

# City and Town

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## Chapter 188 of the Acts of 2008 — Understanding and Applying the New Intermunicipal Agreements Law

**Laura Schumacher, Policy Counsel, Metropolitan Area Planning Council**

As local budgets are stretched and the demand for professional, effective municipal services persists, there has been a growing trend toward regionalizing some local functions through intermunicipal agreements. The hundreds of intermunicipal agreements entered into by municipalities cover a spectrum of services from shared management of a bike trail to public purchasing cooperatives to the sharing of traffic engineers, administrative assistants and animal control officers.

Governor Deval L. Patrick signed into law Chapter 188 of the Acts of 2008, An Act Regulating Intermunicipal Agreements on July 18, 2008. Filed by Senator Pamela Resor and championed by the Massachusetts Municipal Association and the Metropolitan Area Planning Council, the new law makes it dramatically easier for municipalities to enter into intermunicipal agreements and reflects an interest on the part of the commonwealth to encourage municipalities to work collaboratively and regionalize.

The bill amended M. G.L. c. 40 § 4A, the law governing intermunicipal agreements, to shift the authority necessary to approve such agreements in municipalities with a town form of government from town meeting to the board of selectmen, while retaining all of the current requirements for financial safeguards and record keeping as outlined in M.G.L. c. 40 § 4A. The bill does not

affect cities, where adoption of intermunicipal agreements still requires approval of the mayor and city council.

### Legal Requirements

Ch. 40, § 4A authorizes agreements between municipalities, "to perform ... any services, activities, or undertakings ... authorized by law." Municipalities joining in the agreement may specify the length of the agreement (up to twenty-five years), terms and conditions for addition and withdrawal of members, and the financing arrangements. In addition, Ch. 40A, § 4 includes record keeping, audit and performance bond requirements. Specifically, all agreements must, "provide sufficient financial safeguards for all participants, including, but not limited to: accurate and comprehensive records of services performed, costs incurred, and reimbursements and contributions received; the performance of regular audits of such records; and provisions for officers responsible for the agreement to give appropriate performance bonds. The agreement shall also require that periodic financial statements be issued to all participants" (M.G.L. c. 40A, §4A). Finally, the agreement **must be authorized by each joining municipality**. In the case of a city, by the city council with the approval of the mayor, and in a town, by the board of selectmen.

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Please consider the environment before printing this newsletter.





#### DLS Commentary

The avoidance of reductions in state assistance thus far in FY09 is a rare piece of good news for fiscal officers in cities and towns. In virtually

every other revenue or growth category the trend line is down.

Motor vehicle excise revenue is likely to be at least \$50 million or about 9 percent below the collection of two years ago while the average age of vehicles in the commonwealth is now a ripe old 10.12 years.

At the time of publication, communities' investment income had declined 28 percent from the income generated a year ago, based on communities with set tax rates, while local receipts declined by 7.2 percent.

Property assessments are not any better. Of the 320 communities whose FY09 LA-4 assessment/classification form has been approved, property values have dropped 1.6 percent or \$15.3 billion on a base of \$936.3 billion. There are many states hit harder by declines in the real estate market. New growth, not surprisingly, has only increased slightly, up about \$2.4 million or 1.2 percent more than in the previous year for the 318 communities who have submitted new growth information.

The message in these numbers is clear: if there was ever a time to exercise caution in budgeting and revenue projections, now is that time.

**Robert G. Nunes**  
Deputy Commissioner &  
Director of Municipal Affairs

## Best Practices

# A DLS Best Practice: Cash Flow Forecast and Short-Term Borrowing

**Christopher J. Ketchen, Project Manager/Financial Management Analyst,  
Municipal Data Management & Technical Assistance Bureau**

## Cash Flow Forecast

It is the responsibility of the treasurer to manage a community's cash and ensure that account balances are sufficient to cover municipal or district obligations in a timely manner. In the performance of their cash management duties, treasurers often find that a cash flow forecast can be a useful tool to help anticipate periods of low balances and to better manage any short-term borrowing needed to fill gaps. Conversely, it can also reveal periods when account balances are positive and the potential to maximize investment income exists. In this way, the concept of cash flow forecasting runs in tandem with short-term borrowing or short-term investing.

For additional guidance on the subject of municipal cash management, see Chapter 11 of the [Treasurer's Manual](#) published by the Massachusetts Collectors and Treasurers Association.

Typically, a cash flow forecast should be developed after approval of the annual budget and before July 1 each year. At this time, the treasurer can rely on the revenue projections that fund the budget and on the appropriations that were approved. By adjusting past patterns of monthly spending and collections to current year revenue projections and appropriations, a reasonable forecast of a community's cash flow needs will emerge.

The level of revenue or expenditure detail displayed in a cash flow forecast can vary. As a starting point, municipal and school payroll warrants together with vendor warrants can provide very general perspective. We encourage a

slightly more sophisticated approach where additional detail provides greater safeguards against inadvertently omitting a required payment. For example, if debt service payments are among the separately listed categories, it serves as a reminder to review source documents, i.e. the treasurer's debt schedule, for specific amounts that are due during the fiscal year.

**... save money on  
interest charges  
by staggering RAN  
borrowing in a way  
that mirrors short-term  
cash needs.**

Revenues can be combined into major groups, such as, tax levy, state aid, motor vehicle excise, other local receipts and other/miscellaneous. As noted, total annual amounts should be based on revenue projections which support the annual budget. How that total amount gets allocated to each month in the forecast can be based on trends indicated by prior year monthly revenue reports. The monthly forecast should be refined by accounting for anticipated deviations from the prior year, special circumstances or other expectations in the coming fiscal year.

At the end of each month through the course of the fiscal year, the cash flow projections should be replaced by actual monthly expenditures or receipts. If revenues are insufficient to cover costs and short-term borrowing is used to fill

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## A DLS Best Practice continued from page 2

the gap, the note proceeds must be added to the forecast as revenue, and later payments of interest and principal must be inserted as expenditures.

