



August 5th, 2021

A Message from Community Compact Cabinet Chair Lt. Governor Polito on FY22 Community Compact Cabinet Programming



In this edition:

- **A Message from Community Compact Cabinet Chair Lt. Governor Polito on FY22 Community Compact Cabinet Programming**
- **DLS Launching New Procedure to Submit State House Notes Documents for Approval**
- **Reminder! Community**



As Fiscal Year 2022 is now underway, I would like to thank you for your ongoing efforts to guide our cities and towns' continued recovery from the pandemic. With gratitude to our partners in the Legislature for their funding support, I am pleased to announce FY22 Community Compact Cabinet (CCC) programming.

This year's CCC programming is particularly important as we continue our shared focus on recovery efforts. This past spring, our administration opened the [Community One Stop for Growth](#), a new, easy to access, single application portal featuring a streamlined grant process for 10 integrated economic and community development programs, resulting in record funding interests from municipalities. Building on our largest in the nation Small Business Grant Program and the success of municipally-focused programming such as the [Shared Streets and Spaces Grant Program](#) and the [Rapid Recovery Plan Program](#), we've launched a statewide Small Business Tour. Our administration has also [proposed a plan](#) to immediately put to use \$2.9 billion of the Commonwealth's direct federal aid from the American Rescue Plan Act (ARPA) to jump-start our Commonwealth's economic recovery and support residents hardest-hit by COVID-19 by investing in key priorities including housing and homeownership, economic development and local

**Preservation
Forms Due Sept.
15th**

- ***Ask DLS: Public Purpose Expenditures***

**Important Dates &
Information**

**Pre-Registration for 2021
"What's New in
Municipal Law" Seminars
Now Open**

The Division of Local Services will offer its annual seminar "What's New in Municipal Law" for local officials on Thursday, September 23rd, 2021 at The Lantana in Randolph and Thursday, September 30th, 2021 at the Log Cabin Banquet & Meeting House in Holyoke. The agenda and registration forms will be available shortly. To pre-register for the event, please [click here](#).

Additional information will be available in the coming weeks. If you have any questions about

downtowns, job training and workforce development, health care, and infrastructure.

I am pleased to share that the CCC's Best Practices Program, IT Grant Program, Efficiency & Regionalization (E&R) Grant Program, and a new Municipal Fiber Grant Program, will be available this fiscal year. Made possible by funding provided by the Legislature, the FY22 budget signed by Governor Baker includes \$2M for the Best Practices Program and \$1.6M for the E&R Program. Additionally, \$3M each for the IT Grant Program and Municipal Fiber Grant Program is included in the FY22 Capital Improvement Plan.

Our administration is proud of the impact the CCC has had on our municipal partners and is confident that this funding will continue to support key initiatives of cities and towns. The [Best Practices Program](#) represents an opportunity for a municipality to enter into a voluntary, mutual agreement with the Commonwealth to identify and implement at least one best practice from a broad range of areas, allowing for identified local needs and priorities to be fulfilled. As you continue the work of recovery, please review our updated Best Practices Program Areas, as well as the [Community Compact Connector](#) page. The [E&R Grant Program](#) offers financial support to governmental entities interested in implementing regionalization and other efficiency initiatives that enable long-term sustainability. The [IT Grant Program](#) is focused on driving innovation and transformation locally via investments in technology. With a similar focus on technology, the new [Municipal Fiber Grant Program](#) is designed to assist municipalities with the construction of municipal fiber infrastructure and related projects and expenditures.

While more details surrounding the opening of Community Compact Cabinet programs will be released next week, the Best Practices Program will kick-off the FY22 programming by opening August 15th. An email will be sent to all municipal CEO's that includes a letter from me with additional program information and passcodes. These programs have proven to be instrumental in supporting efficient, responsive, and innovative municipal government

these seminars, please contact dlsregistration@dor.state.ma.us.

Municipal Audits Webinar and Training Materials Now Available

Thank you to all who joined us on June 9th for our *Overview of Municipal Audits* webinar hosted by the Office of the Inspector General and the Division of Local Services. The [recorded webinar](#) is now available on [the DLS Municipal Finance Training & Resource Center](#). The training provides information on the different components of the audit, the benefits of having an audit completed, the best practices for procuring a local audit, and how often a community is required to have an external audit completed. DLS and OIG staff also answered other questions from attendees. The [slides](#) from the presentation are also available online.

