Sincerely,



Gerard D. Perry
Director of Accounts

Check out new stories and discussions on the [OpenDOR blog](#).

DOR rules that wind turbines are exempt from the sales tax

July 15, 2010

Thinking of developing a wind farm, or building a single wind turbine?

In a [letter ruling](#) issued earlier this month at the request of a taxpayer, DOR ruled that sales of machinery used to construct a wind turbine, tower and components, and the supporting foundation are exempt from Massachusetts sales tax under G.L. c64H Sec. 6(s).

The reason? The turbine, tower and components and supporting foundation qualify as machinery that is used directly and exclusively in furnishing electricity that is delivered to consumers through mains, lines or pipe. Such machinery, according to [64H Sec. 6\(s\)](#), is exempt from sales tax.

The ruling on wind turbines breaks new ground in that DOR has never before been asked the question about the applicability of this exemption to wind turbines. It probably won't be the last time.

While the letter ruling applies only to the individual taxpayer, it also sets a precedent which well might apply to which other taxpayers engaged in a similar project. Such taxpayers are urged to contact DOR for clarification rather than to assume the exemption.

The ruling in its concluding paragraph notes that "with respect to other machinery required to build the wind turbine, tower or foundation, such machinery is exempt only if it becomes a part of the integrated and synchronized system that furnishes the electricity to consumers ... for example, machinery such as erection cranes, support cranes and bulldozers are subject to tax."

But the blade, turbine, tower and the equipment used to capture the energy and sent it on its way are exempt from the sales tax.

With interest growing in harnessing the wind to provide clean and renewable energy, this letter ruling may provide some additional financial incentive to wind energy developers.

FY10 revenues come in \$78 million higher than expected

July 16, 2010

The Department of Revenue released its [monthly revenue report](#) for June yesterday, a document that also includes the fiscal year-end report, and the numbers were a bit of a surprise.

June turned out to be a much bigger than expected month, \$240 million more than last June and \$149 million above what was expected for the month. This robust performance more than erased what looked like a \$70 million revenue shortfall at the end of May, and put the revenue ledger for FY10 \$78 million into the black.

The FY10 collection was \$18.538 billion, up from the FY09 collection of \$18.259 billion. Not much cause for celebration, though, when you recall that in FY08, the revenue collection was \$20.88 billion, back when capital gains tax revenue was pouring in. The FY11 estimated collection is about \$19.050 billion, so it will take a few more years before revenues return to the highwater mark of FY08.

Without the sales tax increase to 6.25 percent that took effect August 1, 2009, FY10 collections would have been less than FY09. Sales tax revenue of \$4.612 billion in FY 10 was \$743 million more than in FY09, and that pushed the total revenue collection higher than in FY09.

Signs of economic recovery were clearly visible in tax types tied to current economic conditions. In the fourth quarter of FY10, revenues grew 5.7 percent factoring out the sales tax increase compared to the fourth quarter in FY09, due to improvement in withholding, income tax estimated payments for tax year 2010, sales tax and corporate taxes.

The removal of the sales tax exemption for beer, wine and alcohol produced an estimated collection of \$97 million in FY10, about \$19 million higher than forecast. The volume of alcoholic beverages sold, as measured by the alcohol excise tax (a penny for a bottle of beer, 11-cents for a bottle of wine, etc.) declined 1 percent, which did not indicate a dramatic weakening in sales.

Municipal Relief Bill enacted

July 29, 2010

Earlier this week, Gov. Deval Patrick signed with an [Emergency Preamble](#) the new [Municipal Relief](#) law . The preamble allows the provisions of the law to take immediate effect.

Highlights of the law, formally titled An Act Relative to Municipal Relief, include:

- Allowing cities and towns to extend their pension funding schedules out to 2040, rather than meeting the previous deadline of 2030 which seemed all but impossible given unprecedented asset losses from the stock market decline of 2008;
- Giving communities more flexibility in their borrowing by allowing the financing of projects over a term matching the asset's useful life up to 30 years;
- Permits communities to adopt a limited early retirement program;
- As noted in City and Town article of July 22, ["Certification Year Reshuffle,"](#) restructures the schedule for triennial property tax recertifications.