Included at the end of this article is an example in of a cash flow forecast done in Microsoft Excel.

### Short-term Borrowing

To protect against the possibility that cash balances are insufficient to fund payroll and other expenses, some communities borrow a large, lump-sum amount early in the fiscal year in the form of revenue anticipation notes (RANs). These communities usually lack adequate reserves (such as stabilization) from which to draw internally, thus making it necessary to borrow from an external source. Though the borrowing is temporary, the repayment period is often prolonged, giving rise to high annual interest costs. In some cities and towns, a simple reluctance to deviate from past practice seems to be the only reason why the lump-sum borrowing approach has remained the norm for many years.

As an alternative, we suggest that municipalities and school districts could save money on interest charges by staggering RAN borrowing in a way that mirrors short-term cash needs. Rather than carry a large loan principle for a longer duration, treasurers should use the cash flow forecast to precisely determine the timing of cash needs and borrow accordingly. However, RANs should only be issued to cover operating expenses. Expenses related to capital projects authorized for long-term borrowing should be funded through bond anticipation notes (BANs).

To help communities with the borrowing process, the Division of Local Services (DLS) offers assistance through its State House Notes Program. State House Notes are debt instruments for cities, towns, counties and districts certified by the Director of Accounts. The notes are attractive, most often to smaller communities, because certification fees are low and neither an official statement nor full disclosure is required. Communities should contact the [Public Finance Section](#) at DLS or consult their financial advisor for more details. ■



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

EXAMPLE: CASH FLOW FORECAST WITH EXPENSE DETAIL

Anytown, MA		Office of the Treasurer				Cash Flow Forecast				General Fund				FY2009	
		Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun		
1	BEGINNING BALANCE		0	0	0	0	0	0	0	0	0	0	0		
	RECEIPTS														
	Tax levy														
	State aid distribution														
	Motor vehicle excise														
	Other local receipts														
	Other/misc														
2	Total receipts	0	0	0	0	0	0	0	0	0	0	0	0		
	EXPENSES														
	Municipal payroll														
	School payroll														
	Debt service payments														
	Employee benefits (health,pension)														
	Vendor warrants *														
	Misc/capital														
3	Total expenses	0	0	0	0	0	0	0	0	0	0	0	0		
4	Cash forecast (1+2-3)	0	0	0	0	0	0	0	0	0	0	0	0		
5	Short term borrowing (+)														
6	interest repayment (-)														
7	principal repayment (-)														
8	Cash balance (4+5-6-7)	0	0	0	0	0	0	0	0	0	0	0	0		

\* Net of payments for debt service, employee benefits and misc/capital

## Chapter 188 of the Acts of 2008 continued from page 1

While the law is primarily directed at municipalities, it also authorizes agreements with other “governmental units,” including regional planning agencies, regional transit authorities, water and sewer commissions, and state agencies.

### Types of Intermunicipal Agreements

There are three basic types of intermunicipal agreements: (1) formal contracts; (2) joint service agreements, and (3) service exchange arrangements.

**The bill amended M.G.L. c. 40 § 4A ... to shift the authority necessary to approve such agreements in municipalities with a town form of government from town meeting to the board of selectmen ... The bill does not affect cities.**

**Formal contracts**, the most common method of intergovernmental contracting, are written contracts between two municipalities, under which one local government agrees to provide a service to another local government for an agreed upon price. An example of a formal contract is the sharing of personnel with another jurisdiction, such as an animal control officer or traffic engineer.

**Joint service agreements** are agreements between two or more municipalities to join forces to plan, finance and deliver a service within the boundaries of all participating jurisdictions. A joint service agreement gives local governments broad flexibility to tailor the agreement to reflect the unique needs of the service provided. Public works is currently the most common area for joint service agreements, including joint ownership of new equipment and shared solid waste disposal/refuse districts.

Finally, **service exchange arrangements** are agreements under which participating jurisdictions agree to lend services to one another, generally without any payment required. The most common example of a service exchange arrangement is mutual aid for emergency services, used by municipal police and fire departments faced with limited time and constraints on budget and staff.

### Elements of Intermunicipal Agreements

Once the decision to enter into an intermunicipal agreement is made, the parties must negotiate the terms and conditions. This step is critical to ensuring a successful agreement, and municipalities should anticipate possible stumbling blocks and incorporate elements addressing such issues into their agreement accordingly. In addition to basic elements that every agreement should contain, such as the parties, the purpose, the term of the agreement, and methods for amendment and termination, the following is a summary of elements that can help ensure that intermunicipal agreements run smoothly.

**Financing:** If the agreement calls for the purchase of equipment or some other expenditure of funds, specify the manner of financing to be used and how a budget will be established and maintained. If the subject of the inter-local agreement will require an appropriation of funds from the municipality, such appropriation is subject to ratification by town meeting or the city council.

**Oversight:** Agreements should specify who will be responsible for supervising and reporting on the contract's implementation and overall performance, as well as specifically stating who has direction and control over employees. In addition, Ch. 40, § 4A includes record-keeping, audit and performance bond requirements. Agreements should specify who is responsible for fulfilling these requirements.

**Availability of Service:** If a service is to be provided by one municipality to another, clearly identify when the service is to be available. Specify if there are certain days or times when the equipment or personnel being shared will be available, and what happens if a scheduled service cannot be provided at the appointed time (can the receiving municipality seek the services of a third party, and who will cover any costs incurred). If personnel are being shared, specify what happens in instances of overtime or lack of availability due to needs of the sending municipality.

**Public works is currently the most common area for joint service agreements, including joint ownership of new equipment and shared solid waste disposal/refuse districts.**

**Compensation:** If payments are to be made to a municipality providing services or equipment, identify the cost of such services throughout the duration of the contract, how such costs will be allocated between/among the parties, and how and when payments will be made. Additional considerations include provisions for the periodic modification of the fee for services, the establishment of a record-keeping and reporting mechanism, and a determination of how any additional costs, such as start-up costs or capital costs, will be handled.