In addition, you can review the [Municipal Audits: FAQs](#) document

operations, and I look forward to celebrating the impact of these programs with you in the coming months.

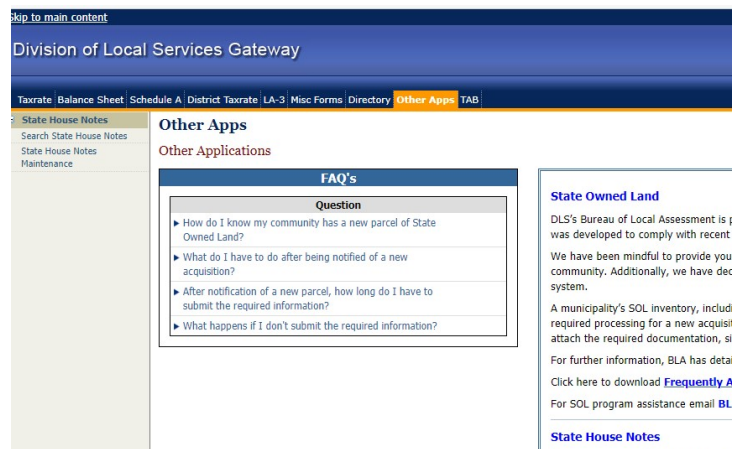
For more information on the Community Compact Program, reach out to DLS Senior Deputy Commissioner Sean Cronin at croninse@dor.state.ma.us.

We wish you a safe and enjoyable rest of summer.

DLS Launching New Procedure to Submit State House Notes Documents for Approval Debbie Wagner – BOA Director of Accounts

The Division of Local Services (DLS) is happy to announce the modernization of one our oldest programs, State House Notes (SHN). Effective Tuesday, September 7, 2021, the Bureau of Accounts' (BOA) Public Finance section will move to a paperless process, thereby eliminating the need to mail documents via any mail delivery service or private courier service. The review and approval of SHN will instead be done in Gateway, via an upload by city, town, district or county personnel and signed by the treasurer. Once approved, city, town, district, or county personnel will be responsible for immediately forwarding the original executed note to the winning bank.

BOA has developed a process in the Gateway system for users to access the State House Notes Maintenance form in Other Apps module.



The screenshot shows the 'Division of Local Services Gateway' website. At the top, there is a navigation bar with links for 'Taxrate', 'Balance Sheet', 'Schedule A', 'District Taxrate', 'LA-3', 'Misc Forms', 'Directory', 'Other Apps', and 'TAB'. Below this, the 'Other Apps' section is active, displaying a list of 'Other Applications' and a 'FAQ's' section. The 'FAQ's' section has a 'Question' header and lists four questions related to State Owned Land (SOL) acquisition. To the right of the FAQ, there is a 'State Owned Land' section with introductory text and a link to download 'Frequently Asked Questions' for SOL program assistance.

Top to main content

Division of Local Services Gateway

Taxrate | Balance Sheet | Schedule A | District Taxrate | LA-3 | Misc Forms | Directory | **Other Apps** | TAB

State House Notes
Search State House Notes
State House Notes Maintenance

Other Apps
Other Applications

FAQ's

Question

- ▶ How do I know my community has a new parcel of State Owned Land?
- ▶ What do I have to do after being notified of a new acquisition?
- ▶ After notification of a new parcel, how long do I have to submit the required information?
- ▶ What happens if I don't submit the required information?

State Owned Land

DLS's Bureau of Local Assessment is developing a system to comply with recent regulations. We have been mindful to provide you with the most up-to-date information. Additionally, we have developed a system to help you manage your State Owned Land (SOL) inventory. A municipality's SOL inventory, including required processing for a new acquisition, must be updated annually. For further information, BLA has detailed information. Click here to download [Frequently Asked Questions](#) for SOL program assistance email [BLA](#).

State House Notes

that provides answers to common questions regarding municipal audits, including procurement and preparing for audits.

We look forward to offering training opportunities on this and other municipal finance topics in the future! Be sure to bookmark the [Municipal Finance Training & Resource Center](#) and subscribe to our [YouTube channel](#) to stay updated on new items added.

