

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



February 15th, 2024



A Message from the Secretary of Administration and Finance

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Important Dates & Information

DLS Winter Update

Given the seasonal nature of certain reporting requirements, municipal responsibilities, billing processes and regulatory functions, we are utilizing seasonal pages on our website that provide helpful resources, tools and guidance you might find useful for the time of year. The Winter Update provides timely resources related to the annual operating and capital budget processes, property tax commitments, warrants, tax billing, abatements, issuing motor vehicle excise, and municipal debt. Bookmark our Winter resources [here](#).

Municipal Finance 101: Budgeting & Best Practices Webinar Now Available

The Division of Local Services recently partnered with the [Massachusetts Municipal Association](#) to offer *Municipal*

I want to start with a thank you. Last month, the Healey-Driscoll Administration was proud to file "The Municipal Empowerment Act" – a bill designed to arm local leaders, like all of you, with greater tools and supports to best serve our residents. This legislation would not have been possible without your input and participation.

Over the fall, the Administration engaged in an extensive listening tour with municipal leaders to unearth ideas on how the Commonwealth can better partner with our cities and towns. Over several months, we held seven regional listening sessions that engaged over 130 municipal managers and administrators from 112 different municipalities and solicited input from professional associations representing local leaders and employees – the Municipal Empowerment Act is a direct outgrowth of what we heard.

Based on feedback from the dedicated individuals who serve our communities, the Municipal Empowerment Act contains local option revenue raisers, including a new Motor Vehicle Excise surcharge local option that can benefit every city and town in the Commonwealth; provides relief from numerous administrative burdens, including reforms to procurement rules that raise thresholds for competitive bids and remove onerous publishing requirements; improves the efficiency of local operations by, for example, updating borrowing rules for school projects and establishing enforcement mechanisms for double pole prohibitions; and provides new tools for addressing critical local workforce

Finance 101: Budgeting & Best Practices webinar to local officials. This webinar reviews the building blocks of municipal finance, including Proposition 2 ½, budgeting revenues and expenditures, and the importance of financial policies, forecasting, and capital planning. The [recording](#) of the webinar is now available along with the presentation [slides](#).

Additional [budgeting and long-range financial planning resources](#) are available at the DLS [Municipal Finance Training and Resource Center](#).

FY2025 Preliminary Cherry Sheet Estimates

Cherry Sheet estimates for charter school tuition and reimbursements are based on estimated tuition rates and projected enrollments under charters previously issued by the Board of Elementary and Secondary Education. Please be advised that charter school assessments and reimbursements will change as updated tuition rates and enrollments become available. Estimates for the school choice assessments may also change significantly when updated to reflect final tuition rates and enrollments.

For a detailed view of the updated information the cherry sheet websites, please see:

[Municipal estimates receipts and charges](#)

[Regional school estimated receipts and charges](#)

It is important for local officials to remember that these estimates are preliminary and are subject to change as the legislative process unfolds.

Please contact the DLS Data Analytics and Resources Bureau at databank@dor.state.ma.us or (617) 626-2384 with any questions.

MassGIS' Statewide Geospatial Strategic Planning Initiative

MassGIS is undertaking an update of the state's geospatial strategy, last updated in 2007. MassGIS would like all geospatial data and technology users in municipal and regional government, state government, federal agencies, non-profit organizations, higher education, utilities, and the private sector to participate in the

challenges, such as allowing for the creation of regional boards of assessors, centralizing valuation of telecom and utility property at the state level and creating additional flexibilities in post-retirement employment exemptions.

Additionally, this bill proposes to make permanent some of the COVID-19 era policies that have become popular and valuable additions to the fabric of civic and social lives in communities around the state, including hybrid public meetings, outdoor dining, and takeaway cocktails sales.

You asked us to reduce unnecessary burdens and provide you with more tools to support vital services and we hope that is what we have delivered in the Municipal Empowerment Act.

To learn more about the bill, please visit:

<https://www.mass.gov/municipal-empowerment-act>

Thank you again for your engagement on this legislation and for all the critical work you do every day to serve Massachusetts residents. We look forward to continued partnership in building communities where people want to live, work, play and stay.

Sincerely,

Matthew Gorzkowicz

Secretary of the Executive Office for Administration and Finance

Sign Up for the 2024 "Meet DLS" Webinar on March 11th

We invite you to join us **Monday, March 11th at 2pm** for our latest webinar, "Meet DLS: Who we are and how we can help." During the first half of the presentation, attendees will hear directly from [DLS](#) staff about our mission and the resources, guidance and information we offer to cities and towns across the Commonwealth. The second half will offer breakout rooms hosted by the [Bureau of Local Assessment](#), [Bureau of Accounts](#), and [Financial Management Resource Bureau](#) who will provide a high level overview of key

development of the strategy.

