



March 2nd, 2017

In this issue:

- [Submitting the LA-4 in a Certification Year](#)
- [Ask DLS: Municipal Modernization](#)
- [FY2018 Departmental Revolving Funds Update](#)
- [FY2018 TAP Enrollment Deadline is March 31st](#)
- [OSD Announcements](#)

Important Dates to Remember

FY17 IT Grant Round Opens

March 1st

On March 1st, 2017, the FY17 Community Compact IT Grant Program opened. Grants of up to \$200,000 will support the implementation of innovative IT projects by funding related one-time capital needs such as technology infrastructure, upgrades and/or purchases of equipment or software. For more information, including the FY17 application, FAQs and FY16 recipients, please [click here](#).

Assessment

Administration: Law, Procedures, and Valuation (Course 101)

DLS is offering the basic assessor training course, *Assessment*

Submitting the LA-4 in a Certification Year

Ryan Johnson - Bureau of Local Assessment Field Representative

The LA-4 is officially known as the "Assessment/Classification Report." It details the assessed values of the five classes of property. These property class values are residential, open space, commercial, industrial, and personal property. The parcel counts and values for each class are separately noted as are the parcel counts and values for exempt properties. This report summarizes the assessed values in a community for a given fiscal year and is a crucial element in the tax rate setting process.

The rollout of [Gateway Release 3 in May 2016](#) saw changes to the process of submitting the LA-4 report including the addition of a "Preliminary LA-4" report for communities in their certification years. This article is meant to highlight these recent changes and act as a guide to submitting both the LA-4 and the Preliminary LA-4 in a certification year.

Prior to the 2016 Gateway improvements, during certification review communities would submit an LA-4 produced from their CAMA (Computer Assisted Mass Appraisal) systems. The Bureau of Local Assessment (BLA) advisor would then review the data and note any possible discrepancies, such as incorrectly classified parcels or values or significant parcel count or valuation changes within the use classes. The advisor would then request additional clarification as needed. After a community received preliminary certification and held its public disclosure, the LA-4 was completed in Gateway. Prior to the LA-4's approval, the BLA advisor would note any changes or discrepancies between the LA-4 in Gateway and the CAMA-produced LA-4 submitted at the beginning of the certification review. This report would be used to represent the finalized assessed values for the given fiscal year and to provide a basis for the tax rate setting process.

Gateway Release 3 allows for the submittal of two LA-4s during a certification review, the Preliminary LA-4 and the final LA-4. The Preliminary LA-4 should be completed at the beginning of the review and populated based on data extracted from the community's CAMA system. It is located in the Certification module within [Gateway](#).

Administration: Law, Procedures and Valuation (aka Course 101), in Framingham this spring. The course will held on March 30th, April 6th and 13th from 9 am to 4:30 pm. In order to qualify to take the exam at the end of the course, participants must attend five out of the six sessions (or 2.5 days). [Click here](#) to register for this training opportunity.

Local Assessment Workshops

The Bureau of Local Assessment will be conducting three regional workshops in Danvers on April 5th, Worcester on April 13th and Sandwich on April 26th. The workshops will focus on transitioning the Certification Standards to the five-year cycle, property tax exemptions, and local options relating to property taxes notifications. The Massachusetts Association of Assessing Officers (MAAO) will grant two (2) continuing education credits to assessors attending the Certification Preparation Workshops. Registration is required. Please email your name, community, email address, and phone number to bladata@dor.state.ma.us.

New Officials Finance Forum

This year's New Officials Finance Forum will be held on Wednesday, May 31st at the College of the Holy Cross in Worcester. This course is intended for recently elected or appointed local municipal finance officials and includes an overview of municipal government, the budget process, the tax recapitulation process, and reserve and debt policies. The registration form and \$50 registration fee must be received by May 22nd. [Click here for the registration form.](#)

After preliminary certification is approved, public disclosure is held, and the community is ready to submit for final certification. The LA-4 is then finalized in Gateway. This version of the LA-4 can be found on the Tax Rate module.