There is much more in the new law, including changes in bidding, intermunicipal agreements, and provisions to stimulate regionalization and shared services.

American Reinvestment & Recovery Contributions: Stimulus up close: MassRRO Director Jeffrey Simon onsite in Barnstable

From City and Town News for July 1, 2010



The Town of Barnstable has received over \$6 million through the Recovery Act to help fund much-needed wastewater, energy and road projects. Recently, Jeffrey Simon, director of the Massachusetts Recovery and Reinvestment Office, took a trip to the town to see the impact stimulus funds have had on these projects, on the town and on its citizens.

“The Governor sent me out to look at projects so I can understand what is going on in the field,” said

Simon. “I can’t do that sitting in my office in Boston.”

Barnstable’s population swells from about 55,000 people year round to about 130,000 in the summer season. The town has to develop its infrastructure for maximum capacity, Mark Els, the town’s Director of Public Works, told Simon, and the existing upgrades are essential to accommodate the town’s current and future growth.



Part of that plan involves implementing the town’s clean water project which includes putting in new sewers and water main replacements around Stewart’s Creek in Hyannis in areas that have water quality issues and further addressing those issues with improvements to the Hyannis Water Pollution Control Facility. The project received

over \$1 million in stimulus help.



“We are addressing bacterial issues and drinking water issues,” said Els. “It’s a balancing act of what’s going on above ground and underground and it is critical to us.”

The town's drinking water project, which received \$705K in stimulus help, involves repairing and improving two water treatment facilities, 12 well pump stations, two storage tanks and distribution water pipes. Els noted that the stimulus funding minimized the cost for the town.

"The Governor took a lot of heat early on in the stimulus program for the way he did the State Revolving Fund program," noted Simon. "Some states funded two to three programs in total but the Governor leveraged those funds to make a lot of those projects happen. Massachusetts with only two percent of the country's population has produced \$800 million of construction value with those subsidies, the highest in the country. Now the program is featured as an ARRA success story."



Another success story is that of Dennis-based construction firm, Robert B. Our, which is the contractor for both the town's clean water and drinking water

projects. Our also secured contracts for two other-stimulus-funded projects on the Cape. According to Mark Timmerman, Our's superintendent for the pump station project, the company brought in 30 employees thanks to stimulus.



"Before stimulus we were struggling to get work," he said. "The company laid off about 25 guys. We brought back some of those guys and others. Stimulus got us through some bad times."

Stimulus is also helping the town with its green energy upgrades. The town's wastewater

treatment facility, which processes nearly two million gallons of wastewater a day, is now able to install Variable Speed Drives and other upgrades to the motors on the plant's pumping and aeration systems. The plant will also house two 100kW wind turbines and a 800+ kW solar photovoltaic system. This is the state's second largest solar installation under the stimulus plan.



In total, the annual energy savings from these upgrades will be \$250K, 1,000 kW of green power generation from the solar and wind power and

nearly 2,000 tons of carbon dioxide emission reductions.

Those numbers impressed Simon. "I am amazed at the creativity that is coming out in all of this," he said. "I don't know how towns are managing these days. I have tremendous admiration for you guys in these tough economic times."

John Klimm, Barnstable's town manager had a simple explanation for the town's success. "The state has been a true partner," he said.

Changing lives on the Cape, one stimulus award at a time

From City and Town News for July 8, 2010



The Community Action Committee of Cape Cod & Islands is an anti-poverty agency that helps the people in its region in a myriad of ways -- from child care to homelessness prevention to financial literacy to emergency food and clothing. Last year, the agency served nearly 14,000 low income people.

Its stimulus award of \$858K could not have been more needed, or put to better use.

"Human lives will be changed as a result of this stimulus," says Estella Fritzinger, CEO and executive director of the agency.

Fritzinger is referring to the many programs at the Community Action that benefited thanks to stimulus. Among those programs is the Client Self Sufficiency Program which provides employment and training workshops for clients as well as case management, and help with benefits enrollment. The program was able to hire four employees and retain two others who are enabling it to help an additional 900 clients. It also was able to open a Cyber-Café that is being accessed by about 30 clients a month.

