

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



April 18th, 2024



DLS Training & Resource Survey

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Important Dates & Information

DLS Spring 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. In Spring, local finance officials are continuing to prepare the FY2025 budget in addition to working on other important spring priorities highlighted below. Bookmark our Spring resources [here](#).

FY2025 Preliminary Cherry Sheet Estimates

The Division of Local Services (DLS) has posted on its website preliminary cherry sheet estimates based on the House Ways and Means' (HWM) FY2025 budget recommendation.

[Municipal estimates receipts and](#)

In January 2020, DLS unveiled its online [Municipal Finance Training & Resource Center](#) and since then it's grown to include more than 250 resources. Here you'll find a wide array of interactive and on-demand materials intended to assist new local officials, seasoned municipal finance professionals, and residents. The resources include training videos and recorded webinars from our [YouTube Channel](#), how-to guides, best practice documents, guidance from our [Municipal Finance Law Bureau](#), and a lot of useful tools and calculators that will help you analyze your [community's data](#).

In October 2022, DLS released [Foundations in Municipal Finance](#) a series of five virtual training modules that guide participants through a fiscal year in municipal finance. This past fall, DLS published its first [seasonal update](#) to promote our foundations series and assist local officials with certain reporting requirements, municipal responsibilities, and regulatory functions. Each seasonal update is a compilation of resources, tools and guidance geared toward the time of year. The next one will be released in June!

We've developed a short survey to help us learn about your experience using these resources and assist us with prioritizing and publishing future trainings, guides, and webinars. The survey is anonymous and takes around three minutes to complete. To complete the survey, please click [here](#). Thank you!

[charges](#)

[Regional school estimated receipts and charges](#)

The HWM budget recommends funding Chapter 70 at \$6.9 billion, or \$316 million (4.8%) higher than the FY2024 GAA, and increases Unrestricted General Government Aid (UGGA) by \$12.7 million (1%) to \$1.283 billion. More detailed information regarding Chapter 70 and other school finance related initiatives contained in the HWM budget can be found on the [Department of Elementary and Secondary Education \(DESE\) website](#). Information includes the Chapter 70 aid calculations, minimum contributions and net school spending requirements.

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.

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 localaid@dor.state.ma.us with any questions.

Register Now for the Role of the Accountant Webinar

DLS is excited to host the *Role of the Accountant* webinar on May 14th at 10am. This webinar will provide an overview of the role and responsibilities of local accountants and highlight the key duties of the accountant, statutory requirements associated with the position, and how other members of the local financial management team must work together with the accountant while carrying out their own functions and to ensure thorough management of municipal finances.

DLS staff from the Financial Management Resource Bureau and Bureau of Accounts will be available to answer questions following the presentation. A recording of the webinar will be available on the DLS

The State of the Massachusetts Preservation Trust Fund

Financial Management Resource Bureau

The Community Preservation Act (CPA) is authorized by [MGL c 44B](#) and is a local adoption provision that a city or town may establish a special "Community Preservation Fund" (CP Fund), which may be appropriated and spent for certain open space (including recreation), historic resource, and community housing purposes. Funding credited to the community's CP Fund comes from a combination of 1) a property tax surcharge not to exceed 3% of the local annual real estate tax, 2) community appropriation of other municipal revenue to the CP Fund (MGL 44B:3(b½)), and 3) annual distributions from the state "Massachusetts Community Preservation Trust Fund" also created under the act.

Monies distributed from the state trust fund come primarily from flat dollar surcharges for recording various documents with the Registry of Deeds or Land Court. In addition, the Legislature may appropriate funding to the state trust fund, specifically \$10M in FY2019, \$20M in FY2020, and \$30M in FY2022. Annually, the Division of Local Services (DLS) reviews participating communities' CPA data, their real estate tax information, registry CPA fee collections, and the state trust fund activity and then calculates the annual distributions to communities in November.

Over the last few years, there has been mixed activity that has impacted the level of the state trust fund, both up and down. In January 2020, the average rate for a 30-year fixed-rate mortgage was about 3.7%. Then the COVID-19 pandemic hit, and the Fed dropped the federal funds rate to 0%-0.25%, triggering short-term and long-term rates to drop. As a result, this sparked an increase in mortgage refinancing and applications, causing an increase in registry fees and resulting in an increase in the trust fund. In 2022, this activity slowed as the Fed began raising its rates. During 2023, the average mortgage interest rate for a 30-year fixed-rate mortgage was above 6%, topping 7% at one point.