**Indemnification:** For the protection of municipalities executing the agreement, it is recommended that the liability of each party be spelled out in as much detail as possible. Specifically, consider whether there is a need for the

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**Chapter 188 of the Acts of 2008** *continued from page 4*

recipient of the service to indemnify or hold harmless the provider of the service from any and all claims, demands, losses, damages, injuries, suits, penalties, costs, liability and expenses (including, but not limited to, reasonable investigation and legal expenses) for personal injury or property damage arising out of the provision of the service. This is particularly applicable when equipment is shared among municipalities and there is a need to cover the operation, use or stage of the equipment while in the possession of the recipient municipality.

**If the subject of the inter-local agreement will require an appropriation of funds from the municipality, such appropriation is subject to ratification by town meeting or the city council.**

*Insurance:* It is important to ensure that there is adequate insurance coverage under the agreement. Consider whether policies should name the receiving municipality as an additional insured party. If equipment is being shared, address who will assume the risk of loss, theft or damage to the equipment once the receiving municipality takes possession. In addition, address who will assume the cost of repair and/or the full replacement cost if the shared equipment is damaged, lost or destroyed while in possession of the recipient.

*Dispute Settlement:* In the event any disputes or questions may arise between the parties as to the interpretation of the terms of the agreement or the satisfactory performance by any of the parties of the services and other responsibilities provided for in the contract, specify what type of mechanism will be used to settle such disputes.

*Personnel:* If an agreement calls for the addition of personnel, consider who will hire, direct, discipline and fire staff. Consider if and how salary, benefits and other overhead costs will be distributed between municipalities. If a municipality is sharing its personnel with another municipality, what are the rights, privileges and immunities of the providing municipality's employees working in the receiving municipality's jurisdiction?

*Property:* If the agreement relates to the acquisition of property, real or personal, jointly among municipalities, specify the manner of acquiring, holding, and disposing of such property. If assets are disposed of, how will the funds be distributed among the parties.

### **Municipal Considerations**

Intermunicipal agreements are becoming an increasingly popular tool to allow for the sharing of resources and increasing efficiencies between municipalities and with governmental units. Chapter 188 of the Acts of 2008 enhances the ability of towns to use intermunicipal agreements by eliminating the requirement of town meeting approval and placing authority in the board of selectmen, thereby enhancing their ability to experience the benefits of such agreements, including lowered costs to municipalities, improved serv-

ice delivery, increased efficiencies and the availability of services, equipment and personnel that the municipality otherwise could not obtain.

However, it is important to note that the Department of Revenue has advised municipalities that they will be bound by the financial commitments made in intermunicipal agreements even without town meeting approval or subsequent appropriation. Therefore, to the extent the agreement involves financial commitments, municipalities should make sure there are local processes in place to handle the financial impacts.

To assist municipalities with their regionalism initiatives, the legislature and the administration have re-established the District Local Technical Assistance (DLTA) fund and tied DLTA appropriations to regionalization so that regional planning agencies may provide their services to municipalities interested in working collaboratively and realizing the benefits of regionalizing through intermunicipal agreements.

With some foresight and planning by municipalities, intermunicipal agreements can be a useful tool in enhancing services and reducing costs, while promoting intermunicipal collaboration and regionalization.

For additional information, please contact Laura Schumacher, Policy Counsel at the Metropolitan Area Planning Council, at 617-451-2770 x2046 or [lschumacher@mapc.org](mailto:lschumacher@mapc.org). ■

**Editor's note: this article represents the opinions and conclusions of the author and not those of the Department of Revenue.**

## Legal

## Only Owners Need Apply: Personal Property Tax Abatement at the ATB

James Crowley, Esq., Bureau of Municipal Finance Law

Does the Appellate Tax Board (ATB) have standing to hear a personal property tax appeal filed by the lessee of the personal property who was not assessed the tax? The ATB ruled that the property owner had to pursue the appeal and dismissed the appeal for the lack of jurisdiction in the case of RNK, Inc. v. Assessors of Bedford, (ATB, docket #F281946, July 16, 2008).

For fiscal year 2005 the personal property in question consisting of telephone equipment and switching machinery was owned by and assessed to Siemens Information & Communication Networks (Siemens). Siemens was leasing the equipment to RNK, Inc. As the owner on the January 1, 2004 assessment date, Siemens dutifully filed a form of list (Form 2) for FY05 in February 2004 with the Bedford assessors. The Bedford tax collector sent a FY05 personal property tax bill which showed a valuation of about \$1.3 million and a total tax in excess of \$32,000. The personal property taxes were paid. Siemens then filed a timely abatement application which the assessors denied on April 26, 2005.

After the denial of the abatement application, there was a three month period ending on July 26, 2005 within which an appeal could have been taken to the ATB. In a letter postmarked July 26, 2005, which was the very last day for filing, a petition was submitted to the ATB. As you may be aware, under Chapter 59 Section 64, the postmark date controls and is deemed to be the delivery date. Initially, then, it appeared the ATB had jurisdiction. In the ATB petition, however, the appellant was the lessee, RNK, Inc., and there was no claim that

the lessee filed as an agent of the owner, Siemens. Included with the petition was the lease agreement which provided that the lessee was responsible for the local personal property taxes. The ATB also received a document with the caption "Purchase and Sale Agreement." By its terms, the lessee (RNK, Inc.) had agreed to purchase the subject equipment for the sum of \$210,000.

When the case was argued at the ATB, the Bedford assessor questioned whether RNK, Inc. had standing to file the appeal. In support of this argument, the assessor testified that Siemens owned the subject personal property as of the January 1, 2004 assessment date. Siemens also filed the form of list. The assessor stated that RNK, Inc. had paid the FY 2005 personal property taxes. Yet, the sale of the personal property to RNK, Inc. took place in September 2004 which was subsequent to the January 1, 2004 assessment date.