Tax Agreements for Affordable Housing Developers & "Brownfields" IGR

The Division of Local Services (DLS) has issued and posted Informational Guideline Release (IGR) 2021-21 informing local officials about tax collection and tax abatement agreements with developers of affordable housing, including changes made by the Municipal Modernization Act in 2016. It also includes standards and procedures for tax agreements and

Once in the State House Notes Module, users will complete the fields that are applicable. Also, in the "Current Documents" box as seen below, users will upload scanned copies of any documents that would previously have been sent to BOA's Public Finance Section through mail or delivery service, including a scanned copy of the actual note. The treasurer will retain the original note. The user will then "Sign, Save and Submit" the form. This will send a notification to BOA informing that a note has been submitted for review and approval. The treasurer will also receive an email indicating that BOA has received the documents. Emails to the treasurer will be sent using the DLS [Local Officials Directory \(LOD\)](#); therefore, it is critical that accurate information is entered into the LOD by the city/town clerk. Please check the LOD today for accuracy.

State House Notes
State House Notes Maintenance
Status: FORM APPROVED

Unlock for DLS Unlock for Community

Jurisdiction Type: City/Town Jurisdiction: Go

Date Received: 07/16/2021 Dt of Authorization: 07/09/2021

Note No.: 2021 - 20 Old Note No.: Bank (Payee): Cape Cod Bank & Trust Co.

DOR No.: Payor (Paying Agent): Cape Cod Bank & Trust Co.

Amount \$: 125,000 Rate: 1.25

Type: RAN Payable: Maturity

Purpose: Building Remodeling Amount Authorized \$: 125,000

Issue Date: 07/09/2021 Amount Unissued \$: Certified Date: 07/16/2021

Due Date: 07/30/2022

Citation: CH 44

Notes: Anticipation of something something

Email Approval To: This is a comma separated list of email addresses.

Approval Document: Download CompletingBOATaxRateformsFY22.pdf

If the note is a series, pick one of the following options, before clicking on one of the reports

Same Bank - Same Note # (with Dashes)

Different Banks - Same Note # (with Dashes) Bank Delivery Slip

Same Bank - Different Note #s (no Dashes)

Different Banks - Different Note #s (no Dashes) Clerk's Certificate

Selected Note/Bank Only

Open Note Checklist

Comments: Is Community Accessible: No comments to display.

Current Documents:

Name	Is Community Visible	Action
clerkassessorcertinstructions	<input type="checkbox"/>	

accepting and implementing a local option law that permits tax agreements in connection with the cleanup of contaminated sites or "Brownfields."

IGR-2021-21 – [Tax Agreements for Affordable Housing Developers & "Brownfields"](#)

To access additional IGRs and Bulletins, please visit this [webpage](#).

Annual End-of-Year Letters

The Division of Local Services has posted on its website the FY2021 Bureau of Accounts (BOA) Annual End-of-Year Letters for:

- [Accountant/Audit or](#)
- [Treasurer](#)
- [Collector](#)
- [Clerk](#)
- [Regional School Business Official](#)

For information related to the [COVID-19 Emergency](#) or [American Rescue Plan Act](#) funds,



Once BOA approves the submission, a copy of the "Director's Approval Letter", along with a scanned copy of the note, will automatically be sent to the treasurer, the financial advisor and bond counsel, if applicable, and the winning bank.

The final, most imperative step is that the city, town, district, or county treasurer immediately forward the original executed copy of the note to the winning bank upon receipt of BOA's approval email.

BOA has consulted with banks and financial advisors across the state to vet this new process with them and address any concerns they might have with accepting a note that, while executed by the local officials, would not have the signature of the director of accounts. This concern was addressed by BOA sending an automated email that includes the details of the note in the "Director's Approval Letter" with an electronic signature and a copy of the note.

BOA will be hosting a webinar on Wednesday, August 18th at 10AM to demonstrate the process of completing the State House Notes Maintenance Form and uploading documents required for the certification of SHN's. Please mark your calendars and stay tuned for a forthcoming DLS Alert with registration details. A recording of the webinar will be on our [State House Notes webpage](#) for those unable to attend the live presentation. Along with the presentation, the new submission instructions will be posted on the that page as well as on the Gateway "Other Apps" landing page.

Reminder! Community Preservation Forms Due Sept. 15th Data Analytics and Resources Bureau

The CP1 and CP3 forms are due by September 15th. This information is necessary to calculate the FY22 CPA State

please visit our website.

Senior Citizen and Veteran Property Tax Work-off Abatement Program IGR

The Division of Local Services has issued and posted Informational Guideline Release (IGR) 2021-20 informing local officials about two local acceptance statutes that allow cities and towns to establish property tax work-off programs for senior citizens and veterans.