YouTube channel for those unable to attend the live presentation.

Click [here](#) to register. If you have any questions about this webinar, please email us at dlstraining@dor.state.ma.us. A confirmation with login details for the webinar will be shared once you have registered.

BULLETIN-2024-3: G.L. c. 44, § 53 Clause 4 - Connect America Fund Phase II (CAF II) Auction Proceeds Received Pursuant to the Westfield Gas And Electric Winning Bid

The DLS Director of Accounts has issued [Bulletin 2024-3](#).

On December 4, 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](#). Municipalities now have the option to account for CAF II Auction Proceeds in a special revenue fund.

[BUL-2024-3 – G.L. c. 44, § 53 Clause 4: Connect America Fund Phase II \(CAF II\) Auction Proceeds Received Pursuant to the Westfield Gas And Electric Winning Bid](#)

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

FY2025 Budget Issues and Other Related Matters

The Division of Local Services (DLS) Bureau of Accounts (BOA) has issued and posted Bulletin (BUL) 2024-2. This Bulletin addresses several topics that cities, towns, regional school and other districts should consider for FY2025 budgeting and other related matters.

[BUL-2024-2: FY2024 Budget Issues and Other Related Matters](#)

To view the bulletin, [click here](#). To access IGRs, LFOs and Bulletins, please visit this [webpage](#).

2024 Housing Choice Communities Designation Application

The [2024 Housing Choice Designation application](#) is now open! Submissions will be accepted until 5pm on Friday, April 26th, 2024.

The Housing Choice Initiative rewards municipalities that have produced certain rates or amounts of new housing units in the last five

Adding to the higher rates, there is limited inventory and record high housing prices. According to the Massachusetts Association of Realtors (MAR), new single-family listings (a count of properties that are newly listed on the market via the Multiple Listing Service, or MLS) in Massachusetts rose in FY2021 and has declined in both F2022 and FY2023 as seen in the table below. Year-to-date in FY2024, the first half continued to have a decline in new listings. However, there is an increase in January and February relative to the prior year that may be an early indication of possible improvement.

New Single-Family Listings (MLS)

	FY2020	FY2021	FY2022	FY2023	FY2024 (YTD)
July	6,309	6,907	6,274	5,562	3,865
August	5,939	6,505	5,930	4,912	4,098
September	7,217	7,093	6,326	5,327	4,389
October	6,245	6,535	5,234	4,358	4,072
November	3,675	4,055	3,859	3,238	3,062
December	2,042	2,607	2,181	1,592	1,465
January	3,897	3,198	2,730	2,463	2,564
February	4,955	3,389	3,220	2,405	2,958
March	6,033	5,784	5,456	4,035	
April	3,951	6,659	5,923	4,057	
May	6,372	6,336	6,791	5,236	
June	7,284	7,710	7,444	4,730	
Statewide	63,919	66,778	61,368	47,915	26,473
Annual % Chg		4.47%	-8.10%	-21.92%	
8-month	40,279	40,289	35,754	29,857	26,473
8-Month % Chg		0.02%	-11.26%	-16.49%	-11.33%

MAR has further reported that the statewide median price (not accounting for seller concessions) of a single-family home in Massachusetts has increased statewide over the last four calendar years. Between 2020 and 2023, the statewide median price grew from \$460,000 to \$600,000. A breakdown of the median single-family sales by county is detailed in the table below.

years and that have adopted housing best to sustain a 21st century workforce and increase access to opportunity for Massachusetts residents. Communities that achieve the designation have exclusive access to apply for the [Housing Choice Grant Program](#) and receive bonus points or other considerations to [other participating Housing Choice programs](#).

Details, application, and related materials can be found at [Housing Choice Designation Application | Mass.gov](#).

Funding Available for Municipal Accessibility Improvements

The FY25 Application for the [Municipal Americans with Disabilities Act \(ADA\) Improvement Grant](#) from the Massachusetts Office on Disability (MOD) will be open from May 1st, 2024 at 9am through June 15th, 2024 at 5pm. Any Massachusetts city or town is eligible to apply. These grants support capital improvements specifically dedicated to improving programmatic access or removing barriers encountered by persons with disabilities in applicant facilities.

Municipal Vulnerability Preparedness (MVP) Program FY25 Action Grant Funding Round Now Open

The Executive Office of Energy and Environmental Affairs is seeking proposals for MVP Action Grants, which provide eligible communities funding to implement priority climate adaptation actions. Projects are required to use climate data and projections. Projects that propose nature-based solutions, advance equity, and that have robust community engagement plans are preferred.