Once preliminary certification is granted, the data entered into the Gateway Preliminary LA-4 *can be copied to the Tax Rate LA-4* so long as the LA-4 has not been submitted. The "Copy to LA-4" tab on the bottom of the Preliminary LA-4 allows for this function. This proves especially helpful if minimal changes were made during the public disclosure period, as it eliminates the need to retype all the parcel counts and values.

The assessors should then print out a "Preliminary LA-4 Comparison Report," which can be found at the bottom of the Preliminary LA-4 in Gateway. This report compares the Preliminary LA-4 that was submitted *at the beginning* of the certification review to the LA-4 that was submitted for final certification. The purpose of this report is to note any changes in values or parcel counts that occurred between preliminary certification and final certification. The assessor should then be prepared to explain and/or document those changes that were made. This practice was already occurring in the past by comparing the CAMA LA-4 to the Gateway LA-4. However, by adding the Preliminary LA-4 report to Gateway, it makes it possible for the assessor to quickly observe the changes that occurred for him or herself. This proactive approach can help reduce any delays in the final certification review and lead to a more timely tax rate approval.

Signatures
Board of Assessors
 Check to add signature

Save Submit Print LA4 Prelim Comparison Report Copy to LA4

As was done in the past, the assessor should also print out an "LA-4 Comparison Report." The command button to print this report can be found at the bottom of the LA-4 screen in Gateway. This report compares the community's LA-4 for the current fiscal year to the LA-4 for the prior fiscal year. The assessor should be prepared to explain any significant fluctuations in parcel counts or values among the classes.

Signatures
Board of Assessors
 Check to add signature

Save Submit Approve Unapprove Override Print LA4 Comparison Report

The changes to the LA-4 represent just one example of recent improvements made to Gateway aimed at increasing efficiency and allowing for a more transparent review process. We hope you find this information helpful and will continue to provide more in-depth guidance in future editions of *City & Town*.



Other DLS Links:

[Local Officials Directory](#)

[Information Guideline
Releases \(IGRs\)](#)

[Bulletins](#)

[Publications & Training Center](#)

[Tools and Financial
Calculators](#)

Ask DLS: Municipal Modernization

This month's *Ask DLS* again features questions involving the effect of certain changes made by the [Municipal Modernization Act, Chapter 218 of the Acts of 2016](#). A summary of the changes made by this Act can be found in the [August 18, 2016 issue of *City & Town*](#). We have also compiled the questions answered in the [Municipal Modernization Act series](#) of *Ask DLS* for your convenience. Please let us know if you have other areas of interest or send a question to cityandtown@dor.state.ma.us. We would like to hear from you.

When are betterment and special assessment payments reserved for appropriation?

Revenues from estimated sewer assessments are required to be reserved for appropriation under [G.L. c. 83, sec. 15B](#).

Additionally, the [Municipal Modernization Act](#) added [G.L. c. 44, sec. 53J](#), which requires that betterment and special assessment payments must be reserved for appropriation to pay debt service “in any city, town...that borrows money to pay for improvements for which betterments or special assessments are assessed...” As a result, when a borrowing is authorized on or after the November 7, 2016 effective date of the Municipal Modernization Act to pay for the improvements for which the betterments or special assessments are assessed, a reservation is required for the revenues from such betterments and assessments.

What is the new local option to promote creation of middle income housing?

Under G.L. c. 40, sec. 60B, cities and towns may, through their respective legislative bodies, provide for Workforce Housing Special Tax Assessments (WH-STA's) as an incentive to create middle-income housing. [St. 2016, c. 218, sec. 39](#). Unlike other property tax incentives, such as economic development tax increment finance (TIF) agreements, no state-level approval is required. Local WH-STA plans may allow for exemptions as great as 100% of the fair cash value of the property during the first 2 years of construction. Over a 3 year stabilization phase following construction, the exemptions are available in declining maximum percentages of the fair cash value.