IGR-2021-20 – [SENIOR CITIZEN AND VETERAN PROPERTY TAX WORK-OFF ABATEMENT PROGRAMS](#)

To access additional IGRs and Bulletins, please visit this [webpage](#).

Notice Regarding ARPA Payment Processing

The American Rescue Plan Act of 2021 (ARPA) provides local governments with federal resources through the new Coronavirus Local Fiscal Recovery Fund

Matching Grants.

The CP1 is completed in [Gateway](#), and it needs to be signed by the Board of Assessors and signed and submitted by the accounting officer. The CP3 is completed in the CPC Inventory Database found [here](#).

Any password questions for the CP3 can be sent to databank@dor.state.ma.us. Questions on how to fill out the CP3 can be sent to chase.mack@communitypreservation.org.

Ask DLS: Public Purpose Expenditures

This month's *Ask DLS* features frequently asked questions concerning proper public purpose expenditures. 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.

“It is a fundamental principle of constitutional law frequently declared that money raised by taxation can be used only for public purposes and not for the advantage of private individuals” [Opinion of the Justices, 313 Mass. 779, 784 \(1943\)](#).

Since the start of the pandemic, the Division of Local Services’ (DLS) legal and accounting teams have been asked if certain expenditures made by cities and towns are allowable. This article discusses the rules regarding the expenditure of public funds and makes recommendations for ensuring proper payment.

What statute concerns the authority to spend in a city or town?

The authority for cities and towns to spend money arises under [G.L. c. 40, § 5](#). That section provides that:

“[a] town may at any town meeting appropriate money for

(CLFRF). Municipalities will see this payment as a direct deposit labeled “21ARPAlocpassthrxxx.”

This is the first payment of the state pass-through ARPA funds and equal 50% of the municipal allocation listed in [this CLFRF document](#). When funds are received, please inform the CEO (town manager/administrator, mayor or chair of the Select Board) in your community. If you have yet to apply for your ARPA funds, please do so by following this application [link](#).

Accelerating Clean Transportation for All

Please view the following announcement from the Massachusetts Clean Energy Center regarding funding opportunities for Accelerating Clean Transportation for All. Please [click here](#).

Procedures to Request Permission to Make Payments for Liabilities Incurred in Excess of Appropriation in the

the exercise of any of its corporate powers; provided, however, that a town shall not appropriate or expend money for any purpose, on any terms, or under any conditions inconsistent with any applicable provision of any general or special law.”

Cities and towns are free to exercise any power or function, except those denied to them by their own charters or reserved to the state, that the Legislature has the power to confer on them, as long as the exercise of these powers is not inconsistent with the Constitution or laws enacted by the Legislature. In general, the properties and purposes for which cities and towns are authorized to spend are not specified, but rather include any necessary expenditures arising from the exercise of their powers or functions.

Is there a limit on this spending authority?

Yes. Cities and towns can spend only for public purposes. Public funds cannot be used for private purposes. Thus, cities and towns have the right to spend money for any purpose where the public good will be served, but not where the expenditure of money is directly for the private benefit of certain individuals. This principle is expressed in the Massachusetts constitution and in numerous cases. In some situations, however, the expenditure of public funds advances both public and private interests. In those situations, if the dominant motive for the expenditure is a public one, incidental private benefits will not invalidate the expenditure. If, however, the dominant motive is to promote a private purpose, the expenditure will be invalid even if incidentally some public purpose also is served.

Are there any additional prohibitions against certain expenditures?

Yes. In addition to the general prohibitions against spending money for any purpose or under any conditions inconsistent with any general or special law, there are two other prohibitions on municipal spending.

1. Anti-Aid Amendment- The first is a prohibition against the

**Event of Certain
Emergencies Under G.L.
c. 44 § 31**

The Division of Local Services (DLS) Bureau of Accounts (BOA) has issued and posted Bulletin (BUL) 2021-8. This Bulletin outlines a new procedure to request emergency spending permission under G.L. c. 44 § 31 in the DLS Gateway system.

[BUL-2021-8](#): Procedures to Request Permission to Make Payments for Liabilities Incurred in Excess of Appropriation in the Event of Certain Emergencies Under G.L. c. 44 § 31

**Coronavirus State and
Local Fiscal Recovery
Funds – Revenue Loss**

The Division of Local Services has posted revised preliminary guidance regarding the revenue loss component of the American Rescue Plan Act of 2021 (ARPA), based on the US Treasury’s updated FAQ. To view Bulletin 2021-7, please [click here](#).

giving of money or property by a city or town to or in aid of any individual, association or corporation embarking upon any private enterprise. This prohibition is referred to as the Anti-Aid Amendment. It provides in pertinent part:

“No grant, appropriation or use of public money or property or loan of credit shall be made or authorized by the Commonwealth or any political subdivision thereof for the purpose of founding, maintaining or aiding any infirmary, hospital, institution, primary or secondary school, or charitable or religious undertaking which is not publicly owned and under the exclusive control, order and supervision of public officers or public agents authorized by the Commonwealth.”