After reviewing all the evidence, the ATB observed that there were certain jurisdictional prerequisites for an ATB appeal. First, an abatement application had to be filed timely with the assessors by a "person aggrieved," as described in the statutes and case law. According to the ATB, only a person with standing to file with the assessors could appeal to the ATB. Generally, personal property taxes are assessed to the owner in accordance with M.G.L. Ch. 59 §18 Cl. 1. Such was the situation here with the assessment to the owner, which was Siemens. The ATB observed, however, that if the Bedford assessors had considered the subject personal property to be machinery used in the conduct of RNK Inc.'s business, then an assess-

ment to RNK Inc. as the "person having possession of the same on January first" would have been permissible under M.G.L. Ch. 59 §18 Cl. 2. In that scenario, RNK Inc. would have been assessed the taxes and could have sought the remedy of abatement.

The ATB stated that the abatement rights under M.G.L. Ch. 59 §59 differed for real property and personal property. The legislature had broadened the class of real property abatement applicants to include (1) a tenant obligated to pay more than one-half of the taxes, (2) a subsequent owner and (3) a person with an interest therein. Such was not the rule with regard to a personal property tax. According to the ATB, where the owner of the personal property was assessed, then only the assessed owner could seek abatement. The ATB cited as precedent one of its own decisions. In American Institute for Economic Research v. Assessors of Cambridge, (ATB, 1944-19), an entity with only a beneficial interest in personal property, which was held in trust, filed for abatement. The ATB dismissed the appeal since M.G.L. Ch. 59 §59 set forth a strict procedure for abatement and by its terms permitted only an assessed owner to seek abatement.

In the case at hand, the ATB found it immaterial that RNK Inc. was a lessee with a contractual responsibility for payment of the personal property tax. The ATB recognized that RNK Inc. had the economic burden of the tax, but state statute extended the remedy of abatement only to the assessed owner. Consequently, the ATB dismissed this case for lack of jurisdiction. ■

## Focus on Municipal Finance

# Spending on Snow and Ice Removal

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

Snow, spin-outs, wind-chills, traffic jams, states of emergency, school closings, obstructed sidewalks, parking bans and arguments over the corrosiveness of salt. Yes, it's that time of year again! Whether you rely on the National Oceanic and Atmospheric Administration or *The Old Farmer's Almanac* for your winter prediction, you can probably bet that there'll be snow and ice in our forecast. Given this *chilly* prediction, it's time again for local officials to check the snow and ice removal budget, especially in light of M.G.L. Chapter 44, §31D.

### A History

In early colonial times, severe winter weather would render roads impassible and would hinder commerce and communication. At the time, town populations were small and most wintertime travel was done by foot. As towns grew, the challenge to control and remove snow and ice from the streets began. Horse-carts and coaches were installed with ski-like runners to replace wheels. Residents and merchants were required to clear their own streets and citizens would assist in clearing drifts for sleigh traffic. The horse-drawn snow plow is credited for having initiated municipal responsibility for snow removal.<sup>1</sup>

Through the years, Massachusetts budget officials were forced to ponder whether the snow and ice on the ground would outlast the municipal budget line item to remove it. Cities and towns had to live within their appropriations for snow and ice removal as required by M.G.L. Chapter 44, §31, return to town meeting or city council for further action, or utilize a reserve fund transfer before the deficit occurred. For towns, especially in bad winters, these options always proved problematic. For cities, these options were less prob-

lematic yet sufficient resources to fund the appropriation were not necessarily available.

### Chapter 33 of the Acts of 1976

In 1976, the General Court of Massachusetts passed Chapter 33, "An Act Providing for Certain Snow and Ice Removal in Cities and Towns." This act, now M.G.L. Chapter 44, §31D, gave cities and towns the authority to deficit spend their snow and ice removal appropriations and to include the deficit on the next annual tax rate without appropriation provided two conditions were met.

***This new law gave both cities and towns added flexibility to manage their snow and ice removal expenditures.***

1) The appropriation for snow and ice removal in the year the deficit occurred equaled or exceeded the appropriation for snow and ice removal in the prior fiscal year and;

2) The deficit spending was approved by the town manager and finance committee in a town having a town manager, selectmen and finance or advisory committee in any other town, city manager and city council in a city having a city manager or the mayor and city council in any other city.

This new law gave both cities and towns added flexibility to manage their snow and ice removal expenditures, provided they met the legal conditions. Otherwise, M.G.L. Chapter 44, §31 would still apply.

### Example

Let's suppose it's late winter and the town accountant informs the town manager that the FY09 snow and ice removal budget will likely be over-spent before the season is over. The current fiscal year's appropriation for snow and ice removal is greater than last fiscal year's appropriation. Before the appropriation is depleted, the town manager meets with the finance committee and requests their approval to deficit spend the snow and ice removal budget "up to" a certain dollar amount through a certain period of time, no later than June 30. The finance committee votes the specifics and the town manager concurs. Both legal conditions have now been met. The appropriation can now be deficit spent by the approved amount, which can then be raised without appropriation on the FY10 Tax Rate Recap, unless already provided for.

### FAQs

Through the years, the Division of Local Services (DLS) has provided legal advice to many local officials on snow and ice removal deficit spending. Below are responses to three of the most frequently asked questions.

*What snow and ice removal appropriation is used to determine whether the city or town can deficit spend?*

The annual appropriation, not including any supplemental appropriation or transfer made to cover or prevent a deficit for this purpose, is used to determine the cities and towns' authority to deficit spend their snow and ice removal appropriations — and to include the deficit on the next annual tax rate without appropriation.