"Families with out Internet come in and kids do research," said Marlene Weir, Director of



Development for the Community Action Council. "Women come in from the shelter to use the computers; people come in to learn English."

The Education, Literacy and Health programs is another example of programs that are helping an additional 1,380 clients by being able to retain its employees and expand its CPR and first aid training, provide additional support to family day care providers, and implement English as a Second Language classes. The Homeless Outreach program was able to hire an outreach worker and increase its programs to prevent homelessness.



"Through every single program that we have here and how all of those intertwine, we were able to hire staff in order to make those programs work better, to help people to find solutions to their barriers to self sufficiency," said Mellisa Carney-Getzie, Program Director of the Client Self-Sufficiency Services.

For Missie's Closet, the Community Action's emergency food pantry that also provides free clothing and furniture, stimulus' impact was transformative. The agency was able to hire Claudia Robinson, who had been unemployed for a year, to manage the site. Robinson has expanded the facility to triple its size and marketed it throughout the Cape.

"We are the only emergency food and necessities pantry on the Cape open five days," said Robinson. "The other places have established hours and eligibility requirements."

Since Robinson came on board, the number of clients at Missie's clients increased from about 20 people a month to nearly 150.

For Carney-Getzie , this is what it's all about.

"This morning, I looked at our call logs and our walk-in logs because we have people sign in when they come in the front door," she said. "Just in the last three weeks of June, we had 67 people walk through the font door, asking for help, and 72 phone calls. I can't say that's always been the way it is but because of the economy there are more people that need help out there."



A place to heal and to call home gets help from stimulus

From City and Town News for July 15, 2010



At the Pilot House, men of varying ages, sizes and shapes gather for one reason: to overcome their substance abuse and get their lives back.

The Pilot House is a homeless shelter and therapeutic program for people who have been chronically homeless and struggle with addiction to drugs or alcohol. "This is a homeless shelter for people committed to turning their lives around," says Betsy Fontes, Director of Shelter Programs/Social Services at Pilot House.

The program, which is part of the Community Action Committee of Cape Cod & Islands, received a stimulus award which it used to hire an employment, training and education case manager, Ricardo Novoa, last August. That, says Fontes and many of the House's residents, has made all the difference.

"It's been so much better since Ricardo came," says Edgar Casey, 62, a resident. As Casey notes, the new position means that the shelter can be open 24 hours. In the past residents had to leave the House at 7 AM and return at 2 PM when the next staff member would come. "It was horrible," says Marlene Weir, director of development for the Community Action Committee of Cape Cod & Islands. "The whole program was transformed with stimulus."

Casey, who has been at Pilot for about a year, says that leaving the shelter at 7 AM was difficult especially for the residents who had no place to go and no money to spend. "We would see people walking around sitting on benches, on bad weather days it was terrible," he says.



Novoa has also implemented workshops and classes to help the residents re-integrate into society. He is assisting them with their resumes, job searches, job interviewing skills and making use of the stimulus-



funded computer center in the House to further help the residents with their financial and computer literacy skills. His impact is being felt in a very significant area: Over 40 percent of the residents now have paid jobs. Prior to Novoa, on average, only about two of the residents were ever employed.

Novoa, himself was unemployed before getting this job. He had worked as a social worker for seven years in Columbia before come to the United States but couldn't find work in his field.

Bradford King, who is 59, is glad Novoa got this job. He is a recovering alcoholic and ended up at the Pilot House after he lost his job. "Ricardo provides guidance, a support system and direction to get back on your feet," he says. "You can't push someone who did detox back on the streets if they don't have job skills. With this disease chances are really poor with out the intense care and moral support Ricardo offers. Other places warehouse you. This place wants you to be better."

Fontes agrees. "We never let anybody go that doesn't have a plan," she says. "They'll just be back in the shelter."

For Novoa, it's all about working with the residents to get them to where they want to be. "It's a partnership," he says. "We work hard to help these guys put their lives together again."



