



May 2nd, 2019

In this issue:

- [Happy Municipal Month!](#)
- [FY19 Certification and Interim Year Review Process Survey Results](#)
- [FY19 Free Cash Certification Process Survey Results](#)
- [Ask DLS: Special Leave Indemnity Fund - Part 1](#)
- [Data Highlight of the Month: Updated Community Comparison Report](#)

Important Dates & Information

Register Now for the 2019 New Officials Finance Forum
Each year, the Division of Local Services offers a seminar for recently elected or appointed

Happy Municipal Month!

Lieutenant Governor Karyn Polito



As you may remember, last year our Administration joined state and local leaders from across the Commonwealth on the steps of the Grand Staircase in the State House and named May "Municipal Month in the Commonwealth." We were honored to stand alongside so many of you one year ago, and we look forward to continuing our partnership with all of you moving forward.

Over the course of the past year, we have continued to work together to address various local issues. From MassWorks Grants aimed at improving infrastructure and accelerating job growth, to MVP grants directed at combating climate change, and Housing Choice Designations to increase our affordable housing stock, we have continued to demonstrate that, working together, we can tackle the issues that matter.

This Municipal Month, we are excited to further our partnership with all 351 cities and towns in our Commonwealth. We are excited to convene our newly formed Economic Development Planning Council. This Council, comprised of dozens of community, educational and business leaders from across our Commonwealth, will meet regularly throughout the months of May and June. Engagement sessions will take place across the Commonwealth from Cape Cod to the Berkshires. The Council will be tasked with helping to develop economic development priorities areas and policy and we look forward to gathering your input and engaging with many of you in the coming months!

In addition to the Economic Development Planning Council, we will also be awarding Efficiency and Regionalization and Municipal Vulnerability Preparedness Grants to dozens of communities across the Commonwealth. These grants will continue to allow communities to regionalize efforts to address major issues and prepare for an increasingly unpredictable climate.

The work that we do together matters. Our Administration takes great pride in having partnered with every single city and town in our Commonwealth to implement various Best

officials every spring. With an emphasis on the basics, this course is designed to foster a team approach to the various offices by developing an understanding of the responsibilities of the various offices as well as their interrelationship.

The 2019 New Officials Finance Forum will be held on Thursday, June 6th at the College of the Holy Cross in Worcester. To register, please fill out [this form](#) and mail it, along with the \$50 registration fee, to DLS before May 24th. We hope to see you there!

FY2020 Preliminary Cherry Sheet Estimates

FY2020 preliminary cherry sheets have been updated to reflect the budget approved by the House members on April 25th. The only cherry sheet program impacted was the public library program. Estimates appearing on the DLS website have been updated to reflect this change.

[Municipal estimated receipts and charges](#)
[Regional school estimated receipts and charges](#)

It is important for local officials to remember that these estimates are preliminary and are subject to change as the legislative process unfolds. Please contact the DLS Municipal Databank at databank@dor.state.ma.us or (617) 626-2384 with any questions.

New Informational Guideline Releases and Bulletins

The Division of Local Services has posted on its website the following Informational

Practices and, I am humbled to have visited all of these cities and towns as well. Hearing directly from you in the places you call home has been an honor, but, moreover, it has shaped the productive and respectful dialogue our administration values greatly. Happy Municipal Month! Let's keep up the work.

FY19 Certification and Interim Year Review Process Survey Results

Joanne Graziano – Local Assessment Bureau Chief

Since FY2014, the Bureau of Local Assessment (BLA) has asked local assessors to rate their overall experience with BLA's certification and interim year annual review processes. The purpose of the surveys was to seek assessor's feedback in order to identify areas of the review process that need improvement.

A common issue discovered by the FY2014 and FY2015 survey comments was that overall the assessors believed the certification and new growth review process took too long to complete.

As a result of this feedback, BLA instituted several changes in order to streamline both processes. Examples of these changes were the decentralization of the certification review from the Boston office to the regional offices and the regional offices review of new growth that were both implemented for FY2016. For FY2017, the LA13 New Growth form on Gateway was simplified and the omitted and revised column and revaluation percent change column became auto-populated by Gateway. In FY2018, the regional offices field staff conducted the interim year and new growth reviews for their assigned communities. These changes contributed to a more efficient work flow and faster approval of BLA Gateway forms. They also coincide with a higher level of satisfaction regarding the overall certification review process which can be seen in the graph below that compares the assessors overall experience with the certification review from FY2014 to FY2019.

Guideline Releases (IGRs) regarding the form and content of tax bills, cost of living adjustments for FY2020 and certification standards.

