

A Publication of the Massachusetts Department of Revenue's Division of Local Services



**October 15th, 2020**

**Free 2020 “What’s New in Municipal Law” Seminar Now Available Online**



**In this edition:**

- Free 2020 “What’s New in Municipal Law” Seminar Now Available Online
- Stay Informed When Planning Local Budgets
- FY21 Bureau of Local Assessment Review

Developed by our Bureau of Municipal Finance Law, the Division of Local Services is pleased to announce its annual “What’s New in Municipal Law” presentation on recent legislation and court decisions is now available online and at no cost for the first time in our organization's history. The presentation consists of five narrated videos discussing recent laws and cases related to municipal finance and municipal law. You can view the videos individually or together as a group on our YouTube channel listed under [What’s New in Municipal Law 2020](#). The estimated viewing time and link for each segment is included below. We hope you find this resource helpful and informative!

[Part 1 – New Legislation \(19:34\)](#)

[Part 2A – Property Tax Decisions \(21:15\)](#)

[Part 2B – Tax Collection and Public Employment \(14:43\)](#)

[Part 2C – Finance and Land Use \(10:27\)](#)

[Part 2D – Other Municipal Decisions \(16:04\)](#)

Update

- FY21 Bureau of Accounts Review Update
- Massachusetts Cybersecurity Month – Events and Resources for Municipalities

### By the Numbers

*City & Town* provides updates on the progress of the tax rate and certification season while also allowing you to follow the tax rate setting process in real time. Thanks to our Municipal Databank staff, this public information is available 24/7 by [clicking here](#).

Prelim. Certifications  
Approved: 27

Final Certification: 11 (of  
70 total)

LA4 Approved:  
79 (100 submitted)

### Stay Informed When Planning Local Budgets

**Sean Cronin - Senior Deputy Director of Local Services**

When I last wrote in June, I highlighted DLS efforts to adapt to our current and ongoing circumstances by focusing our attention on maintaining consistent and timely communication. To that end, in an announcement that will directly impact local budget planning, the Baker-Polito Administration has submitted a [revised Fiscal Year 2021 \(FY21\) budget recommendation](#). The revised FY21 budget, known as Revised House 2, is built on the revised FY21 \$27.592 billion tax revenue forecast. This figure was revised from the consensus revenue agreement announced in January and reflects the budgetary and economic impacts of COVID-19.

The revised budget incorporates the commitment by the Administration and the Legislature to provide local cities and towns with no less than the FY20 level of funding for Unrestricted General Government Aid (UGGA) and Chapter 70 education funding in FY21. This translates to a Chapter 70 investment of \$5.284 billion – an increase of nearly \$108 million over FY20 spending – as well as an UGGA investment of \$1.129 billion. Revised House 2 includes \$4 million for Community Compact-related programs including best practices and regionalization and efficiency grants, as well as \$3 million for district local technical assistance and \$4.75 million for the Public Safety Staffing Grant Program. These programs provide all 351 cities and towns with access to grant funding and resources to ensure quality services for their residents.

DLS has updated the preliminary cherry sheet estimates to reflect these new funding levels. The preliminary cherry sheets can be found on the DLS website. Click [here](#) for

LA13/ New Growth  
Approved: 79 (93 submitted)

Tax Rates Approved: 19

Balance Sheets Approved:  
108

Total Aggregate Free Cash  
Approved: \$613,214,454

### **Important Dates & Information**

### **DLS Cybersecurity Reminder**

Have you recently received an unsolicited email, supposedly from the Division of Local Services Bureau of Local Assessment (BLA)? You may have been a target of an email attack known as Phishing. This malicious activity uses email to try to gain access to systems or to gather information by posing as a trustworthy organization (like BLA). Contact information for most DLS staff is readily obtainable on our website, and it has

Preliminary Municipal Cherry Sheet Estimates or [here](#) for Preliminary Regional Cherry Sheet Estimates. This information should enable you to complete your Recap and set your tax rate. If you have any questions about the preliminary estimates, please contact the Data Analytics and Resources Bureau at [databank@dor.state.ma.us](mailto:databank@dor.state.ma.us).

As we enter [tax rate season](#), I want to stress just how important it is for your community to update and maintain [the Local Officials Directory](#) (LOD). The contact information it houses serves as the basis for targeted DLS emails, Alerts and Gateway notifications, and important messages to municipal CEOs. We don't want you to miss out on this information!. Each community should have a "municipal CEO" identified in the "Functional Role" column of the LOD. We urge you to please visit

<https://dls.gateway.dor.state.ma.us/gateway/DLSPublic/Search>, choose your community, and view the information. If it isn't accurate, please work with your city/town clerk to have it updated. We strive to keep our partners in local government informed and your assistance maintaining accurate contact information goes a long way toward that goal.