Applicants can request up to \$3 million in funding (regional proposals may request up to \$5 million), and a 10% match of the total project cost is required (see RFR for exceptions). Significant changes to the RFR from the last funding round are outlined on page 1. The link to the RFR and required forms can be accessed through the [MVP program website](#) or directly on [COMMBUYS](#). Action Grant proposals are due by 2pm ET on Wednesday, April 24, 2024 (via online form, see RFR for details) for project proposals that complete by June 30, 2025, or June 30, 2026.

The MVP team hosted a recent webinar about this FY25 funding round. The recording can be

Median Single-Family Sales Prices

County	CY2020	CY2021	CY2022	CY2023
Barnstable	\$508,500	\$610,000	\$675,000	\$713,000
Berkshire	\$260,000	\$305,000	\$320,000	\$326,500
Bristol	\$369,900	\$425,000	\$460,000	\$480,000
Dukes	\$1,400,000	\$1,210,000	\$1,519,000	\$1,523,500
Essex	\$535,000	\$605,000	\$640,000	\$680,000
Franklin	\$245,000	\$281,500	\$310,000	\$325,000
Hampden	\$235,000	\$267,000	\$290,000	\$307,000
Hampshire	\$320,000	\$365,777	\$400,000	\$410,000
Middlesex	\$635,000	\$702,980	\$755,000	\$801,000
Nantucket	\$2,300,000	\$2,850,000	\$3,350,000	\$3,188,800
Norfolk	\$575,000	\$650,000	\$700,000	\$725,393
Plymouth	\$450,000	\$510,000	\$550,000	\$590,000
Suffolk	\$634,700	\$703,500	\$730,000	\$735,000
Worcester	\$340,000	\$389,000	\$425,000	\$450,000
Statewide	\$460,000	\$529,000	\$571,810	\$600,000
Annual % Chg		15.00%	8.09%	4.93%

With higher mortgage rates, less inventory, and increasing median sales prices, sales volume has declined. Statewide, MAR reports there were 43,877 single-family home sales in 2023, down from 48,375 in 2022 or -9.3%. While the new listings in January and February of 2024 are up from the prior year, it should be noted that not all listings translate into sales.

Single-Family Sales

	CY2020	CY2021	CY2022	CY2023	CY2024 (YTD)
January	3,324	3,632	3,318	2,463	2,237
February	2,540	2,785	2,377	2,405	1,922
March	3,568	3,436	3,045	4,035	
April	3,518	4,008	3,431	4,057	
May	3,758	4,595	4,304	5,236	
June	4,875	6,331	5,812	4,730	
July	6,471	5,848	4,952	3,865	
August	6,385	5,864	5,368	4,098	
September	6,022	5,433	4,654	4,389	
October	6,232	4,887	3,871	4,072	
November	5,381	5,137	3,595	3,062	
December	5,860	5,155	3,648	1,465	
	57,934	57,111	48,375	43,877	4,159
Annual % Chg		-1.42%	-15.30%	-9.30%	

As a result of less real estate-related activity, contributions to the state trust fund have declined; therefore, the amount distributed in

accessed [here](#).

MA Dredging Program FY25 Annual Grant Round

The Executive Office of Economic Development (EOED) FY25 Annual Grant Round of the [Massachusetts Dredging Program](#) opened March 11th. Grants will be competitively awarded with a focus on shovel-ready projects that contribute to the economic vitality, vibrant waterfronts, maritime safety, or ecosystem health of Massachusetts's harbors. All coastal municipalities are eligible to apply. [Click here for more information](#).

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 development of the strategy.

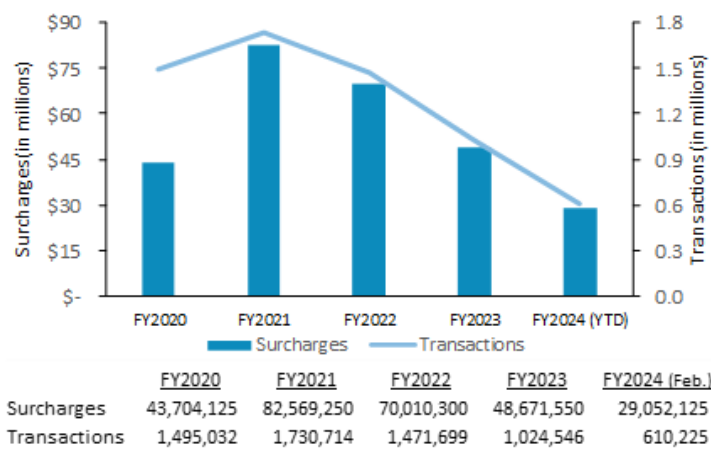
The strategy will lay out the strategic direction for all geospatial activities in the Commonwealth. MassGIS will lead the strategy development. Applied Geographics (AppGeo), a national company that has done such work for dozens of states, is under contract to assist with this update. The work will begin 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](#)