**[continued on page 8](#)**

## Spending on Snow and Ice Removal continued from page 7

*For what snow and ice removal expenses can a city or town deficit spend?*

Generally, cities and towns may deficit spend only those expenses directly related to the removal of snow and ice that are variable from year to year depending on the severity of the winter. Cities and towns may not deficit spend for regular recurring activity expenses that are predictable and do not vary with the weather in any given winter.

**Cities and towns may not deficit spend for regular recurring activity expenses that are predictable and do not vary with the weather in any given winter.**

Regular maintenance of equipment must be budgeted, although an emergency repair during plowing season may qualify for deficit spending if the maintenance budget has been exhausted.

Street cleaning cannot be paid for by deficit spending unless unusual weather conditions require extraordinary activity beyond that annually undertaken.

*Can the Finance Committee/Selectman and Town Manager vote a specific dollar amount to deficit spend or can it only approve an amount "up to"?*

Voting an amount to deficit spend "up to" is considered a preferred practice. Although the finance committee/selectman and town manager may approve spending an actual dollar amount for an impending storm and/or spending for a shorter period of time than by June 30, the consequences of this vote should be considered.

### Chapter 45 of the Acts of 1996

In the winter of 1995–1996, after exceptionally heavy snowfall, the Massachusetts Legislature passed Chapter 45, a supplemental appropriation that authorized \$21 million of additional municipal aid for snow and ice removal. Chapter 45 also amended M.G.L. Chapter 44, §31D to require cities and towns to report to DLS FY1993–FY1995 snow and ice removal expenditures and to annually thereafter report to DLS snow and ice appropriation and expenditure data from the prior fiscal year.

*Table 1* shows expenditure data as reported by cities and towns for FY1993 and for FY06–FY08. The *Table* reflects 342 cities and towns reporting for all three fiscal years and 289 reporting for FY08 to date.

For the 342 cities and towns reporting, FY07 expenditures charged to snow and ice removal accounts increased over FY1993 expenditures by \$9.2 million, from \$70.4 million to \$79.6 million, or by 13 percent. For the 289 cities and

towns reporting, FY08 expenditures increased over FY2007 expenditures by \$73.2 million, from \$68.4 million to \$141.5 million or by 107 percent. Although the FY08 amount appears high, the average amount charged between FY03 and FY06 was \$133 million.

For the period between FY1993 and FY07, the data reveals that 228 cities and towns increased these expenditure charges by \$17.3 million, from \$36.9 million to \$54.2 million, or by 47 percent. Further, the data reveals that 114 cities and towns decreased these expenditure charges by \$8.1 million, from \$33.6 million to \$25.5 million, or by 24 percent.

For the period between FY1997 and FY2008, the data reveals that 285 cities and towns increased these expenditure charges by \$73.2 million, from \$68.2 million to \$141.4 million, or by 107 percent. Further, the data reveals that 4 towns decreased these expenditure charges by \$35,510, from \$201,191 to \$165,681, or by 18%.

For more information on snow and ice removal expenditures, please contact the [Bureau of Municipal Finance Law](#) or the [Bureau of Accounts](#). ■

1. "Have Snow Shovel, Will Travel" by Laura Chesire. Created for the [National Snow and Ice Data Center](#). Published in 1997.