On another note related to setting tax rates, on behalf of the entire DLS staff, we remain committed to providing local officials with timely and professional support over the next few months. We understand that communities are facing generational challenges this year and, to that end, we're prepared to do our part to perform our regulatory functions in a timely and responsive manner. To assist in that process, I ask that you review the following pieces from our Bureau of Accounts (BOA) and Bureau of Local Assessment (BLA). It is our hope that this guidance will provide additional detail that will ensure timely submissions from cities and towns while also allowing for

previously been used in phishing attempts. If you receive an email from DLS with a suspicious sender's address, a strange greeting or signature, or anything that doesn't seem normal, just delete it. When in doubt, delete!

### **DHCH Eviction Diversion Initiative Launches New Awareness Campaign**

The Executive Office of Housing and Economic Development is raising awareness of its Eviction Diversion Initiative with a new video. To view and share it, [click here](#). More information is available at [mass.gov/CovidHousingHelp](https://mass.gov/CovidHousingHelp).

### **Latest Issue of *Buy the Way* Now Available**

Don't miss the [October-November 2020 edition of \*Buy the Way\*](#), the bi-monthly magazine of the Operational Services Division (OSD). Click [here](#) to get news and

the appropriate and necessary review from our staff. This is a critical time of year in local government and we remain committed to supporting our cities and towns, so if you or your colleagues have any questions, comments, or concerns, please contact us.

In closing, I want to thank you all for your continued communication and collaboration with us and for your dedication to providing the essential municipal services that are more critical now than ever in our lifetime. I also want to thank the DLS staff for their continued hard work. Together, we will continue to rise to the occasion to sustain the vital business of local government.

### **FY21 Bureau of Local Assessment Review Update Joanne Graziano – Local Assessment Bureau Chief**

The following are some suggestions designed to help expedite the submission and review process. On behalf of the BLA staff, thank you for your continued collaboration.

**Timelines:** Be sure to review your tax rate setting scheduling with your finance team. The recommended date to submit BLA forms for FY 2021 approval and to avoid delays with setting your tax rate is as follow:

**Certification Year Communities:** Recommended submission before Monday, November 23rd for your documentation to be reviewed.

**Interim Year Review Communities:** Recommended submission before Monday, November 30th for requesting LA15 Interim Year Sales Review approval.

**New Growth Report:** Recommended submission

updates from OSD delivered to your inbox.

### **Local Contribution Study Public Comment**

The [Student Opportunity Act \(SOA\)](#) requires the Department of Elementary and Secondary Education and the Division of Local Services at the Department of Revenue to study and report on the local contribution component of the Chapter 70 program. The study will cover a range of issues outlined in Section 21 of the law.

We are seeking public comment to inform the study through an [online survey](#). Given the current public health emergency, we will not be convening in-person public forums.

We ask that all comments be submitted by October 16, 2020. Please visit [here](#) for more information.

### **2020 Building Resilient Infrastructure in**

before Tuesday, December 15th.

**Note for quarterly billing:** *If, for any reason, the FY21 actual tax bills are mailed after December 31, 2020, the entire balance is payable in one installment due on May 1, 2021, or 30 days after the bills were mailed, whichever is later. There is no payment due on February 1, 2021 and no interest can be charged taxpayers until after May 1, 2021.*

### **Order of BLA Forms to be submitted on Gateway**

*Note: All Instructions are on the LA3 and Tax Rate landing pages in Gateway.*

1. Omitted & Revised Assessments
2. LA13-A, Amended Growth Report
3. LA-15 in an interim year
4. LA-4, Assessment Classification Report
5. LA-13, New Growth Form

### **Reminders on BLA Forms**

Municipal staff should be available when forms are submitted to address any questions from DLS advisors.

Verify your municipal officials have both Gateway credentials and viable passwords. City and town clerks should have completed the process of Certifying Assessing staffing information as the “Certifying Official” for their community.

Classification Hearing cannot be held until the LA-4 and LA-13 are approved.

- [LA-5 Options and Certification](#): A majority of the Board of Assessors must sign the LA-5 and must be

## Communities (BRIC)

### Deadline

The Massachusetts Emergency Management Agency (MEMA) is pleased to announce the availability funding through the 2020 **Building Resilient Infrastructure in Communities (BRIC) Program**. The official Notice of Funding Opportunity (NOFO) is attached and can be found on the [MEMA website](#) and on COMMBUYS.