This amendment prohibits the use of public money or property by cities and towns for the purpose of maintaining or aiding any institution or charitable or religious undertaking that is not publicly owned. The kinds of expenditures barred by the amendment are those that directly and substantially benefit or “aid” private organizations in a way that is unfair, economically or politically. The prohibition against using public funds for private organizations includes any grants, contributions or donations made by a city or town to an organization for the specific purpose of directly supporting or assisting its operations. However, the Anti-Aid Amendment does not preclude a city or town from purchasing specific services from private organizations in order to carry out a public purpose. Further, as with the public purpose limitation discussed above, if an expenditure is for a public purpose, but also incidentally benefits a private organization, the expenditure generally will not violate the Anti-Aid Amendment.

A three-factor test to determine the constitutionality of grants challenged under the first clause of the Anti-aid Amendment was developed by the court in [Commonwealth v. School Comm. Of Springfield, 382 Mass. 665, 675 \(1981\)](#). That three-part test was applied by the court in [Caplan v. Town of Acton, 479 Mass. 69 \(2018\)](#) when evaluating the constitutionality of a grant of CPA funds under the second

For additional information and guidance related to the municipal finance aspects of ARPA, please bookmark the DLS [Covid-19 Resources and Guidance for Local Officials page](#). To access additional IGRs and Bulletins, please click [here](#).

Assessment IGRs

The Division of Local Services (DLS) has issued and posted Informational Guideline Releases (IGR) 2021-18 and 2021-19 informing local officials that assessors no longer are required to obtain prior written approval from the Commissioner of Revenue to assess taxes on commonland in cluster developments or planned unit developments to owners of individual lots in the development and about the requirements for local assessors to assess partially completed construction improvements in common areas of phased unit condominium developments.”

clause of the Anti-Aid Amendment. The three factors are: (i) whether the proposed grant is for the purpose of founding, maintaining or aiding [the institution, private organization, nonprofit, church, etc.]; (ii) whether the effect of the grant is to substantially aid [the institution, private organization, nonprofit, church, etc.]; and (iii) whether the grant avoids the political and economic abuses which prompted the passage of the Anti-aid Amendment. Although the Anti-aid Amendment applies to grants to private entities and religious and charitable organizations, the principle that public funds may not be granted for private purposes and can be used only for public purposes also applies to grants of public funds to individuals.

2. Wines, Liquors, Cigars- In addition to the prohibition against the use of public funds for private organizations, there is also a prohibition against the use of public funds to purchase alcohol and tobacco under [G.L. c. 44, § 58](#).

What constitutes a public purpose?

The question of what constitutes a permissible “public purpose” has been discussed in many cases. The cases do not, however, establish any universal test. Instead, they generally stress the certainty of benefits to the community. Thus, the basic test is whether the expenditure is required for the general good of the inhabitants of the city or town. Generally speaking, local government spending for the following purposes satisfies the public purpose test:

1. Wages and Benefits: Cities and towns have the right to spend reasonable amounts to execute their powers and duties. This right includes the right to compensate people for services rendered. Compensation for services may include sick leave and vacations. Cities and towns also have the right to settle employment and other claims that may be made upon them arising out of their administration of their municipal affairs.

2. Merit Awards: Cities and towns may spend reasonable amounts on awards for students. Cities and towns may also spend reasonable amounts on retirement gifts, plaques,

IGR-2021-18:

[ASSESSMENT OF CLUSTER DEVELOPMENT COMMONLAND](#)

IGR-2021-19:

[ASSESSMENT OF PRESENT INTERESTS IN PARTIALLY-COMPLETED CONDOMINIUM CONSTRUCTION](#)

Accounting and Reporting Requirements for Coronavirus State and Local Fiscal Recovery Funds

The Division of Local Services (DLS) Bureau of Accounts (BOA) has issued and posted [Bulletin \(BUL\) 2021-6](#).