Learning English, getting jobs, with a little help from stimulus

From City and Town News for July 22, 2010

If you ask Amy Lima, the director of the East Boston Area Planning Action Council (APAC), what program she always wanted to implement at her agency she will immediately say an English for Speakers of Other Languages class.

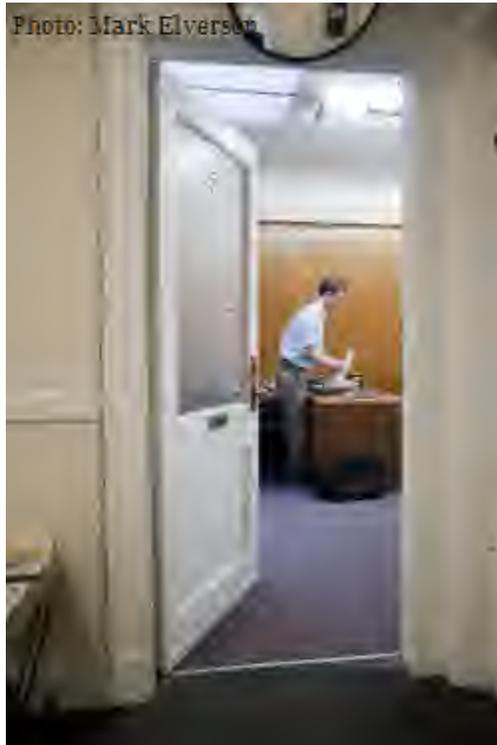
Thanks to stimulus funds that went to Action for Boston Community Development, which runs East Boston APAC, Lima got her wish.

“Before stimulus, [Boston ABCD] asked all of us, if we could do anything what would we want to do? I said an ESOL class,” says Lima, a native of East Boston who has been with the agency for 13 years. “There is such a need for it in this neighborhood.”

East Boston APAC’s ESOL class now has 12 students with 75 people on its waiting list. Its teacher Matthew Herrera, taught ESOL in Korea, China and at the Merrimack College. Lima says the theme of this ESOL class is English for employment. So far, five of the students who started the class unemployed, got jobs thanks to their improved English skills.



“Learning English opens doors for us,” says Pedro Mozquesda, a student in the class who is from Mexico. “It helps us be independent.”



Aurora Loayza from Columbia joined the class while she was in the process of studying for her citizenship test. She just passed and credits the class with her success. “It helped me prepare,” she says.

“Thank god to the government that we have this program,” says Hilda Salazar, another student in the class, who is from San Salvador. “We need it. The first language for us in the United States is English. That’s why we need it to be good.”

Lima agrees. “It’s a great thing,” says Lima. “It is amazing that we had the opportunity to do it. We don’t often get the chance to do new things.”

YouthWorks puts teens to work and back in school

From City and Town News for July 29, 2010



For troubled teenagers struggling to make it through high school -- and through life -- the danger of not graduating, or worse, is real.

At Whitman-Hansen Regional High School, language arts teacher Brian Scully knows this all too well. That is why he applied for a stimulus grant for a YouthWorks program that would give these teens not only real world job skills but also would provide them with the opportunity to catch up on their school courses so they could graduate on time.

“We identify the most at-risk kids and give them a chance to make up academic credits and get a paying job,” explains Scully of the YouthWorks program, called Summer Reboot Camp.

Scully has seen to it that the \$105K stimulus grant the school received through the Brockton Area Workforce Investment Board to run the program is helping those teens who need it most. Some of those who participate come from day rehabilitation programs, some are referred to the program by their guidance counselors but all of them have what Scully says are “multiple barriers” – trouble with school or with the law, or with succeeding at a high school level. Last year the program had 40 teens; this year it has 20.



“We focus on kids who need the help, those who need to get back on track,” says Scully. “This wouldn’t exist without stimulus,” he adds. “And it’s been really successful.”

The program has two basic elements: a \$400 scholarship applied to two school courses for the purpose of credit recovery and 50 to 70 hours of work experience within the community for which the participant is paid an average of \$400.