The strategy will lay out the strategic direction for all geospatial activities in the Commonwealth. MassGIS will lead the strategy development. Applied Geographics (AppGeo), a national company that has done such work for dozens of states, is under contract to assist with this update. The work will begin with distribution of a [survey](#) to capture initial input and feedback. The survey is intended for anyone who uses geospatial data or technology.

[Click here to take the survey.](#)

There will be six workshops between February 19th and March 7th around the state to engage participants in dialogue regarding the strategic direction of geospatial technology, data development and collaboration. [Check the MassGIS 2024 Strategic Plan web page](#) for more information about the locations and other details.

New Bulletins: New Cannabis Control Commission Regulations, Recent Legislation Amortization of FY2024 Major Disaster Related Deficit

The Division of Local Services recently published two new bulletins. Bulletin 2023-9 discusses recent regulatory changes affecting municipal finance promulgated by the Cannabis Control Commission pursuant to Chapter 180 of the Acts of 2022, An Act Relative to Equity in the Cannabis Industry. Bulletin 2023-10 summarizes Section 205 of Chapter 77 of the Acts of 2023 which authorizes cities and towns to amortize their FY2024 major disaster related deficit over fiscal years 2025 to 2027, inclusive, in equal installments or more rapidly.

[BUL-2023-9: New Cannabis Control Commission Regulations](#)

[BUL-2023-10: Recent Legislation Amortization of FY2024 Major Disaster Related Deficit](#)

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

Bulletin 2023-8: Recent Legislation - Chapter 77 of the Acts of 2023

The Division of Local Services (DLS) Municipal Finance Law Bureau (MFLB) has a new bulletin. Bulletin 2023-8 focuses on recent legislative changes affecting municipal finance found in Chapter 77 of the Acts of 2023. The changes effect

concepts and functions that are important to your role.

In advance of the webinar, we suggest reviewing the following items linked below to better acquaint you with the subject matter we will be discussing:

- [Introduction to DLS](#): This presentation provides a brief overview of DLS and the mission of each of its bureaus.
- [City & Town New Officials edition](#): Published in June of 2023, this edition of our e-newsletter provides a great introduction to variety of municipal finance trainings and resources.
- [Foundations in Municipal Finance for the New Official](#): A series of virtual training modules that guides participants through a fiscal year in municipal finance.
- [Overview of Municipal Government](#): This video walks through the responsibilities of local officials and how they interact in managing municipal operations.
- [Proposition 2 ½](#): This series explains the basic provisions of the fundamental feature of the Massachusetts municipal fiscal landscape in nine short videos.
- [Teamwork in town government](#): Learn about the key players involved in managing a town's finances and the core financial best practices common among fiscally stable communities.

To register for this webinar, please click [here](#). Please contact distraining@dor.state.ma.us with any questions. We look forward to seeing you!

Navigating DLS Motor Vehicle Excise Resources

Springfield Bureau of Local Assessment Field Advisors

This is the time of year when local assessors process the largest

stabilization funds, the use of insurance proceeds, the general rules concerning municipal receipts, mitigation or exaction funds and major disaster amortization.

[BUL-2023-8 – RECENT LEGISLATION Chapter 77 of the Acts of 2023](#)

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

Bulletin 2023-7: G.L. c. 44, § 53 Clause 4 - Opioid Settlement Receipts

The Division of Local Services Director of Accounts has issued [Bulletin 2023-7](#).

On December 4th, 2023, Governor Healey signed [Chapter 77 of the Acts of 2023](#). Section 9 of the law provides, in part, for an exception to the legal requirement that all receipts are to be recorded as general fund revenue per [G.L. c. 44, § 53](#) for Opioid Settlement Receipts. Municipalities now have the option to account for these receipts in a special revenue fund.

[BUL-2023-7 – G.L. c. 44, § 53 Clause 4: Opioid Settlement Receipts](#)

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

Healey-Driscoll Administration Announces \$5 Million in IT Grants for Municipalities Through Community Compact

The Healey-Driscoll administration announced that \$5 million in grants have been awarded to municipalities to upgrade and improve their information and technology systems through the Community Compact program. This funding comes from one of four Community Compact grant programs being run this fiscal year and will benefit 68 municipalities and school districts, including 13 first-time recipients.

The 52 grants being awarded total more than \$4.95 million and will go toward improving cybersecurity and e-permitting, centralizing financial systems, implementing records management systems and infrastructure needed for hybrid meetings. The full list of IT grant awards can be found [here](#).

In addition to the information and technology grants, funding has been made available through both the Fiscal Year 2024 budget and the administration's capital investment

motor vehicle excise commitments. Assessors usually receive more calls on questions regarding excise bills than they do for real estate and personal property tax bills combined. Therefore, we'd like to highlight some useful resources that can assist in answering a variety of motor vehicle excise questions.

