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## DLS Offers New Seasonal Resources

Sean Cronin – Senior Deputy Commissioner of Local Services

### In this edition:

- **DLS Offers New Seasonal Resources**
- **Time is Running Out to Register for the 2023 "What's New in Municipal Law" Seminars**
- **Ask DLS: Recent Municipal Law Amendments**
- **Early Voting and Uniform Polling Hours Distributions**
- **Annual Fiscal Year Waivers to Education Reform Spending Requirements and Minimum Local Contributions**

### By the Numbers

*City & Town* provides updates on the progress of the tax rate and certification process. This information is available 24/7 by [clicking here](#).

Preliminary Certifications Approved:  
4

Final Certification: 0 (of 67 total)

LA4 (Assessed Values): 16 approved (27 submitted)

LA13 (New Growth): 16 approved (23 submitted)

Tax Rates: 4 approved

Balance Sheets: 34 approved

Total Aggregate Free Cash

September is here and with it one of the busiest times of the year in municipal finance. At the Division of Local Services (DLS), we hold a sincere appreciation for all that local officials of Massachusetts do and we're always seeking out innovative and helpful ways to leverage our expertise, data and resources to support our colleagues in local government. To that end, we're pleased to announce a new feature we'll be highlighting both through DLS Alerts and on our website.

Given the seasonal nature of certain reporting requirements, municipal responsibilities, billing processes and regulatory functions, we'll be utilizing a promotional page on our website and quarterly notices that provide helpful resources, tools and guidance you might find useful for the time of year. For example, in our forthcoming Fall Update, we'll provide accounting resources related to certifying free cash, setting a tax rate, and submitting Schedule A. Our assessing resources will address submitting new growth and tax rate forms, determining property values, and preparing for your community's classification hearing. As always, if you don't want to wait for the notifications, check out our [Municipal Finance Training and Resource Center](#) for a complete collection of information on these topics. For a comprehensive look at the fiscal year, please review our [Foundations in Municipal Finance trainings](#). Our Fall Update will arrive shortly and, as always, please recommend [signing up for DLS Alerts and City & Town](#) to anyone who might benefit from learning

## Important Dates & Information

### DLS Seeks Administrative Coordinator

The Administrative Coordinator position at the Division of Local Services (DLS) plays a critical role in supporting both internal and external operations. DLS seeks a dynamic individual with exceptional customer service and communication skills to engage the public, local officials and DLS staff in a clear, courteous, and professional manner and address inquiries in a timely fashion. The successful candidate will provide logistical and administrative support for the DLS Professional Development program and perform tasks related to organizing and supporting trainings and events.

As part of the Future of Work initiative, the agency has adopted a hybrid work model. Hybrid work is a mix of in-office work and telework. This is a hybrid work position that requires some travel, but primarily works remotely. To view the job posting, please [click here](#).

### BULLETIN-2023-5: Tax Title Foreclosure Surplus Proceeds

The Division of Local Services (DLS) Municipal Finance Law Bureau (MFLB) has a new Bulletin. Bulletin 2023-5 discuss 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

more about the world of Massachusetts municipal finance.

Speaking of the world of municipal finance, I'm proud to share that 24 participants from 13 community colleges across Massachusetts recently completed the Municipal Finance Commonwealth Fellowship Program. The Fellowship Program provides paid internships and represents a collaborative approach between state and local government, Massachusetts public community colleges, municipal finance professional associations and other partners to help develop the next generation of municipal finance officials and promote a more diverse and representative workforce.

In June, Commonwealth Fellows participated in an intensive four-week training program conducted by DLS introducing them to local government and fostering an understanding of the principles and practices of sound municipal financial management and accounting. Fellows then spent July and August in work-based learning experiences in host communities, all of which were either the community in which they resided or a neighboring municipality. They worked with local government officials in budgeting and finance operations while gaining practical experience in the day-to-day operations of a municipality that can be leveraged toward potential future employment in public service.

Feedback from both the participants and the hosts has been overwhelmingly positive and it was an honor for all of us to help foster the next generation of municipal finance professionals. I want to thank the Executive Office of Education (EOE), the participating community colleges – especially Holyoke Community College, who helped administer the program – and the numerous DLS employees and local officials who served as instructors for devoting so much time to ensure a successful program that is a win for the students, the schools and the municipalities!

At DLS, we remain committed to supporting our colleagues in local government. If you have any thoughts or ideas that you would like to share with me directly, please contact me at [croninse@dor.state.ma.us](mailto:croninse@dor.state.ma.us). In closing, I wish you the best during the busy coming months and always know that DLS is here to assist.

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>

### "Adopting Local Option Excise Taxes" Training Video Now Available

The Division of Local Services is pleased to announce the availability of a [new training video](#) explaining the process for adopting a local option excise on room occupancy, meals and adult use recreational marijuana, or a community impact fee on short-term rentals in your community. The training also covers the Division of Local Services' role in local option excises, discusses the timetable involved with adopting any of these options, and provides examples of warrant language to assist you in preparing for a vote on a local option excise tax.