**Editor's note: Please turn the page for the data that accompanies this focus article.**



## Snow and Ice Expenditures

Municipality	Expended FY03	Expended FY06	Expended FY07	Expended FY08	Municipality	Expended FY03	Expended FY06	Expended FY07	Expended FY08	Municipality	Expended FY03	Expended FY06	Expended FY07	Expended FY08
Abington	130,966	269,068	161,260	368,329	Chicopee	295,509	642,395	370,283	NR	Hanwich	142,008	173,364	94,240	209,759
Acton	368,133	353,962	277,373	51,494	Chilmark	5,494	17,821	11,915	18,915	Hatfield	259,770	299,770	92,2815	234,450
Acushnet	17,350	56,652	44,906	92,019	Clarksburg	36,644	50,512	46,869	NR	Haverhill	1,015,904	1,191,598	1,158,570	1,500,327
Adams	196,881	160,882	160,882	160,045	Clinton	162,901	229,942	153,625	NR	Hawley	54,604	57,000	57,000	NR
Agawam	258,125	167,095	103,985	160,045	Cohasset	88,078	97,929	70,437	150,861	Heath	40,731	77,019	100,704	212,868
Afford	29,013	33,000	32,900	54,182	Colrain	63,779	55,202	36,607	109,298	Hingham	417,588	355,530	268,717	NR
Amesbury	189,146	227,865	229,885	442,541	Concord	428,296	516,858	401,226	803,665	Hinsdale	73,770	46,165	65,486	NR
Amherst	97,366	231,120	161,930	286,777	Conway	75,502	130,611	126,491	NR	Holbrook	82,214	124,653	64,726	175,280
Andover	1,626,784	1,101,767	1,123,256	2,061,821	Cummington	26,928	42,923	34,498	NR	Holden	261,330	274,950	252,937	447,225
Aquinnah	3,248	2,020	2,731	2,698	Dalton	58,099	146,369	138,711	223,555	Holland	29,315	56,226	46,757	NR
Arlington	501,762	618,109	465,574	1,176,457	Danvers	551,058	554,225	368,817	840,916	Holliston	208,905	259,566	160,705	333,502
Ashburnham	120,954	186,002	170,981	299,682	Dartmouth	121,584	186,620	147,806	204,291	Holyoke	478,099	406,788	202,167	657,928
Ashby	53,426	138,674	118,032	176,812	Dedham	298,741	939,838	498,854	898,449	Hopedale	23,778	92,021	77,879	NR
Ashfield	81,617	130,474	139,600	198,532	Deerfield	53,942	68,579	67,131	148,427	Hopkinton	317,678	383,896	285,805	NR
Ashland	193,826	287,822	227,356	408,987	Dennis	134,584	209,123	64,081	201,070	Hubbardston	29,960	181,841	158,977	301,002
Athol	156,274	282,836	199,804	421,673	Dighton	41,741	70,722	52,520	92,754	Hudson	446,823	428,966	346,316	555,736
Attleboro	162,055	486,518	268,059	564,274	Douglas	94,835	214,025	160,136	317,996	Hull	124,831	114,332	100,608	217,722
Auburn	170,450	235,624	226,585	393,758	Dover	220,161	294,603	254,840	479,897	Huntington	19,821	36,752	17,455	59,449
Avon	56,662	107,773	91,635	172,440	Dracut	419,537	526,462	400,820	921,004	Ipswich	200,504	303,737	283,248	630,830
Ayer	115,000	190,553	140,134	294,248	Dudley	84,259	121,497	137,105	112,882	Kingston	96,092	288,230	184,894	321,811
Barnstable	437,498	674,079	324,954	753,989	Dunstable	56,502	190,244	118,579	311,758	Lakeville	138,398	63,519	78,978	139,563
Barre	134,769	268,383	240,671	73,989	Duxbury	123,035	216,230	118,687	282,471	Lanesborough	37,613	87,825	76,995	114,942
Becket	108,989	164,783	170,685	NR	East Bridgewater	104,547	309,837	162,122	409,160	Lawrence	746,562	1,108,145	654,588	NR
Bedford	235,399	416,305	320,457	617,728	East Brookfield	27,307	41,339	29,776	51,571	Lee	106,616	328,738	263,558	393,984
Belchertown	111,097	227,437	161,432	347,009	Eastham	18,837	30,161	9,834	31,550	Leicester	132,962	139,917	111,287	227,468
Bellingham	341,000	385,341	297,214	587,253	Easthampton	201,323	272,730	160,938	381,287	Lenox	96,371	146,873	131,812	244,217
Belmont	449,094	462,066	280,742	694,033	Easton	147,653	327,808	168,625	448,567	Leominster	554,999	751,936	570,342	1,110,871
Berkley	28,117	105,052	62,600	NR	Edgartown	13,632	8,385	4,643	25,529	Lewerett	31,454	53,354	39,884	83,146
Berlin	51,298	84,026	61,383	149,951	Egremont	91,783	92,814	96,098	150,750	Lexington	725,061	1,102,337	759,594	1,645,140
Barnardston	60,000	42,000	39,520	35,101	Erving	11,191	15,264	16,541	25,384	Leyden	33,373	58,154	49,892	83,035
Beverly	374,796	575,837	394,442	998,820	Essex	34,198	58,328	57,160	99,310	Lincoln	120,058	196,927	135,355	265,197
Billerica	479,532	1,005,573	650,033	1,205,394	Everett	104,418	148,404	84,486	293,266	Littleton	121,905	216,415	203,276	448,920
Blackstone	113,078	145,732	107,947	NR	Fairhaven	32,550	38,272	21,568	37,283	Longmeadow	103,911	110,924	99,477	193,345
Blandford	31,032	61,808	47,811	NR	Fall River	524,374	691,243	253,723	1,101,974	Lowell	983,633	2,220,460	1,351,622	2,508,442
Bolton	94,956	195,414	154,328	341,418	Falmouth	153,469	326,058	166,556	329,450	Ludlow	354,189	322,166	281,045	489,027
Boston	4,805,738	11,906,486	7,994,231	17,164,571	Fitchburg	727,524	722,269	504,840	966,894	Lunenburg	198,594	233,838	167,785	343,633
Bourne	93,889	205,957	63,449	294,784	Foxborough	191,410	341,961	250,137	442,220	Lynn	1,911,704	1,097,407	1,845,709	1,450,763
Boxborough	36,602	109,416	77,534	184,624	Frammingham	1,063,278	1,013,996	724,183	2,261,586	Lynnfield	146,749	225,000	154,275	401,763
Boxford	129,095	247,760	208,761	377,029	Franklin	385,010	708,757	540,392	NR	Malden	310,552	439,375	365,645	840,779
Boylston	40,867	72,456	57,001	NR	Freetown	49,345	117,509	73,647	148,970	Manchester	92,453	172,298	109,393	187,774
Braintree	210,540	479,418	303,929	NR	Gardner	139,094	381,441	323,044	624,090	Mansfield	185,426	305,758	245,446	460,198
Brewster	60,313	148,785	49,018	117,817	Georgetown	187,512	197,313	182,425	339,239	Marblehead	141,526	149,517	98,427	274,926
Bridgewater	82,147	330,327	110,458	371,319	Gill	48,028	62,673	34,872	60,293	Marion	18,938	69,126	46,083	88,006
Brimfield	48,660	93,397	80,873	185,076	Goshen	35,694	49,664	36,223	69,413	Marlborough	834,146	1,237,053	828,861	2,083,008
Brookton	525,886	1,660,733	1,097,954	NR	Grafton	114,518	261,637	186,787	443,581	Marshfield	158,486	367,572	187,895	430,366
Brookfield	34,462	89,931	73,477	135,208	Granby	16,943	59,387	55,064	95,275	Mashpee	96,480	160,199	109,303	152,764
Brookline	561,325	755,184	582,745	1,173,161	Granville	69,566	63,773	58,319	NR	Matapoisett	13,047	29,172	20,939	49,510
Buckland	80,096	141,013	122,562	235,244	Great Barrington	115,318	237,408	179,553	274,437	Maynard	231,810	169,774	133,913	323,059
Burlington	519,991	672,405	393,539	NR	Greenfield	146,599	171,639	150,753	NR	Medfield	348,763	304,559	196,533	388,958
Cambridge	428,056	485,246	238,212	1,270,852	Groton	207,122	357,550	287,230	529,821	Medford	458,056	580,661	425,211	611,320
Canton	247,174	417,452	227,287	565,898	Groveland	87,641	181,481	130,485	268,533	Medway	210,175	278,282	209,874	405,847
Carlsie	52,902	81,622	64,885	110,762	Hadley	56,688	118,627	90,716	158,955	Melrose	200,190	427,891	287,058	727,986
Carver	98,814	235,866	124,769	305,410	Halifax	57,413	73,867	57,880	107,820	Mendon	129,133	149,266	123,157	245,713
Charlmont	26,525	146,425	124,100	211,684	Hamilton	102,665	168,661	105,453	239,991	Merrimac	97,577	97,577	75,465	145,826
Charlton	191,307	224,464	184,769	352,902	Hampden	68,558	90,112	98,076	131,254	Methuen	45,005	1,010,123	859,348	1,570,613
Chatham	80,810	126,384	92,709	125,212	Hancock	55,000	49,600	50,083	NR	Middleborough	92,169	159,522	116,709	260,402
Chelmsford	513,158	818,942	678,646	1,238,430	Hanover	214,096	285,562	191,623	336,344	Middlefield	53,006	49,936	35,000	NR
Cheshire	117,416	95,000	113,084	NR	Hanson	129,152	200,636	108,932	296,836	Middleton	164,171	130,986	126,967	215,167
Chester	38,579	71,895	70,550	107,852	Hardwick	58,411	159,202	104,505	208,669	Milford	523,790	673,633	500,000	838,013
Chesterfield	39,192	72,981	55,068	91,827	Harvard	50,213	131,862	87,851	159,170	Millbury	74,817	231,786	156,257	334,688