But it is the additional features that help ensure this program's success for each of the participants. There are the smaller details that Scully discovered along the way that are important – such as separating the boys and girls, providing female-specific leadership, hiring recent college graduates who could develop relationships with the teens – and then there are the more significant

additions that have become the heart and soul of the program.

Additions like the group and individual counseling sessions that are implemented on a formal and informal basis. As Scully explains, the counseling is crucial to the success of the program. "We had a student who was an average worker and one day he showed up at work and tried to get himself fired," says Scully. "One of the counselors immediately noticed and took him aside. The counselor discovered that there had been a domestic incident in his home that morning. He found the student a solo job for that day and now he became our best worker. That's us at our best."



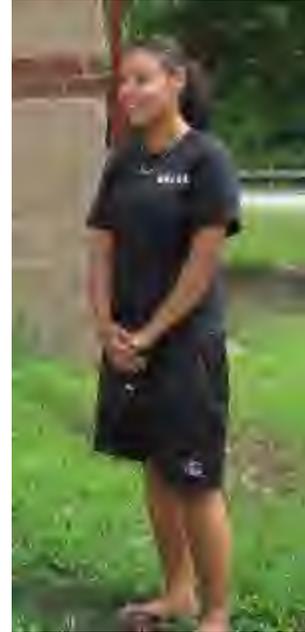
Much of the informal counseling happens over breakfast -- which Scully provides as part of the program. "Wendy [a counselor], deals with more problems at breakfast than the rest of the day," says Scully. "The idea is they can unload and then they don't miss a day of work. Our motto is whatever it takes to get through the day. We want these kids to be successful."

Another addition just this year is the Community Service Learning project. Each participant pitches a community service project for the town and the

two that are picked are managed by the teen who suggested it, including "hiring" other students in the programs based on their work reviews.

Scully also makes sure to hire successful YouthWorks graduates to become “supervisors” the following year. One of those is Anais “Nini” Pena, who is supervising a group of teenage girls in cleaning up the gardens at the Whitman Middle School. Nini nearly didn’t graduate high school. Pregnant at the time, she missed a year of classes and was very far from graduation. The YouthWorks program helped her make up some of those classes and now she is on track to graduate this coming December. Nini plans on attending Massasoit Community College.

“This is an incredible accomplishment,” says Scully. “She is not someone who spoke of college before this.”



For more information on the Massachusetts Recovery & Reinvestment Office please visit their website: www.mass.gov/recovery or contact them at 617-979-8380.

Massachusetts Broadband Institute Contributions:

Attention Town Administrators: The Mass Broadband Institute Seeks Assistance in Collecting Broadband Information

From City and Town News for July 1, 2010

The [Massachusetts Broadband Institute \(MBI\)](#) is seeking information about broadband services at every Town Hall in the state. All town administrators are invited to complete a brief survey about the broadband capabilities at your facility. This information is critical and will help the MBI expand high speed Internet connectivity across the Commonwealth.

The MBI is participating in a federal grant program to map broadband information for the state. Town Halls are considered important community anchor institutions that will be included on the state and national broadband maps.

We have provided an online survey tool that makes it easy for this information to be captured. As part of the survey response, the MBI has provided a tool to measure your actual Internet speeds.

Please follow this link to the brief survey about your institution's broadband Internet connectivity: >> [Town Hall Community Anchor Institution Survey](#)

For more information visit: www.massbroadband.org or email broadband@masstech.org.

Originally published on June 10, 2010.

Exciting news from the Mass Broadband Institute:

From City and Town News for July 22, 2010

The [Massachusetts Broadband Institute \(MBI\)](#) has been awarded \$45.4 Million in Federal Stimulus Funding to Expand Broadband Access in Western and North Central Massachusetts!

The MBI's project, **MassBroadband 123**, will create a robust 1,300 miles of fiber-optic network that will connect all 123 communities in the western and north central regions of the Commonwealth that have minimal to no internet connectivity. The network will directly connect 1392 community anchor institutions including town halls, libraries, schools and healthcare providers.