First, it's important to know where the responsibility and authority lies regarding [issuing motor vehicle excise](#). Municipal assessors, collectors and others work with the Registry of Motor Vehicles to prepare motor vehicle excise bills.

The DLS Bureau of Local Assessment has developed an informative [Tuning Your Motor Vehicle Excise Skills](#) webinar. In addition, the [DOR Guide to Motor Vehicle Excise](#) offers Motor Vehicle Excise from the taxpayer's perspective. This [Frequently Asked Questions \(FAQ\): Motor Vehicle Excise](#) addresses a variety of common inquiries and plain language responses. Finally, the [RMV Online Service Center](#) is a great resource for taxpayers and should be bookmarked for easy reference.

An assessing office's administration of Motor Vehicle Excise serves a critical function in the broader municipal finance well-being of the community. For most municipalities motor vehicle excise receipts are among the largest local revenue sources, second only to real and personal property tax. In FY23, municipalities received over \$957 million dollars in motor vehicle excise receipts. There are an estimated 5.6 million registered motor vehicles in Massachusetts. Each year thousands of taxpayers apply for excise abatements due to canceling registrations for a variety of reasons including moving out of state and transfer of ownership. As a result, it's vital to understand the [abatement process](#). For more guidance on Motor Vehicle Excise, please visit [DLS Motor Vehicle Excise Training and Resources webpage](#).

We hope you find this information useful. If there is a topic or area of assessing, you would like to see featured in the future please email us at bladata@dor.state.ma.us.

plan to support each of the following Community Compact programs:

Best Practices - \$2 million
Efficiency & Regionalization - \$600,000
Municipal Fiber - \$5 million

The application periods for the Efficiency and Regionalization Grant Program and Municipal Fiber Grant Program open on Jan. 8, 2024 and March 11, 2024, respectively.

New DLS Visualization Tool Highlights Trends in Municipal Debt

DLS is pleased to announce the release of our latest municipal finance visualization. Our new [Trends in Municipal Debt](#) tool provides an in-depth look at both general fund debt service and outstanding debt using data collected through the [DLS Gateway application](#). Individual charts show trends in debt service over time and sort the data by type and per capita. We've also included a glossary page to help explain many of the terms associated with [municipal debt](#). Each dashboard can be downloaded to a PDF file, and the source data can be accessed using the "351 Report" button.

Please email any feedback to the Data Analytics & Resources Bureau at DARB@dor.state.ma.us.

Informational Resource Page for City/Town Clerks

The Division of Local Services is pleased to announce the availability of materials on the Municipal Finance Training & Resource Center under [resources by position](#) to assist city or town clerks. A city or town clerk is an integral member of the municipal management team and a central information point for residents. While the job responsibilities may vary from community to community in Massachusetts, the clerk is a bonded official who is the municipality's record keeper and often the chief election officer. The new page is one stop shopping for the following topics important to clerks:

- Overview of responsibilities
- Adopting local option excise
- Local elections and town meeting
- Local Officials Directory
- Municipal debt and borrowing
- Proposition 2 ½ votes
- Record legislative action
- Tax rate setting process

Highly Recommended: Presenting the Budget

Financial Management Resource Bureau

This time of year, municipalities across Massachusetts are busy building the annual budget: creating revenue projections, compiling capital requests, determining what expenses are going to look like in the next fiscal year. Upon the completion of developing the annual budget document, the next step is to introduce it to the appropriate elected and appointed boards and the community. This begins the process of seeking input and support before a vote occurs. As with any public policy document, it is important to have a strategy to clearly communicate the goals of the policy and effectively demonstrate the impact it will have once passed. Here are some best practice recommendations for presenting your budget in your community.

Don't just deliver, present it

The budget document should be easy to navigate and include narratives that explain existing challenges or proposed changes. Begin with a budget message that builds the foundation for discussing goals, priorities, and upcoming hurdles. Visual aids like pictures, graphs and charts are effective in communicating incoming revenues and proposed expenditures. Pictures can also be helpful when it comes to presenting the capital needs of the community to clearly show the existing condition of the assets that you are looking to replace. It can be easy for your audience to get lost in the numbers, so your role as a storyteller will be important to give the numbers meaning. You can accomplish this by including narratives from each department that explain their goals, objectives, and prior year accomplishments.

Show the big picture

The annual budget is a product of several months of work. Incorporate elements of the process into the presentation to show the building blocks of the proposed budget. This should include the

Be sure to bookmark the [Municipal Finance Training and Resource Center](#) page and subscribe to our [YouTube channel](#).

Latest Issue of *Buy the Way* Now Available

Don't miss [Issue #24 of Buy the Way](#), the official magazine of the Operational Services Division (OSD).