To use this incentive, a city or town must designate one or more areas that present exceptional opportunities for increased development of middle income housing as WH-STA zones. The plan must describe in detail all construction activities and types of residential developments intended for the WH-STA zone. The city or town must also promulgate regulations establishing eligibility requirements for developers to enter into WH-STA agreements. The regulations must address procedures for developers to apply for a WH-STA; the minimum number of new residential units to

be constructed to qualify for WH-STA tax incentives; maximum rental prices and other eligibility criteria to facilitate and encourage construction of workforce housing.

The city or town may then enter into tax agreements with property owners in WH-STA zones that will set maximum rental prices that may be charged by the owner to create middle income workforce housing.

What changes did the Municipal Modernization Act make regarding Community Preservation Act (CPA) funds appropriated to an affordable housing trust?

Under [G.L. c. 44B, sec. 5](#), cities and towns that have adopted the CPA may appropriate CPA funds for the following affordable housing purposes: (1) the acquisition, creation, preservation and support of community housing; (2) the rehabilitation or restoration of community housing acquired or created with CPA funds and (3) to an affordable housing trust fund created under [G.L. c. 44, sec. 55C](#) or through special legislation. Under [G.L. c. 44, sec. 55C\(a\)](#), which allows for the creation of a Municipal Affordable Housing Trust Fund, monies in the fund may be spent for creation and preservation of housing for the benefit of low and moderate income households. Once the CPA-designated affordable housing funds became part of the affordable housing trust fund assets, they could be spent for trust purposes. In some cases, those purposes might not have otherwise been a CPA eligible purpose.

The Municipal Modernization Act amended [G.L. c. 44B, sec. 55C](#) to include CPA community housing purposes within the purposes of the affordable housing trust. Moreover, it now requires that any CPA monies appropriated to the trust remain subject to all CPA restrictions and accounted for separately. The trust must also provide the community preservation committee with a report at the end of the fiscal year that shows all expenditures from CPA funds the trust made during the year.

FY2018 Departmental Revolving Funds Update

This notice is to update local officials on developments regarding the authorization of departmental revolving funds under [MGL c. 44, § 53E½](#) for Fiscal Year 2018. As you know, that statute was amended by the Municipal Modernization Act to provide for cities and towns to authorize the funds by by-law or ordinance instead of an annual legislative body vote. [St. 2016, c. 218, § 86](#).

In January, we issued [Bulletin 2017-01B](#) and advised local officials we planned to recommend legislation to allow for an orderly transition to the new authorization procedure. On February 17, 2017, Governor Baker filed a supplemental state budget for the current year that included our recommendation. See Section 51 in [House Bill 72](#), which has been referred to House Ways & Means. If enacted, cities and towns may authorize the funds for FY2018 in the same manner as prior years

or under a by-law or ordinance. We will continue to keep you informed of developments on this legislation.

FY2018 TAP Enrollment Deadline is March 31st

Bob Bliss - DLS Regional Manager and Director of Strategic Planning

Enrollment in the Division of Local Services' Taxpayer Assistance Program (TAP), the initiative designed to help municipalities set their tax property rates earlier, has begun and is open through March 31st.

Now in its fourth year, the program is designed to increase communication between your community and DLS, and, of even greater importance, to put your community's finance and assessing teams on the same page regarding the timing of setting a tax rate. The intention is for a TAP community to set its tax rate by the end of November, or, in the alternative, to set it earlier than in the past.

If approving a tax rate in December is not part of your holiday celebration, TAP may be the solution. Who might this program benefit?

- Collectors whose pleasures do not include scrambling to print and mail tax bills in the week between Christmas and New Year's.
- Financial team officials who would like to spend December getting their ducks in a row for upcoming budget preparations rather than sweating out a December 31st photo finish to get the tax rate set.
- City and town managers, administrators and CFO's who would like to see their finance and assessing teams pulling in the same direction at the same time, guided by a schedule they have created and to which they have agreed.
- Property tax payers who depend on their local governments to do a good job of managing the tax rate setting process, and who benefit from receiving timely and accurate tax bills; and local officials who do not have to resort to borrowing to bolster cash flow when tax rates are delayed.