[IGR 19-1 Fiscal Year 2020 Tax Bills Semi-annual Payment System](#)

[IGR 19-2 Fiscal Year 2020 Tax Bills Semi-annual Payment System – Optional Preliminary Bills](#)

[IGR 19-3 Fiscal Year 2020 Tax Bills Semi-annual Payment System – Annual Preliminary Bills](#)

[IGR 19-4 Fiscal Year 2020 Tax Bills Quarterly Payment System](#)

[IGR 19-5 Social Security Deduction for Fiscal Year 2020](#)

[IGR 19-6 Optional Cost of Living Adjustment for Fiscal Year 2020 Exemptions](#)

[IGR 19-7 Calendar Year 2019 Adjustment in Land of Low Value Foreclosure Valuation Limit](#)

[IGR 19-8 Certification Standards – Guidelines for Development of a Minimum Reassessment Program](#)

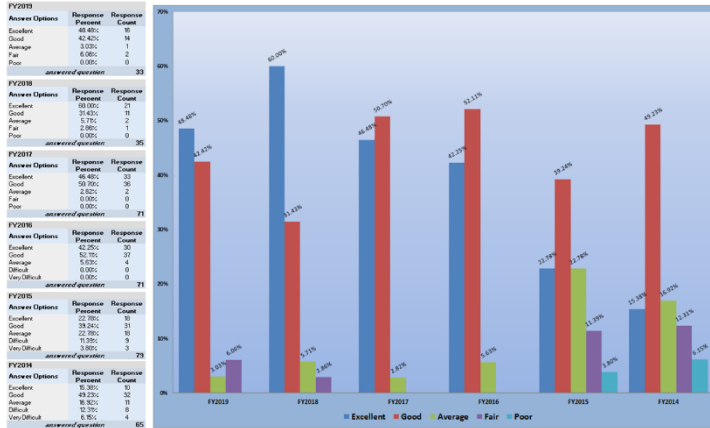
Latest Issue of Buy the Way Now Available

Don't miss the April 2019 edition of [Buy the Way](#), the monthly Newsletter of the Operational Services Division (OSD). Click [here](#) to get news and updates from OSD delivered to your inbox.

Bulletin 2019-1: FY2020 Budget Issues and Other Related Matters

The Division of Local Services has posted [Bulletin 2019-1: FY2020 Budget Issues and Other Related Matters](#) to its 2019 [Bulletins page](#). This Bulletin addresses several issues that cities, towns, regional school and other

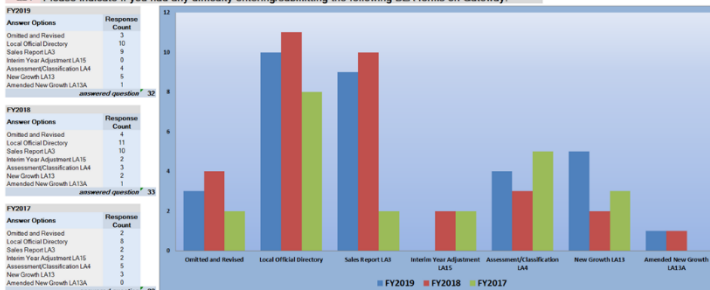
Q1 c Please rate your overall experience with the FY2019 certification review process.



The graph illustrates that since FY2014 the overall level of satisfaction with the certification review process has increased from 64.6% to 90.9%. The three year trend from FY2017-FY2019 suggests that there is a consistent level of satisfaction with the process.

The FY2019 survey stats were very similar to the past two years. Despite mostly positive ratings, there were noted issues with the LA13 new growth form and the overall review of new growth. The graph below compares the data from FY2017 to FY2019 illustrating which forms were difficult to enter and/or submit on Gateway.

Q2 i Please indicate if you had any difficulty entering/submitting the following BLA forms on Gateway.



Only 15% of the assessors that responded to this question reported having an issue entering/submitting the LA13 new growth form on Gateway, however the number of assessors experiencing issues increased by 50% from FY2018. The good news is in April, BLA included in the Gateway update a significantly simplified LA13 new growth form for FY2020. The newly designed form requires assessors to simply enter the abatement information, growth figures, and upload supporting documentation. The goal of the revised form is to simplify the reporting of new growth and streamline the review process. Additional information regarding the newly designed LA13 new growth form along with the standardized new growth template can be obtained on the Tax Rate landing page in Gateway.

The annual BLA surveys have provided important feedback that contributed to the many changes BLA implemented over the past four years. BLA's focus in the next year will be to

districts should consider for FY2020 budgets and other related matters.



Other DLS Links:

[Local Officials Directory](#)

[Municipal Databank](#)

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

[Bulletins](#)

[Publications & Training Center](#)

[Tools and Financial Calculators](#)

develop new questions that will assist us in understanding the assessors experience with the FY20 revisions.