This new federally funded Hazard Mitigation Assistance (HMA) program makes federal funds available for pre-disaster mitigation activities to reduce, minimize, or eliminate potential damages to property and infrastructure from natural hazard events. This nationally competitive annual grant for hazard mitigation projects can reduce overall risks to the population, structures and infrastructure, while also reducing the reliance on taxpayer-funded federal

qualified to classify property.

- Other signature requirements have changed for FY 2021. A [Clerk's Certification of Vote document](#) is now *required* for LA-5 submission. See the Informational Guideline Release (IGR-20-8) [Guidelines for Annual Assessment and Allocation of Tax Levy](#) for more information.

The classification hearing notice must comply with the Open Meeting Law, and any other applicable local provisions, by-laws, ordinances, or rules.  
*Note: The requirement for publication of notice in a newspaper of general circulation has been eliminated for FY2021.*

If the hearing is scheduled before your LA4 Assessment Classification Report and LA13 New Growth Form is approved, you should convene the meeting, then recess it to another date. If you do not do this, you will have to re-advertise for 48 hours.

- [Board of Assessors must sign RECAP](#). When submitting the tax rate recapitulation sheet (Tax Recap) and the LA-5 Options and Certification form to the Bureau of Accounts, the majority of the Board of Assessors must sign directly in Gateway.  
*Note: Bureau of Accounts will not allow signing on behalf of the assessors for the Tax Rate RECAP and LA5 Options Certification Form.*
- [Remember to refresh Assessors websites](#) with FY2021 assessments and up to date information for the public's access. Best practice includes your

disaster assistance for disaster recovery. The deadline for the BRIC Statement of Interest is October 16<sup>th</sup>, 2020 at 5pm.

**DLS Links:**

[COVID-19 Resources and Guidance for Municipal Officials](#)

[Municipal Finance Training and Resource Center](#)

[Local Officials Directory](#)

[Municipal Databank](#)

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

[Bulletins](#)

[Publications & Training Center](#)

[Tools and Financial Calculators](#)

available hours, locations, contact information and available online forms.

**Additional Tips on the LA4 Classification Totals**

On the LA4, Chapter land parcel counts should be separated into "mixed use" and "100% chapter land " counts.

Parcel counts and values for use codes 450-452 are reported on a row separate from other industrial properties.

Remember to enter a parcel count as well as total value on the Exempt row.

If signing on behalf of the Board of Assessors, the Board's written authorization should be uploaded to the LA4 form prior to submission.

**LA-13 New Growth**

All communities must use Gateway's **document upload** option to attach one or more supporting documents to the LA-13 New Growth form.

BLA recommends, but will not require in FY2021, the use of its standardized [New Growth Template](#).

**FY21 Bureau of Accounts Review Update**

**Tony Rassias – Bureau of Accounts Deputy Director**

Local officials involved in FY2021 tax rate setting should complete and submit the Tax Rate Recap and supporting documentation through the Division of Local Services'



[Gateway system](#) as soon as possible allowing time for Bureau of Accounts (BOA) and Bureau of Local Assessment (BLA) staff to review the final submission and for tax bills to be issued timely.

However, cities, towns and special purpose districts using a semi-annual tax payment system under G.L. c. 59, § 23D, or a quarterly tax payment system under G.L. c. 59, § 57C, that are unable to issue their FY2021 actual tax bills timely due to a valuation related delay, may consider preliminary tax bills to avoid short-term borrowing in anticipation of tax revenue and the loss of investment income.

Requirements for issuing these bills are found in [IGR 20-2](#) for semi-annuals and [20-4](#) for quarterlies which include permission to issue by the BLA and prior submission to and approval by the BOA of a Pro Forma Recap. A Pro Forma Recap includes all the information needed to set a tax rate, except for the assessed valuation. Submission may also require an Unused Levy Capacity Letter found on Gateway's Tax Rate Module Landing Page. A city or town must have a balanced budget, meaning that the Pro Forma tax levy must be no greater than the city or town's levy limit, which the assessors may increase by estimating FY2021 new growth, which the BLA will review for reasonableness.

Once the FY2021 Pro Forma Recap has been approved by the BOA and preliminary tax bills have been mailed, strict rules apply to the tax levy. Any unused levy capacity remaining on the form cannot be utilized for the remainder of the fiscal year. Any increase or decrease to the Pro Forma tax levy is controlled as shown below.

The FY2021 Pro Forma tax levy may increase only by the amount:



- of actual FY2021 certified new growth in excess of the estimated amount reported on the approved FY2021 Pro Forma Recap; and/or
- of a Prop 2½ override or exclusion passed and properly provided for on the FY2021 Tax Rate Recap since the FY2021 Pro Forma Recap was approved.