Please visit [www.mass.gov/Ador/docs/dls/publ/ct/2008/snowandicedata.xls](http://www.mass.gov/Ador/docs/dls/publ/ct/2008/snowandicedata.xls) for an Excel version of the above data, which will allow you to compare your community to others, sort data by county, and perform calculations.



## DLS Profile

# Donald Gorton: Taxation and Civil Rights

After 11 years as a property tax judge with the Massachusetts Appellate Tax Board (ATB), Donald Gorton joined the Division of Local Services (DLS) in September of 2008 as a Tax Counsel in the Bureau of Municipal Finance Law. As a former Commissioner of the ATB, Gorton came to DLS well acquainted with many members of the assessing community throughout the commonwealth and a well-developed expertise in property tax law.

As a member of the DLS legal team, Gorton fields questions from municipal officials and taxpayers about questions of municipal finance law. When not on phones or e-mail, Gorton drafts opinion letters, reviews abatement applications, gives legal advice to DLS staff, confers with other attorneys, and conducts legal research on questions DLS is likely to encounter.

"The questions come from any area of municipal finance law, and can be very difficult. Fortunately, the other attorneys in DLS are very knowledgeable and we have excellent legal research tools," says Gorton. "I would probably be at sea if I didn't have eleven years of experience as a property tax judge. Since I'm the newest addition to the Bureau, I have the most to learn."

The most satisfying aspect of being a municipal finance lawyer for Gorton comes when he has time to do in-depth legal research; "I really enjoy writing. I also enjoy being presented with a difficult issue and then solving the puzzle it presents," says Gorton. "The analysis tax and municipal finance lawyers do is intellectually rich and varied, so it keeps me engaged and on my toes."

***"It's interesting to identify areas where the DLS lawyers take a different view of legal questions than do members of the ATB."***

The ability to perform legal research rapidly, while simultaneously reading statutes closely to "comprehend sometimes arcane details of local government and municipal finance law, and give clear, practical legal advice that will be useful to non-lawyers" is essential to his role at DLS, according to Gorton.

Many of the questions DLS confronts have been addressed by or lie within the jurisdiction of the ATB, notes Gorton.



**Donald Gorton**

"It's interesting to identify areas where the DLS lawyers take a different view of legal questions than do members of the ATB. While such disagreements are rare, I find that differences of perspective usually reflect the different roles the two agencies play," says Gorton. "DLS gives high-volume legal advice to every city and town in the state, and addresses questions like the classification of agricultural, forest, or recreational land on a frequent and recurring basis. The ATB looks at a much smaller set of issues that give rise to a dispute between taxpayers and assessors, and makes its decisions only after having evidence presented to it in a trial. Perspectives are occasionally different when giving advice versus adjudicating full-blown disputes in a specific set of factual circumstances."

Outside the office, Gorton spends a fair amount of his time in civil rights-related activities. He leads the Anti-Violence Project of Massachusetts, an all-volunteer group that works to eliminate hate-motivated violence, mostly affecting the Lesbian, Gay, Bisexual, and Transgender Community. He is also a member of the Hate Crimes Working Group that Secretary of Public Safety Kevin Burke has convened to give advice on the implementation of anti-hate crime laws. If that weren't enough, Gorton, finds time to work with the Anti-Defamation League in a collaborative effort to reduce the incidence of bullying in schools.

"I co-authored an anti-bullying best practices guide which was published by the Department of Public Health in April, 2008. Titled 'Direct from the Field: A Guide to Bullying Prevention,' the publication was distributed to school districts

**continued on page 12**

**Donald Gorton** *continued from page 11*

throughout the state and is available on the Internet,” Gorton explains. “The idea was to give local school districts research-based, field-tested guidance on preventing bullying and intervening in bullying episodes when they occur, without their having to incur the expense of a commercial anti-bullying program.”

**“The racist backlash at the time was very severe ... Only two businesses refused to retaliate against African-American [voter] registrants: Gorton’s Pharmacy, owned by my grandfather at the time, and Goldberg’s Department Store.”**

A history buff, Gorton can often be found curled up with a good book about English History, which is his favorite area of study. “I [also] enjoy Gay and Lesbian Studies, although no such subject area existed when I went to college,” says Gorton.

Gorton’s “strong interest in advancing civil rights and deep commitment to social justice” comes from his early years as a native of the Mississippi Delta where he witnessed the civil rights movement at the local level.