This Bulletin is the another in a series that will provide guidance regarding the accounting treatment of revenues received by cities and towns from the American Rescue Plan Act of 2021 (ARPA). This bulletin presents journal entries for the use of ARPA funds.

[BUL-2021-6: Accounting for Coronavirus State and Local Fiscal Recovery Funds](#)

merit service payments and other similar awards for municipal employees and officials. The expenditure of public money in recognition of services rendered, even though such expenditure of money is directly for the private benefit of certain individuals, is a public purpose where the benefit is conferred as an appropriate recognition of distinguished and exceptional service, such that the public welfare will be enhanced or the loyalty and productivity of the other employees will be promoted.

What are other examples of expenditures that have been considered a proper public purpose?

1. Alcohol purchased by a department for compliance testing: The language of [G.L. c. 44, § 58](#) is prohibitive. It reflects an explicit Legislative disapproval of spending municipal resources for alcoholic beverages and cigarettes. DLS has advised, however, that they can be purchased for the limited purpose of “compliance testing” for law enforcement or public health purposes. For example, local officials may “stage” purchases of alcohol or cigarettes by minors from local stores using money for anti-smoking or under-age drinking campaigns. Those expenditures would not be prohibited because they are not for consumption but to ensure compliance with local regulations and state statutes.
2. Plaques and gifts awarded to persons retiring from municipal government or to current employees for outstanding performance during the year: Retirement gifts, plaques, merit payments and other similar awards given to retirees or employees may be considered a proper purpose for the expenditure of municipal funds if they are not excessive and are used to (i) encourage continuity of service or to (ii) enhance efficiency and loyalty or to (iii) promote productive performance. The expense of holding a retirement party should be covered from private donations because it is mostly an expression of support and appreciation from colleagues. However, paying for the cost of dinner for the retiree would be appropriate. By contrast, paying for the dinners, gifts or party expenses for any attendees other than the retiree would generally be

For additional information and guidance related to the American Recovery Plan Act (ARPA), please bookmark the [ARPA section of DLS Covid-19 Resources and Guidance for Municipal Officials](#).

2022 State Revolving Fund Project Solicitation Offering Loan Forgiveness for Lead in Drinking Water, Zero Interest Loans for PFAS and Expanded Financing Offerings

The Massachusetts Clean Water Trust (the Trust), in collaboration with Massachusetts Department of Environmental Protection (MassDEP), administers the Commonwealth's State Revolving Fund (SRF) programs that help communities build or replace water infrastructure that enhances ground and surface water resources, ensures the safety of drinking water, protects public health, and develops resilient communities.

MassDEP has launched its

considered a mere gratuity and not for a proper municipal purpose.

3. Refreshments at public functions, such as a ribbon-cutting ceremony, an opening day, a reception or banquet, or a presentation: Refreshments and meals may be served at legitimate public functions such as ribbon-cutting ceremonies, opening day events, receptions or banquets, presentations, and the like so long as they are modest and served to provide a benefit for the city or town by helping to keep the participants alert and receptive. The public function must be a department sponsored public event for authorized persons and related to the public purpose of the department sponsoring it. If the function is open only to select groups or individuals, or spouses are in attendance, it is more likely to be considered a private celebration of primarily a social character.

4. Refreshments served to employees, such as coffee made available at a staff meeting or light refreshments provided to election workers or lunch served at an all-day training program or planning meeting: Refreshments and meals may be served to officers or employees of the city or town or persons doing business with the municipality at official meetings or official events so long as they are modest and benefit the city or town by helping to keep the participants alert and receptive or by enhancing efficiency by avoiding loss of time and disruption if participants leave the premises. The official meeting or event must be a department or municipal sponsored meeting or event for authorized persons and related to the public purpose of the sponsor.

5. Reimbursement of a department-head for attending retirement or department dinners or parties or for attending other events not sponsored by the department or municipality: Employees and officials may be reimbursed for the expenses of attending functions that relate to their public duties. The function must relate to and further the public purpose of the department sponsoring it. If a department head incurs an expense in the performance of official duties in the representation of his or her department, the expense is reimbursable. Thus, the cost of a department

annual SRF project solicitation. Between July 1 and August 20, MassDEP will accept applications for the CY 2022 round of SRF financing. For 2022, the SRF program has detailed a number of program expansions and incentives beyond the standard 2% interest rate subsidized loans, including:

- Loan forgiveness for projects [addressing lead in drinking water](#)
- Incentivized [Lead Service Line Replacement program](#)
- Zero interest loans for projects addressing [Per- and polyfluoroalkyl substances \(PFAS\)](#) in drinking water
- Asset Management Planning (AMP) grants expanded eligibility to include [cybersecurity risk](#)

head's attendance at a retirement dinner or department party at which he or she is the official presenter of token gifts or awards, as a representative of his or her department, would be a legitimate municipal expense. If the event is arranged and funded by department employees or others, and attendance is optional, then the event would seem to be social and for private purposes rather than for public ones. In addition, if the event is outside of municipality, and not related to the department or the community, the use of municipal funds would not be appropriate.