The [training video](#) is now available on the DLS YouTube channel, along with the [presentation slides](#). Additional [local options related training resources](#) and [local options data and reporting](#) information is also available on the DLS website. If you have any questions relative to adopting local option excise taxes please contact [databank@dor.state.ma.us](mailto:databank@dor.state.ma.us).

Be sure to bookmark the [Municipal Finance Training & Resource Center](#) page and subscribe to our [YouTube channel](#) to stay updated on new items added.

**OIG Offers No Cost Procurement Training for Municipalities**

## Time is Running Out to Register for the 2023 "What's New in Municipal Law" Seminars

The Division of Local Services [Municipal Finance Law Bureau](#) will offer its annual ["What's New in Municipal Law" seminars](#) for local officials on Thursday, September 21, 2023 at the Bentley University Conference Center in Waltham and Thursday, September 28, 2023 at the Log Cabin Banquet & Meeting House in Holyoke. The seminars will be held in-person and run from 9am to 3pm.

The registration fee is \$100. **Registration closes Friday, September 15th.** Payment should be mailed as soon as possible. Event check-in opens at 8:15am. Lunch will be provided.

To view the registration form, please [click here](#). Any questions regarding the seminars should be directed to [dlsregistration@dor.state.ma.us](mailto:dlsregistration@dor.state.ma.us).

## Ask DLS: Recent Municipal Law Amendments

This month's *Ask DLS* features questions concerning recent legislation that amended general laws related to debt limitations for certain school building projects, the investment of trust funds and the state-owned land program. Please let us know if you have other areas of interest or send a question to [cityandtown@dor.state.ma.us](mailto:cityandtown@dor.state.ma.us). We would like to hear from you.

### What was the legislation and when is it in effect?

The changes can be found in §§ 25-27 of "[An act making appropriations for the fiscal year 2024 for the maintenance of the departments, boards, commissions, institutions, and certain activities of the commonwealth, for interest, sinking fund, and serial bond requirements, and for certain permanent improvements](#)" (the

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 FY 24 (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. The class schedule and enrollment form will be issued later this summer.

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](mailto:MA-IGO-TRAINING@mass.gov).

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

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

Don't miss [Issue #22 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.

### Recent Flooding Events – Emergency Expenditure Process for Municipalities

In light of the recent flooding events in the Commonwealth, the Division of Local Services (DLS) would like to direct municipal managers to the DLS resources regarding emergency declarations and emergency spending procedures under MGL 44 § 31.

[Emergency Expenditures, Chapter 44, Section 31](#)

DLS is ready to assist you in any way we can. If you have further questions please contact your [Bureau of Accounts Field Representative](#).

### OSD Climate Action Survey: Meeting Your Electric

Act), signed by the Governor on August 9, 2023. The amendments are currently in effect.

### What are the changes concerning debt limitations for certain school building projects?

The legislation amended [G.L. c. 44, § 10](#), which governs the maximum amount of debt a city or town may incur. Generally, a city or town cannot authorize indebtedness to an amount exceeding 5% of the equalized valuation (EQV) of the city or town, excluding debts expressly authorized by law to be incurred outside that debt limit. Generally, cities, towns and districts may borrow within their debt limits under [G.L. c. 44, § 10](#) for the purposes authorized by [G.L. c. 44, § 7](#) and may borrow outside their debt limits under [G.L. c. 44, § 10](#) for the purposes authorized by [G.L. c. 44, § 8](#).

This legislation adds a paragraph to the end of [G.L. c. 44, § 10](#) which excludes another authorized debt. Moving forward, if a city or town passes a debt exclusion, pursuant to [G.L. c. 59, § 21C\(k\)](#), for repayment of debt service for a school facility and will not be receiving financial assistance from the Massachusetts School Building Authority (MSBA), then the amount of the debt will not be counted towards the debt limit imposed by [G.L. c. 44, § 10](#).

### What are the changes concerning the investment of trust funds?

The legislation amends [G.L. c. 44, § 54](#), which concerns the investment of trust funds in a city, town or district. A local option is added, which, if accepted by a city, town or district, would let its treasurer invest any trust funds in the treasurer's custody in accordance with the prudent investor act, [G.L. c. 203C](#). That law authorizes a broader investment standard than ordinarily applies to municipal trust funds. Investment of municipal funds is otherwise limited to a narrow range of relatively safe investment options in order to protect funds and reduce risk to principal. See [G.L. c. 44, § 54](#) and [G.L. c. 44, §§ 55, 55A](#) and [55B](#).