“My hometown of Belzoni saw an early voter registration drive among African-Americans, led by the Reverend George Washington Lee circa nineteen-fifty-four, six years before I was born and eleven years before passage of the Voting Rights Act,” says Gorton. “That was before the Emmett Till murder and the Montgomery Bus Boycott, which are

usually thought of as the beginning of the civil rights movement. The racist backlash at the time was very severe: almost all of the retail businesses in Belzoni cut off credit to African-American registered voters in a successful effort to intimidate them to drop off the lists. Only two businesses refused to retaliate against African-American registrants: Gorton’s Pharmacy, owned by my grandfather at the time, and Goldberg’s Department Store.”

The Rev. Lee was shot to death, recalls Gorton, although the coroner at the time ruled the murder a “heart attack” and the then-governor of Mississippi refused to intervene.

“I remember helping my father out at the pharmacy when I was about fifteen years old. He pointed out to me an elderly man who was waiting to have a prescription filled. My father told me that the elderly man was the Reverend Lee’s assassin, which gave me the creeps,” says Gorton. It wasn’t until the Voting Rights Act passed in 1965 that that African-Americans joined the voting rolls in Humphreys County, Mississippi in large numbers, according to Gorton. “The federal government came in and ran a registration drive out of the only federal facility in my town, the post office.”

In high school Gorton experienced local government at the county level when his father ran for and was elected to county office in 1975, serving two terms as County Coroner-Ranger.

“I was his campaign manager, and he won across the county,” says Gorton.

Gorton headed north for college at Boston University in 1978, and stayed on to attend Harvard Law School, from which he graduated in 1985. He has lived in Boston’s South End for nearly 25 years. ■

**Mark Your Calendars**

The basic training course for assessors, *Assessment Administration: Administration, Procedures and Valuations (aka Course 101)*, will be held in the spring 2008. The previous proposed region of western Massachusetts has been changed to Worcester County. The exact dates and location of this training will be available at the beginning of the new year.

**Please be sure to visit DLS at the Massachusetts Municipal Association’s Annual Trade Show Meeting** on January 23 and 24, 2009. We will be located at booth 714. Staff will be on hand to answer your questions. ■

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



## Municipal Fiscal Calendar

### December 15

**Taxpayer: Deadline for Applying for Property Tax Exemptions for Persons.** If tax bills are mailed after September 15, taxpayers have 3 months from the mailing date to file applications for exemptions.

**Accountant/Superintendent/School Committee: Submit Amendments to End of School Year Report to DOE.** Last filing date to impact next year's Chapter 70 State Aid.

### December 31

**State Treasurer: Notification of Quarterly Local Aid Payments on or Before December 31.**

**Water/Sewer Commissioners: Deadline for Betterments to be Included on Next Year's Tax Bill (M.G.L. Ch. 80, Sec. 13; Ch. 40, Sec. 42I and Ch. 83, Sec. 27).**

**Selectmen: Begin to Finalize Budget Recommendation for Review by Finance Committee.**

**Assessors: Mail 3-ABC Forms to All Eligible Non-Profit Organizations.**

**Collector: Deadline for Mailing Actual Tax Bills.** For communities using the annual preliminary billing system on a quarterly or semiannual basis, the actual tax bills should be mailed by this date.

### January 1

**Assessors: Property Tax Assessment Date.** This is the effective date (not for exemption purposes) for statewide assessed value for all property for the following fiscal year.

### January 31

**DOE: Notify Communities/Districts of Estimated Net School Spending Requirements for the Next Year.** As soon as the Governor releases the ensuing year's budget, DOE notifies communities/districts of the estimated NSS requirements. These figures are subject to change based on the final approved state budget.

### February 1

**Taxpayer: Deadline for Payment of 3rd Quarterly Tax Bill Without Interest.** According to M.G.L. Ch. 59, Sec. 57C, this is the deadline for receipt of the 3rd Quarter actual tax payment without interest, unless the actual tax bills were mailed after December 31. If mailed after December 31, the actual tax is due as a single installment on May 1, or 30 days after the bills were mailed, whichever is later.

**Taxpayer: Quarterly Tax Bills — Application Deadline for Property Tax Abatement.** According to M.G.L. Ch. 59, Sec. 59, applications for abatements are due on Feb. 1 unless actual tax bills were mailed after December 31. In that case they are due May 1, or 30 days after mailing, whichever is later.

### February 15

**Treasurer: 2nd Quarter Reconciliation of Cash.**

### February 28

**Finance Committee: Continue Budget Review and Develop Recommendations.** This date will vary depending on dates of town meeting.

### March 1

**DOR/MDM-TAB: Notification of Cherry Sheet Estimates for the Following Year.** (pending action taken by the Legislature) 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.

**Personal Property Owner: Submit Form of List.** This is a listing of all personal property filed by the owner with the Assessors each year for the purpose of determining taxes in the next fiscal year.

**Non-Profit Organization: Final Filing Date for 3-ABC Forms.** These must be filed on or before March 1 (this deadline may be extended by the Assessors). In no event may the extension granted be later than 30 days after the tax bill is mailed.

### March 31

**State Treasurer: Notification of Quarterly Local Aid Payment on or Before March 31.**

### April 1

**Collector: Mail 2nd Half Semi-Annual Tax Bills.** In communities using a regular semi-annual payment system, the 2nd half actual tax bill, or the actual tax if an optional preliminary bill was issued, should be mailed by this date.

**Taxpayer: Deadline for Payment of Semi-Annual Bill without Interest.** According to M.G.L. Ch. 59, Sec. 57C, this is the deadline for receipt of the actual tax payment in communities using the annual preliminary tax billing system on a semiannual basis, unless the bills were mailed after December 31. If mailed after December 31, payment is due May 1, or 30 days after the bills were mailed, whichever is later.



#### City & Town

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**S.J. Port**, Editor

**Marilyn Browne**, Editor Emeritus

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