[Click here](#) to get news and updates from OSD delivered to your inbox.

BULLETIN-2023-6: Massachusetts Statewide Opioid Settlement Funds

The Division of Local Services (DLS) Bureau of Accounts has issued Bulletin 2023-6. Bulletin 2023-6 is a reminder to city and town accounting officials of the requirements for the accounting treatment of statewide opioid funds as well as the reporting requirements to document their use in accordance with the State Subdivision Agreement.

[BUL-2023-6 – Massachusetts Statewide Opioid Settlement Funds](#)

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

BULLETIN-2023-5: Tax Title Foreclosure Surplus Proceeds

The DLS Municipal Finance Law Bureau has a new Bulletin. Bulletin 2023-5 discusses a recently decided United States Supreme Court case, *Tyler v. Hennepin County*, 598 U.S. 631 (2023). As a result of that decision, there is uncertainty as to whether or not tax title foreclosure surplus proceeds will need to be returned to property owners. The Bulletin notes that DLS will not object to a community temporarily holding any such surplus proceeds in an agency account until there is a directive from the courts on this matter.

[BUL-2023-5 – TAX TITLE FORECLOSURE SURPLUS PROCEEDS](#)

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

MassDEP: New Large Entity Reporting Requirement

The Massachusetts Department of Environmental Protection (MassDEP) adopted a new regulation 310 CMR 7.41: *Large Entity Reporting Requirement* that

budget calendar detailing the process the finance team and department heads follow to develop the budget and a city/town wide organizational chart that highlights who contributes to each development stage of the budget. Including a multi-year financial forecast can help provide context for the budget decisions and communicate the fiscal health of the community.

Be prepared for questions

While you may not know exactly what questions will be asked, you are the subject matter expert. Be prepared to explain any aspect of the budget, especially for proposals that might be unusual or contentious. Existing economic conditions, material or service costs, or changes to labor contracts are all potential discussion points in a budget process. For areas of the budget that require more technical explanation, have the department head or relevant subject matter expert prepared to speak on the proposal.

Share

Leverage technology to create digital access to the budget and its related documents. This will allow people to review materials at their own pace. Examples of supporting budget documents can include city or town financial policies, the current capital improvement plan, and a long-range financial forecast. You can also link other resources related to municipal budgeting, such as links from the DLS website on [budgeting and long-range financial planning](#). Digital resources can bring awareness to the municipality's finances, the process that goes into building the budget, and the work it takes to maintain the long-term financial health of the community while meeting service and capital needs.

Communicating budget goals and priorities effectively is an important part of the budget process. By clearly presenting the budget and the decision-making process, officials can build strong communication with residents and taxpayers.

The DLS [Financial Management Resource Bureau \(FMRB\)](#) provides

became effective on September 1, 2023, which requires large entities (fleet owners, businesses, government agencies, municipalities, brokers, etc.) to submit a one-time report on medium- and heavy-duty (MHD) vehicles greater than 8,500 lbs. operated or dispatched in Massachusetts. Specific information that must be reported includes vehicle type and usage characteristics.

This report will help MassDEP assess the best way to develop electric vehicle charging infrastructure and programs to support and accelerate the MHD zero emission vehicle market in Massachusetts.

Entities must submit the report to MassDEP by **5:00 PM on Friday, March 1, 2024**. To determine whether an entity is required to report, follow the instructions provided in the link below:

<https://www.mass.gov/how-to/large-entity-reporting-requirement>

OIG Offers No Cost Procurement Training for Municipalities

The Office of the Inspector General introduced a pilot program, "One Free Designee," that offers core public procurement training to one public employee per municipality at no cost. Effective in FY24 (July 1, 2023 – June 30, 2024), the OIG is offering free tuition for the three courses required for one employee to receive MCPPO designation to any municipality in the Commonwealth for whom the cost is a barrier. The \$100 fee associated with all designation applications and renewals has been eliminated.

To receive the free training for an employee, the chief municipal officer (Mayor, Manager/Administrator or Select Board Chair) must submit a [form](#) indicating the employee they wish to receive the training and an acknowledgement that obtaining the cost of training could be a factor in obtaining the designation.

If you want to learn more about the MCPPO designation, please visit our [website](#). If you have any questions, please email the OIG at MA-IGO-TRAINING@mass.gov.

[One Free Designee Application Form | Mass.gov](#)

DLS Links:

[COVID-19 Resources and](#)

tailored consultative services to municipalities across the state.

Articles in this series highlight a particular financial management best practice that we frequently recommend.

[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](#)



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Contact *City & Town* with questions, comments and feedback by emailing us at cityandtown@dor.state.ma.us. To view previous editions, please [click here](#).

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