If accepted, municipal or district treasurers would need to consider

## Vehicle Needs

The Operational Services Division consistently reviews the marketplace, buyer purchasing trends, and our Statewide Contract portfolio to determine if there are gaps in our offerings. The Local Government Enablement team at OSD is reaching out to our municipal partners to understand your goals with respect to Climate Action Initiatives, with a focus on Vehicles, Vehicle Infrastructure, and Grants. Your feedback will inform our Statewide Contract procurement activities going forward and ultimately assist municipal organizations in meeting their short- and long-term purchasing goals.

[Take the survey](#)

## 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](#)



the investment of trust funds to maximize earnings while being cognizant of safety and liquidity. Even so, the funds will likely be diversified and invested in ways not previously permitted for such funds, which could bring somewhat higher risks. Under this law, the treasurer will only have authority to use this standard if the legislative body of the municipality or district accepts the local option and acceptance can be revoked after three years if the municipality or district decides investments should be more limited. Additionally, the treasurer will still be unable to invest any trust funds in a manner inconsistent with the gift or trust instrument.

## What are the changes concerning the state-owned land program?

Under the state-owned land program, the Commissioner of Revenue determines the fair cash value of certain tax-exempt state-owned land to be used to determine the Cherry Sheet reimbursement for loss of taxes distributed to the city or town each year. A change was made so that the program now includes, effective FY25, all land comprising the north shore regional 911 center and the Essex County correctional facility in the town of Middleton. As with all parcels related to the state-owned land reimbursement, the program is subject to appropriation and the acquisitions/dispositions of eligible parcels. For more information on state-owned land, please see the following: <https://www.mass.gov/service-details/state-owned-land-valuations>.

## Early Voting and Uniform Polling Hours Distributions

**Deborah Wagner - Director of Accounts**

Recently, the Bureau of Accounts (BOA) released [Bulletin 2023-3](#) regarding the accounting treatment for distributions municipalities will receive from the Secretary of the Commonwealth based on the certifications done by the State Auditor's Office's Division of Local Mandates (DLM), under the Early Voting Law and Uniform Polling Hours Law, Chapter 503 of the Acts of 1983.

The accounting treatment for these two types of election-related

distributions is often confused and the intention of this Bulletin, and this article, is to clarify the differences in accounting treatment.

In summary, reimbursements received pursuant to the Early Voting Law are classified as general fund revenues under [G.L. c. 44 § 53](#). These funds cannot be separately appropriated as available funds.

Uniform Polling Hours distributions, otherwise known as Extended Polling Hours funds, which should be spent on election day expenses, may be segregated into a special revenue fund and expended without further appropriation, as allowed by Chapter 503 of the Acts of 1983.

Amounts covering the Early Voting expense for the presidential primary to be held in March 2024 will be distributed during FY2024. For the September 2024 state primary and the November 2024 general election, funds should be distributed in FY2025. We anticipate that amounts for Uniform Polling Hours will be distributed during FY2024 and FY2025 for the elections previously noted.

If you have questions regarding the accounting for these distributions, please [contact your Bureau of Accounts Field Representative](#).

## **Annual Fiscal Year Waivers to Education Reform Spending Requirements and Minimum Local Contributions**

**Melinda Ordway – Financial Management Resource Bureau**

The Division of Local Services has posted the Annual Fiscal Year Waivers to Education Reform Spending Requirements and Minimum Required Local Contribution [Bulletin 2023-4](#).

Cities, towns, and regional school districts may apply for various adjustments in their FY24 minimum required contributions to schools under the Education Reform Act. Municipalities may seek adjustments if (1) non-recurring revenues were used to support FY23 operating budgets and those revenues are not available in



FY24, (2) they have extraordinary non-school related expenses in FY24, or (3) their FY24 municipal revenue growth factor is at least 1.5 times the statewide average and is deemed to be excessive. See Section A-3 of [IGR 16-301](#).

Regional school districts that used non-recurring revenues in FY23 that are unavailable for FY24 must seek waivers if a majority of the selectmen in a town, the city council in a Plan E city or the mayor in all other cities in a majority of the member municipalities requests them. If a regional school budget has already been approved by the members and a waiver is granted of any member's minimum required local contribution to the district, the use of that waiver must be approved by the selectmen, the city council in a Plan E city or the mayor in all other cities of a majority of the member municipalities.

Requests for waivers must be emailed by October 2th, 2023 to [ordway@dor.state.ma.us](mailto:ordway@dor.state.ma.us). If you have any questions or concerns regarding this process, please email Melinda Ordway at [ordway@dor.state.ma.us](mailto:ordway@dor.state.ma.us). To access additional IGRs and Bulletins please click [here](#).

**Editor:** Dan Bertrand

**Editorial Board:** Kasey Bik, Sean Cronin, Emily Izzo, Paula King, Lisa Krzywicki, Jennifer McAllister and Tony Rassias

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

To unsubscribe to *City & Town* and all DLS alerts, email [dls\\_alerts@dor.state.ma.us](mailto:dls_alerts@dor.state.ma.us).

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