6. Reimbursement of purchases or expenses incurred during authorized travel or while engaged in authorized business: Employees who are out of town or working late on business or attending training programs or conferences on behalf of a city or town may be reimbursed for out-of-pocket costs of travel, meals, and other purchases incurred in furtherance of that objective and as a term or condition of employment. These types of expenses are permissible municipal expenses, provided that attendance is authorized by the municipal official or board with the authority to expend department funds. Included within the realm of reimbursable expenses are: (i) registration charges, including late fees; (ii) local surcharges and taxes on car rentals; (iii) taxes and tips on meals, and (iv) taxes on petty cash purchases, so long as these expenses are reasonable and not in conflict with the reimbursement policies of the city or town. Late registration fees are considered to be part of the contract price for the training program or conference. Similarly, surcharges, taxes and tips are a necessary and customary part of legitimate expenses incurred by employees in the course of their employment.

7. Payment of expenses associated with fundraising for departments, e.g., mailings seeking donations or door prizes and refreshments at a fundraising event: Municipal departments like the Parks and Recreation Department, the Library, the Historic Commission, or the schools may want to raise money for a particular project. There is no law that prohibits seeking financial donations or some other kind of support. Fundraising activities that go beyond applying for grants or soliciting donations and involve raising and

[assessments](#)

- [Housing Choice loan program](#)
- Zero interest loan for clean water projects [removing nitrogen from wastewater](#)
- Fixed percentage loan forgiveness for [disadvantaged communities](#)

The Trust administers two SRF programs, the Clean Water and Drinking Water SRFs. These programs provide subsidized loans to cities, towns, and water utilities. Since its establishment in 1989, the SRFs have financed approximately \$7.9 billion of water infrastructure projects serving an estimate 97% of the residents of the Commonwealth.

For questions about the 2022 SRF solicitation or program please feel free to contact Robin McNamara (Robin.McNamara@mass.gov), or visit [MassDEP's webpage](#).

disbursing significant monies are problematic, however, because they are more in the nature of a profit on the business or transaction. DLS believes better practice may be to have a private entity sponsor and conduct fundraising events and turn over the net proceeds to the municipal department as a grant or gift.

What are examples of expenditures that have NOT been considered a proper public purpose?

1. Gifts and Gratuities: Since public money can only be expended for public purposes, cities and towns have no power to appropriate money for gifts or gratuities to persons whose situations may appeal to public sympathy.
2. Lobbying: Cities and towns cannot spend money to influence elections.
3. Floral arrangements for funerals of municipal employees: Funeral flowers, sympathy cards and other expenses for the customary expression of sentiments that are incidental to the social relationships that employees develop during work are not expenses made for public purposes. Those expenses are not within a municipal department's budget simply because the relationships developed in conjunction with the conduct of departmental business. Therefore, it is not appropriate to pay for funeral flowers or sympathy cards out of municipal funds. They should be covered from private donations.
4. Private Group Fundraising: The Anti-Aid Amendment prohibits use of municipal resources to assist a private group's fundraising activities even if the activities will benefit the municipality. Public funds may not be used to assist a private organization's fundraising activities, no matter how worthy or related the cause. For example, the school department cannot pay to print and mail a flyer by the Parent-Teachers Organization to promote a car wash it is holding to raise monies for the schools. Sharing the expenses of a community event co-sponsored by a municipal department and a private organization also raises Anti-Aid Amendment issues because the event is not under the

exclusive control of public officers.

OIG: MCPPO Classes Offered

The Office of the Inspector General Massachusetts Certified Public Purchasing Officials (MCPPO) Program has announced its summer class schedule. To view, please [click here](#).

FY2022 Telephone Company Central Valuations

Local boards of assessors will find the fiscal year 2022 telephone company central valuations pursuant to M.G.L. Chapter 59, Section 39 on the our [website](#) effective Tuesday, June 15, 2021. Also included is a memorandum to assessors about the FY2022 valuation as well as the valuation table used, the new growth figures and a list of company billing addresses. The *Additional Landline Telephone Personalty by FCC Code* for each of the centrally valued telephone companies by community is also available.