We still need your help. To ensure completion and success of the program, the MBI is required to gather Broadband availability data from each and every Town Hall in the Commonwealth.

Please fill out this brief survey. We really appreciate your time and assistance.

<http://www.surveymonkey.com/s/MBITownHalls>

We thank you if you have already completed the survey.

Stay tune for more exciting news from the Mass Broadband Institute!

For information regarding the MBI-<http://www.massbroadband.org/>

For questions please contact Christine Hatch- hatch@masstech.org

Editor's Notes: If images do not appear above or the weekly emailed document does not print as a complete page, it may be due to your individual computer settings. For a complete print-out, go to "Tools" and set your "page setup" to "landscape view."

Please help DLS by completeing this [survey](#) on regionalization and shared services around the Commonwealth. Additionally, [registration](#) for the Regionalization Conference is now open.

Finally, please note that the final Thursday of each month City and Town will run a full monthly edition of C&T, linked in PDF form at the top of the e-newsletter, for easy printing by readers. This will make for long printouts but will hopefully facilitate easier reading. This complete monthly edition will also be posted to the [City and Town](#) archives website in the same easily printable PDF version.

Keep the feedback coming!

- S.J Port & The City & Town Editorial Board

DLS ALERT: IGR 10-302: Cherry Sheet Payments Schedule

This Informational Guideline Release provides municipal and regional school officials with information on the FY2011 payment schedule for Cherry Sheet programs. In addition, this guideline explains how assessments will be deducted from local aid distributions. This information will be useful in cash flow analysis.

Click [here](#) or copy and past the below link into your browser to view IGR 10-302 ...

Originally published on July 15, 2010.

http://www.mass.gov/Ador/docs/dls/publ/igr/2010/igr10_302.pdf

Mark Your Calendar

Register Now for the Second Annual Regionalization Conference!

Regionalization Tool Kit: A practical Guide to Sharing Municipal Services will be held on Thursday, September 2, at the Hogan Center at the College of the Holy Cross in Worcester. Click here for [Registration Materials](#). To read about last year's [Regionalization Tool Kit Conference](#) [click here](#).

Course 101 Fall 2010 will be held as a day course in Springfield. More information to follow.

Municipal Calendar

July 1: Collector: Mail Annual Preliminary Tax Bills

For communities issuing annual preliminary tax bills, the preliminary quarterly or semi-annual bills should be mailed by this date.

July 15: Accountant: Certification Date for Free Cash: Anytime after Books are Closed

Two weeks after the close of a fiscal year, all accounts are closed out and the resulting balance sheet and supplemental documentation submitted to DOR. Free cash is certified any time after this date.

July 15: Accountant: Report Community Preservation Fund Balance: Anytime after Books are Closed

After the close of a fiscal year, the fund balance is submitted to DOR (Form CP-2) and notice given to the Community Preservation Committee and other financial officers. The fund balance may be appropriated anytime after that report.

July 15: School Business Officials: Certification Date for Excess and Deficiency (E&D) Fund

Two weeks after the close of a fiscal year, all accounts are closed and the resulting balance sheet (a pre-closing trial balance or audited financial statements will not be accepted unless requested by the Director of Accounts) and supplemental documentation are submitted to DOR. E&D Fund is certified any time after this date.

July 15: Assessors: Deadline for Appealing Commissioner's Pipeline Valuations to ATB

July 20: DOR/BLA: Notification of Changes in Proposed EQVs (even numbered years only)

July 20: DOR/BLA: Notification of Changes in Proposed SOL Valuations (every 4th year after 2005)

August 1: Taxpayer Quarterly Tax Bills — Deadline for Paying 1st Quarterly Tax Bill

Without Interest According to M.G.L. Ch. 59, Sec. 57C, this is the deadline for receipt of the 1st Quarter preliminary tax payment without interest, unless the preliminary bills were mailed after July 1. If mailed by August 1, the 1st Quarterly payment is due August 1, or 30 days after the bills were mailed, whichever is later, and the 2nd Quarterly payment is due November 1. If mailed after August 1, the preliminary tax is due as a single installment on November 1, or 30 days after the bills were mailed, whichever is later.