Using a form DLS provides, each TAP community creates a work plan which lays out a schedule for the setting of a tax rate in November - or earlier - rather than in the December rush. The work plan set by the community lays out a proposed schedule to reach that goal. Work plans are filed with DLS in April and May. DLS then tracks the work plan milestones achieved on the path to setting the rate.

Does TAP work? In the FY17 tax rate setting season, 32 communities enlisted. Nineteen set their tax rates earlier than in previous years. Those results indicate that enrollment in TAP brings with it the promise, if not the guarantee, of getting a tax rate approved earlier.

TAP proved valuable in FY17 for certification as well as non-certification year communities. Of the eight communities in certification, seven set their rate earlier than they had done in their previous certification year.

Local officials whose communities enrolled in TAP last year attest to the program's effectiveness and value.

Wareham

"TAP has been extremely beneficial. We worked directly with the DOR officials responsible for monitoring and reviewing our work. We established a work plan early in the fiscal year and followed it through certification. It enabled us to set our tax rate much earlier than in previous years," said John D. Foster, Finance Director/Treasurer/Collector for the town of Wareham.

Watertown

Thomas J. Tracy, accountant/auditor for the Town of Watertown, said, "Participation in TAP was a success, enabling the town to complete the tax rate setting process at least two weeks earlier than normal, which allowed us to mail the tax bills to our taxpayers earlier. We look forward in participating again in FY18. "

Holliston

Kathryn Peirce, principal assessor for the town of Holliston, said "Holliston has participated in the TAP program for the past few years in both recertification and interim valuation years, and I want to express my enthusiasm for it. The ability to lay out a schedule to which every party agrees helps tremendously in planning for all financial team functions. The collector can depend on sending a timely bill to the printer that will go out on time. Growth numbers, for the most part, are available for fall town meeting assisting in budgeting aspects. Because there is an early and proactive schedule, even if things go astray, the processing and submittal times are still earlier than in pre-TAP days. Ultimately, the stress for staff of getting through the period from Thanksgiving to New Year's has been cut down remarkably. This has been a 'win-win' for the Town of Holliston."

Rehoboth

Like Holliston, Rehoboth has participated in TAP the last few years. "TAP has assisted us in setting the tax rate earlier than in previous years. The DOR was very helpful throughout the process. We recommend that all cities and towns in Massachusetts participate in TAP," said Eugene P. Campbell, Chairman of the Rehoboth Board of Assessors.

New Salem

The small town of New Salem joined TAP in FY17. "The exercise of meeting with the DOR and local officials to review the tax rate setting process was helpful because that type of meeting builds a teamwork frame of mind and brings out the areas which might need improvement in a supportive environment. I would

definitely recommend the program for any town where there have been consistent delays in setting the tax rate but also for towns where things have been running smoothly. It is a rare opportunity to personally meet with the DOR officials and review the timelines again and speak out if there are any issues," said New Salem Assistant Assessor Kenneth Holmberg.

Are you interested?

If TAP sounds like something that would work in your community, please contact DLS Regional Manager and Director of Strategic Planning Bob Bliss at (508) 792-7300 ext. 22312 or email blissr@dor.state.ma.us.

OSD Announcements

Operational Services Division

2017 MASSBUYS EXPO Buyer Registration Now Open!

MASSBUYS returns to Gillette Stadium in Foxborough, Massachusetts on Thursday, April 27th. Click [here](#) to register today. Now in its 19th year, the MASSBUYS Expo is the largest business-to-government event in Massachusetts. MASSBUYS brings together statewide and departmental contract vendors and public purchasing and procurement officials from government agencies, municipalities, nonprofit organizations, and educational institutions for a day of networking and learning. For more information, contact massbuysadmin@state.ma.us.