Either increase may be reflected on the FY2021 Tax Rate Recap only as:

- an increase in appropriations from the levy;
- an increase in other amounts to be raised from the levy; and/or
- a decrease in estimated receipts.

The FY2021 Pro Forma tax levy must decrease if:

- actual FY2021 certified new growth is lower than the amount estimated on the approved FY2021 Pro Forma Recap; and/or
- a Prop 2½ underride passed since the FY2021 Pro Forma Recap was approved.

This required decrease or other decrease to the Pro Forma tax levy must be reflected on the FY2021 Tax Rate Recap only as:

- a decrease in appropriations from the levy as a result of rescissions,
- a decrease in appropriations from the levy as a result of changes in funding source from the levy to free cash or other available funds, and/or
- an appropriation from free cash for the purpose of reducing the levy.

Note that changes to amounts reported on the FY2021 Pro Forma Recap are very limited when reporting the FY2021 Tax Rate Recap. Page 3 estimated receipts cannot increase and the overlay may only decrease by a de minimis amount to balance the final tax rate(s).

Refer questions on completing the Pro Forma Recap or on completing the FY2021 Tax Rate Recap after Pro Forma Recap approval to your [BOA field representative](#). Refer questions on requesting authority to issue preliminary tax bills or on how to estimate FY2021 new growth to your [BLA advisor](#).

**Massachusetts Cybersecurity Month – Events and Resources for Municipalities**  
**Meg Speranza – Massachusetts Cybersecurity Center Resiliency Program Manager**

In 2020, the [MassCyberCenter](#) and the [Cyber Resilient Massachusetts Working Group](#) have continued their work together on cybersecurity initiatives aimed at bolstering municipal cybersecurity and resiliency. During October’s Massachusetts Cybersecurity Month, we want to update you on cyber-specific events for municipalities and point you to resources available to municipalities for building awareness, education, and collaboration.

**Cybersecurity Month 2020**

Happy [Massachusetts Cybersecurity Month](#)! Held in October, the Month highlights the robust cybersecurity ecosystem that exists in our state. The Month theme of “Collaborating for a Secure Future” focuses on the broad audiences—educational institutions, businesses, R&D centers, policy leaders, investors, and technology groups—

that come together in the Massachusetts cybersecurity ecosystem. This ecosystem makes Massachusetts a national cybersecurity leader and enables the Commonwealth's citizens and economy to thrive in the face of growing threats. Massachusetts Cybersecurity Month is held concurrently with [National Cybersecurity Awareness Month](#).

- [Events](#) focusing on the topic of cybersecurity are taking place across Massachusetts throughout October to raise awareness and highlight the state's cybersecurity ecosystem, including several events for municipalities. To see the calendar, please click [here](#).
- One event being offered is a FREE webinar for municipalities on [Third-Party Vendor Management](#) on Tuesday, October 20<sup>th</sup>, which will review how to identify high risk vendors, tips for monitoring and managing third-party vendors, and the practices municipalities can take when engaging and evaluating third-party vendors. This is a follow-up presentation to the [Cyber Incident Response Plan Workshops for Municipalities](#) series presented by the MassCyberCenter and Robinson+Cole in July and September. **Municipal employees are encouraged to attend this program even if they did not attend Workshop 1 and/or 2.** To get more information or register, please click [here](#).
- In addition, information on how everyone can work together to secure their information while conducting [life's work at home](#), including cybersecurity best practices, is available on our [website](#). Please share this campaign with your colleagues and citizens in your community. Now, more than ever, it is important to defend ourselves against cyber threats, as cyber hackers and

criminals take advantage of our increased reliance on technology.

Creating a Cyber Resilient Massachusetts involves planning, collaboration, outreach, and education. Massachusetts Cybersecurity Month is an opportunity to plan, collaborate, and learn new things about the people, processes, and technology involved in cybersecurity. We hope you will join us.

### **Municipal Cybersecurity Toolkit**

Finally, we want to remind you of the resources available in the [Municipal Cybersecurity Toolkit](#). The Toolkit contains resources and guidance to help municipalities take action to protect their municipal infrastructure against cyber threats, as well as practical guidance on how to get started with cybersecurity. The resources are continually being evaluated and updated, and we welcome feedback and recommendations. For more information, check out [masscybercenter.org](http://masscybercenter.org).

Communities interested in learning more about the MassCyberCenter or cybersecurity should contact [MassCyberCenter@masstech.org](mailto:MassCyberCenter@masstech.org).

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Contact *City & Town* with questions, comments and feedback by emailing us at [cityandtown@dor.state.ma.us](mailto:cityandtown@dor.state.ma.us).

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