August 1: Taxpayer Annual Boat Excise Return Due

August 1: Accountant Notification of Total Receipts of Preceding Year

The total actual local receipts (e.g., motor vehicle excise, fines, fees, water/sewer charges) of the previous fiscal year must be included on Schedule A of the Tax Rate Recapitulation Sheet (Recap) which is submitted by the Assessors to DOR. On the Recap, the Accountant certifies the previous fiscal year's actual revenues, and the Assessors use this information to project the next fiscal year's revenues. Any estimates of local receipts on the Recap that differ significantly from the previous year's actual receipts must be accompanied by documentation justifying the change in order to be approved by the Commissioner of Revenue.

August 10: Assessors Deadline for Appealing EQVs to ATB (even numbered years only)

August 10: Assessors Deadline for Appealing SOL Valuations to ATB (every 4th year after 2005)

August 15: Assessors Deadline to Vote to Seek Approval for Authorization to Issue Optional Preliminary Tax Bills

For semi-annual communities issuing optional preliminary

property tax bills, the Assessors must vote to seek authorization to issue the bills from DOR by this date. After receiving approval, Assessors must submit a Pro-forma Tax Rate Recap Sheet to DOR for review and issue the tax bills by October 1.

August 31: DOR/BOA Issue Instructions for Determining Local and District Tax Rates

A copy of the Tax Rate Recap Sheet and its instructions are forwarded to the town.

August 31: Assessors Begin Work on Tax Rate Recapitulation Sheet (to set tax rate for semi-annual bills) Until the Tax Rate Recap Sheet is completed and certified by the Commissioner of Revenue, the community may not set a tax rate nor send out its property tax bills (unless it issues preliminary quarterly tax bills or requests from DOR the authority to send out preliminary tax notices if DOR requirements are met). Communities should begin gathering the information in enough time for the tax rate to be set and tax bills mailed by October 1. The Tax Rate Recap Sheet provides Mayors or Selectmen with a ready-made financial management tool because the town's most important financial management information is summarized on this form. The Mayor or Selectmen should review the Recap Sheet in preliminary form in order to understand the following financial information: Page 1 (Tax Rate Summary) — The proposed tax levy should be compared to the levy limit. If a town does not levy to its limit, the remaining levy is referred to as excess levy capacity. Excess levy capacity is lost to the community for the current fiscal year although it will always remain in the levy limit calculation; Page 2 (Amount To Be Raised) — This section includes appropriations and other local expenditures not appropriated. These include overlay deficits, revenue deficits, state and county charges, Cherry Sheet offset items, and the allowance for abatements and exemptions. By comparing this information to the prior year(s), any significant changes can be determined; Page 2 (Estimated Receipts & Revenues From Other Sources) — In particular, Section C shows the amount appropriated from free cash and other available funds. By comparing the amounts appropriated to the balances in these accounts (available from the Accountant/Auditor), the Mayor or Selectmen can get a sense of how their non-property tax revenues are being used; Page 3, Schedule A (Local Receipts Not Allocated) — By comparing these figures to prior year(s), the Mayor or Selectmen can determine any changes in these revenues; Page 4, Schedule B (Certification of Appropriations and Source of Funding)— This section includes financial votes of City/Town Council or Town Meeting not previously reported on last year's recap.

September 15: Accountant/Assessors Jointly Submit Community Preservation Surcharge Report This report (CP-1) is a statement of the prior year's net Community Preservation Surcharge levy, and is used to distribute state matching funds on October 15.

September 30: Taxpayer Last Filing Day for Classified Forest Land, M.G.L. Ch. 61

September 30: Municipal and District Treasurer/Collector Compensating Balance Report If compensating balance accounts were maintained during the prior fiscal year, a report and account analysis schedules are required.

September 30: Accountant/Superintendent/School Committee Jointly Submit End of Year Report to the ESE Schedule 1 — determines compliance with prior year Net School Spending requirement. Schedule 19 — determines compliance with current year Net School Spending requirement.