MASSBUYS Municipal Breakfast Event/Panel Discussion

Be on the lookout for your invitation to a Municipal Breakfast/Panel Discussion event being held in conjunction with the MASSBUYS EXPO on Thursday, April 27 from 8:00-9:30 a.m. at Gillette Stadium. This event will feature a panel discussion where several of Governor Baker's cabinet secretaries will outline the services and opportunities provided by their Secretariat to local governments. We are excited to announce that Jay Ash, Secretary of Housing and Economic Development, and Matt Beaton, Secretary of Energy and Environmental Affairs, have confirmed their participation in the Panel Discussion. Sean Cronin, Senior Deputy Commissioner of Local Services, will moderate the Panel. For more information about the Municipal Breakfast Event/Panel Discussion, contact [Danielle Frizzi](#) of the Operational Services Division.

Rolling Out Statewide Contract ITC66: Copiers, Printers, Scanners, and Related Devices and Services

The Buyer Event for ITC66: Copiers, Printers, Scanners, and Related Devices, which was postponed due to snow on February 9, is now happening on:

Thursday, March 9, 2017

1:00 - 3:30 p.m.

One Ashburton Place, Boston

Reserve a spot today at [ITC66 Buyer Event](#)

Learn more about the ITC66 contract and meet the awarded vendors at the ITC66 Buyer Event. The ITC66 contract replaces product and service categories previously offered under OFF32 and OFF27. ITC66 comprises four categories for the purchase, lease, or rental of energy-efficient copiers, printers, micrographic equipment, digital duplicators, scanners, facsimile equipment, scanning services, and related services and supplies. Reference the [ITC66 Contract User Guide](#) for more information or contact [Tim Kennedy](#), Strategic Sourcing Lead, at (617) 720-3107.

March Municipal Calendar

Notification of Cherry Sheet Estimates for the Following Year (pending action taken by the Legislature)

March 1

DOR/Databank

The Cherry Sheet is an estimate of: 1) Receipts — local reimbursement and assistance programs as authorized by law and appropriated by the General Court; and 2) Assessments — state and county assessments and charges to local governments. All amounts listed on the Cherry Sheet are estimates. Actual receipts and charges are determined based on detailed formulas or guidelines for each program. Cherry Sheets are posted on the DLS website and updated at each juncture of the state budget process.

Submit Form of List

March 1

Personal Property Owner

This is a return listing all personal property filed by the owner with the Assessors each year for the purpose of determining taxes in the next fiscal year. The return is due on or before March 1, but the deadline may be extended by the Assessors to a date no later than the date abatement applications are due.

As required by M.G.L. c. 59, §§ 75 and 76, if a property is inadvertently excluded or mistakenly under-assessed on the warrant for property taxes, it is the Assessors' role to correct the mistake and assess the property correctly. The assessment may not be made later than June 20 of the taxable year or 90 days after the date the actual tax bills are mailed, whichever is later.

Submit 3ABC Forms

March 1

Charitable Organization

This is a return of property held for charitable purposes filed by a charitable organization with the Assessors each year in order to be eligible for exemption from taxation for the next fiscal year. The return is due on or before March 1, but the deadline may be extended by the Assessors to a date no later than the date abatement applications are

due.

March 1

DOR/BLA/Telephone &
Telegraph Company

Filing Deadline for Telephone & Telegraph Company Form of List

The return is due on or before March 1, but the deadline may be extended by the DOR to no later than April 1.

Final Day of Each Month

State Treasurer

Notification of monthly local aid distribution

Click www.mass.gov/treasury/cash-management to view distribution breakdown

Editor: Dan Bertrand

Editorial Board: Sean Cronin, Anthonia Bakare, Robert Bliss, Linda Bradley, Nate Cramer, Patricia Hunt, Tara Lynch and Tony Rassias

Contact *City & Town* with questions, comments and feedback by emailing us at cityandtown@dor.state.ma.us.

To unsubscribe to *City & Town* and all DLS alerts, email dls_alerts@dor.state.ma.us.