DLS strongly recommends that municipalities develop clear written policies or guidelines, preferably by bylaw or ordinance, about allowable expenditures. For example, to ensure the municipality receives the maximum benefit from its sales tax exemption, there should be clear standards about when department employees can purchase necessary supplies or materials and be reimbursed. Travel expenses are often set out in collective bargaining agreements, but the municipality should also adopt a policy to cover travel expenses for non-union employees. DLS also recommends that standards be established for merit awards, food or fundraising expenses. DLS also recommends that accounting officers advise managers and employees at the beginning of each fiscal year of the municipality's policies. This will help to avoid uncertainty or disagreements about whether certain expenditures are permissible and payable.

**FY2022 Pipeline
Company Central
Valuations**

Local boards of assessors will find the fiscal year 2022 pipeline company central valuations pursuant to M.G.L. Chapter 59, Section 38A on our [website](#) effective June 15, 2021.

Also included is a memorandum to assessors about the FY2022 valuation as well as the new growth figures and a list of company billing addresses.

**Final FY2022 State-
Owned Land Valuation
under MGL C. 58 § 13-17**

The Division of Local Services has posted on its website the FY2022 state owned land values based on the fair cash value of certain state owned lands (SOL) pursuant to [MGL Ch. 58, §§ 13-17](#). These lands are reimbursed for loss of local tax revenue on the Cherry Sheet's State-Owned Land line.

Click [here](#) to display the

final municipal state owned land values and their share of the total state owned land. In addition, this [link](#) features *Frequently Asked Questions* about this program.

The Bureau of Local Assessment (BLA) was notified of acquisitions, deletions, and agency transfers by the Department of Capital Asset Management (DCAM) during the past year and have adjusted the values pursuant to [MGL Ch.58, §15](#).

Final FY2022 Department of Conservation and Recreation (DCR) Lands under MGL C. 59 §5G

Parcels under DCR are not reimbursed on the cherry sheet, but DLS does determine the value of those lands, the final values can be found below:

DCR Water Supply Protection Land: Click [here](#) to display by municipality.

DCR Water Supply

Protection Annexed Land:
Click [here](#).

Any community with questions regarding their final state-owned land valuation should contact the DLS Bureau of Local Assessment at bladata@dor.state.ma.us.

Special Injury Leave Indemnity Fund IGR

The Division of Local Services (DLS) has issued and posted Informational Guideline Release (IGR) 2021-16 informing local officials about a local option provision allowing the establishment of a Special Injury Leave Indemnity Fund for the payment of injury leave compensation and medical bills of police officers and firefighters injured on duty.”

[IGR-2021-16: Special Injury Leave Indemnity Fund](#)

To access additional IGRs and Bulletins, please visit this [webpage](#).

Owners Unknown IGR

The Division of Local Services (DLS) has issued and posted Informational Guideline Release (IGR) 2021-15 informing local officials about assessing property to an owner unknown.

[IGR-2021-15 – Owners Unknown Assessments](#)

To access additional IGRs and Bulletins, please visit this [webpage](#).

Cybersecurity and IT Health Check Programs

The Office of Municipal and School Technology has announced the following programs available to Massachusetts municipalities and schools. If you have any questions, please contact Catherine.Marques@mass.gov

[Cybersecurity Health Check](#)

The Cybersecurity Health Check Program provides opportunities for local government to access basic cyber security services at no cost.

These services can be a good first step in discovering, assessing and identifying cybersecurity gaps that could impact IT systems that support essential business functions. This is a rolling application.

[IT Health Check](#)

An IT Health Check is a high-level assessment of current IT assets. A Health Check can be a good first step in discovering, assessing and identifying gaps that could impact IT systems that support essential business functions.

The discovery will result in a completed score card that will identify the current state of critical IT systems, and platform and vendor agnostic suggestions. This is a rolling application.

DLS Links:

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

[Events & Training](#)

[Calendar](#)

[Municipal Finance
Training and Resource
Center](#)

[Local Officials Directory](#)

[Municipal Databank](#)

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

[Bulletins](#)

[Tools and Financial
Calculators](#)



Editor: Dan Bertrand

Editorial Board: Sean Cronin, Donnette Benvenuto, Linda Bradley, Emily Izzo, Theo Kalivas 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.