September 30 Accountant Submit Snow and Ice Report This report is a statement of snow and ice expenditures and financing sources.

September 30: Treasurer 4th Quarter Reconciliation of Cash for the Previous Fiscal Year (due 45 days after end of quarter or upon submission of a balance sheet for free cash/excess and deficiency certification, whichever is earlier) A reconciliation is the process of comparing the Treasurer's accounts to the Accountant's/ Auditor's or Schools Business Manager's ledger balance to determine if they are consistent, and for the officials to make any

necessary corrections. When the reconciliation is complete, the Accountant/Auditor/School Business Manager should indicate agreement with the Treasurer's balances. Reconciliations are required every quarter by DOR, but communities and school districts should reconcile monthly for their own purposes. The fourth quarterly report as of June 30 must be completed and returned to DOR. The first three quarterly reports of the fiscal year should be completed timely and filed in both the Treasurer's and Accountant's/Auditor's or School Business Manager's offices for possible BOA inspection or audit. Municipalities and school districts may also use these reports to monitor cash practices of the Treasurer's office. If the Accountant/Auditor/School Business Manager and Treasurer are not consistently reconciling cash accounts, or if the reconciliations indicate variances, the Mayor, Selectmen or School Committee should inquire as to the reasons.

September 30: Treasurer Statement of Indebtedness Massachusetts General Laws Ch. 44, Sec. 28 requires the Director of Accounts to maintain complete and accurate records of indebtedness by cities, towns and districts. This statute also requires Treasurers to furnish any other information requested by the Director in respect to the authorization and issuance of loans. This Statement is the annual report required from Treasurers to accomplish this purpose. Treasurers should reconcile their debt records with the Accountant/Auditor before filing the Statement of Indebtedness to ensure that the Statement and balance sheet are in agreement.

September 30 State Treasurer Notification of Quarterly Local Aid Payments on or Before September 30 When local aid payments are transmitted to communities, the cover letter indicates what funds (e.g., Ch. 70, Lottery) will be made available, less quarterly assessments (see Cherry Sheet attachment for details).



Please remember to update the online Local Officials Directory so that both municipal and state officials have accurate contact information.



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.

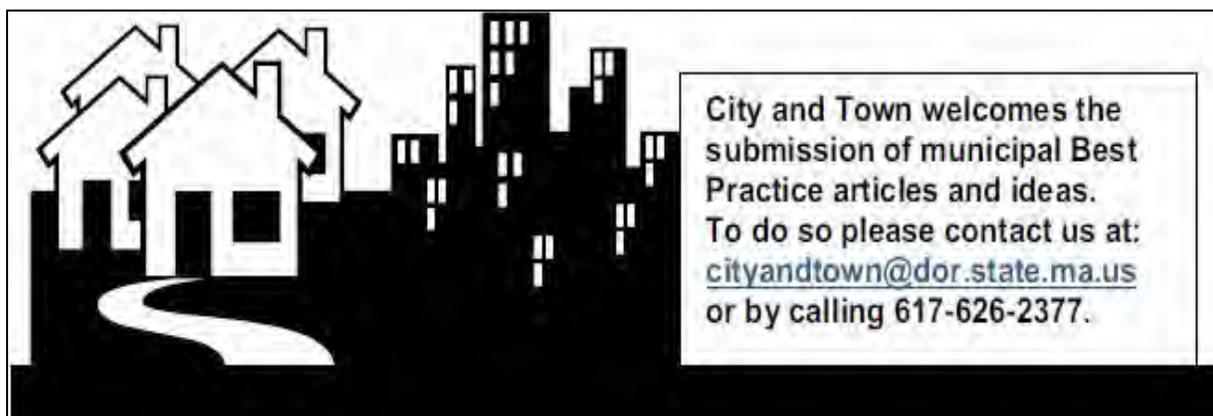
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- telephone: 617-626-2377
- mail: PO Box 9569, Boston, MA 02114-9569



City and Town welcomes the submission of municipal Best Practice articles and ideas. To do so please contact us at: cityandtown@dor.state.ma.us or by calling 617-626-2377.