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:

FY2024 was down. At present, transactions (July-February) decreased almost 15% from FY2023 and the balance of the state trust fund is currently just over \$20M. Based on these trends, the amount expected to be distributed in FY2025 could drop even further. The Division of Local Services is monitoring the situation and will communicate information with communities as it becomes available.



To learn more, please join DLS for the *Community Preservation Act* webinar on Tuesday, April 23rd from 10am to 11:15am. This webinar will introduce the participant to the Community Preservation Fund and bring you through the acceptance process. The webinar will touch on the community preservation committee responsibilities, discuss eligible expenditures, and talk about the revocation process. The presentation will wrap up with an overview of the fund through the operation of a fiscal cycle and discuss the Community Preservation reporting requirements. DLS staff will be available to answer your questions following the presentation. A recording of the webinar will be available on the DLS YouTube channel for those unable to attend the live presentation.

To register for this webinar, please click [here](#). A confirmation with login details for the webinar will be shared once you have registered. Please contact dlstraining@dor.state.ma.us with any questions. We look forward to seeing you!

2024 Cybersecurity Health Check Program Now Open

- 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

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 #25 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.

DLS Links:

[Events & Training Calendar](#)

[Municipal Finance Training and Resource Center](#)

[Local Officials Directory](#)

[Municipal Databank](#)

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

[Bulletins](#)

[Tools and Financial Calculators](#)



EOTSS Office of Municipal and School Technology

The Executive Office of Technology Services and Security's Office of Municipal and School Technology (OMST) is excited to announce the availability of a new and improved [Cybersecurity Health Check Program](#).

This service is open to all local government agencies in the Commonwealth of Massachusetts and evaluates network and cybersecurity posture gaps and recommends actions to further protect and secure their IT environment. EOTSS' OMST works with [ITS78: Statewide Contract for Data, Cybersecurity, and Related Audit, Compliance, and Incident Responses Services](#) who participated in an RFQ process, to provide specific services at no-cost to the applicants and coordinates the service delivery, making the program free to participating organizations.

Our [Cybersecurity Health Check Program](#) has matured and evolved, and we are pleased to share that we will have over 40 services for applicants to choose from. Benefits of participation may include increased understanding of network structure, awareness of current security practices and recommended improvements, and a suggested list of priorities to address their cybersecurity posture. Applications are accepted on a rolling cycle. OMST will coordinate an initial session between the applicant and vendor followed by any required follow up sessions. Participation requires a commitment that IT staff will be available to meet with vendors for one or more sessions over a 4 to 6 week period.

The application period is now open and can be accessed [here](#). For additional information, please visit our [website](#) or email omst@mass.gov. We look forward to partnering with you to increase your network security!

Massachusetts Municipal Cybersecurity Summit to Feature Interactive Tabletop Exercise

Massachusetts Technology Collaborative

The fourth [Massachusetts Municipal Cybersecurity Summit](#), hosted by the [MassCyberCenter](#), will be held at the DCU Center in Worcester on Wednesday, May 8, 2024. The Summit will bring together municipal officials, local stakeholders and cybersecurity experts from across the state to combat emerging threats, bolster defenses and respond to cybersecurity incidents.

The 2024 Summit will also feature an interactive tabletop exercise that will provide participants with a better understanding of what happens during a cybersecurity incident. The exercise will allow participants to assume a role in a fictional organization affected by a cybersecurity incident, to discuss and practice incident response in a safe, no-fault environment. Attendees will also be given tools and guidance on how they can facilitate simple tabletop exercises within their own organization.

Summit attendees will also hear from experts on how to identify and mitigate municipal cyber threats and vulnerabilities, learn about tools and resources to help bolster their defenses, and watch a demonstration of the CyberTrust Massachusetts Security Operations Center that currently provides essential cybersecurity services to Massachusetts municipalities.

Visit the MassCyberCenter's [website](#) to learn more about this free event or register [here](#).

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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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