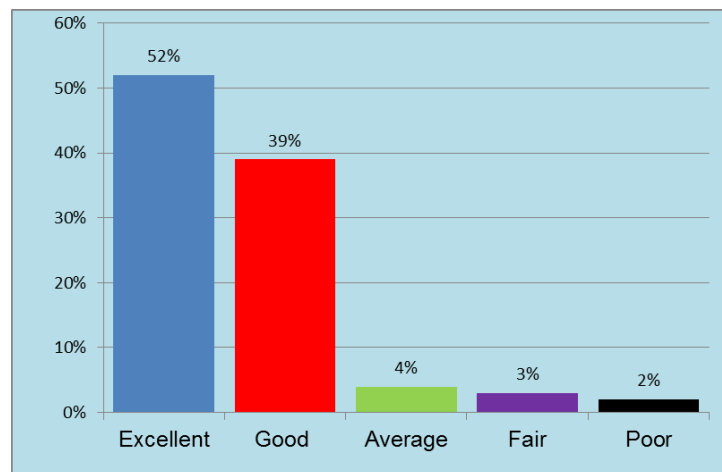
FY19 Free Cash Certification Process Survey Results

Tony Rassias - Bureau of Accounts Deputy Director

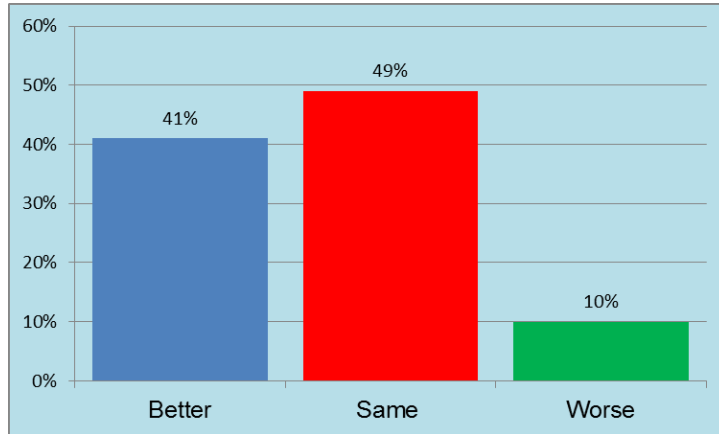
On March 26th, the Bureau of Accounts (BOA) asked local accounting and finance officials to rate their overall experience with our FY2019 free cash certification process. The survey contained seven questions and the last was a comment box for anonymous feedback. We're pleased to report that overall the results show that accounting and finance officials were satisfied with the process. Thank you to the 190 individuals who took the time to respond. We appreciate your feedback!

Survey Results

Question 1 asked respondents to rate their overall experience with the FY2019 free cash certification review process. 52% indicated "excellent", 39% "good", 4% "average," 3% "fair" and 2% "poor."

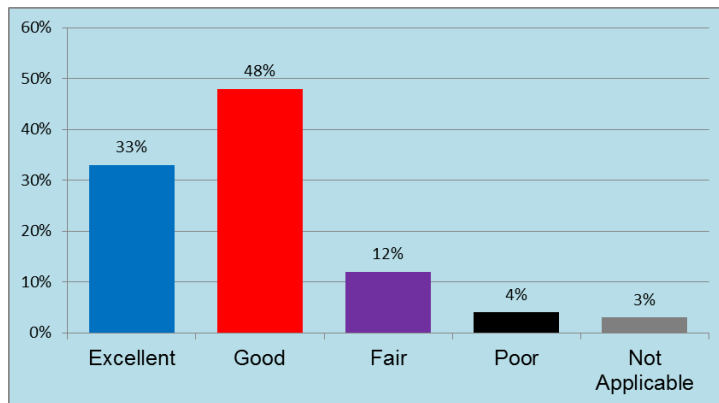


In Question 2, the officials were asked to compare the FY2019 free cash certification review process with the prior fiscal year's process. Of the 187 respondents, 41% felt that the review was "better" this fiscal year than last, 49% felt that the review was the "same" as last fiscal year, and 10% felt that the FY2019 process was "worse" than last fiscal year.

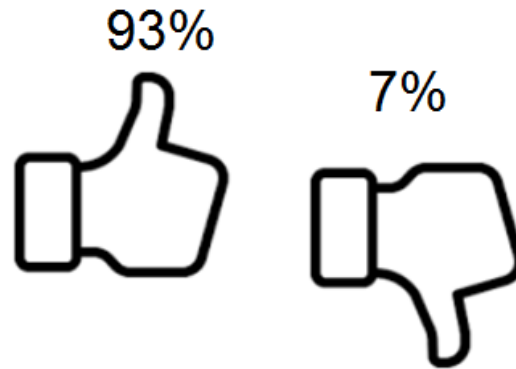


The results above indicate that respondents found an improvement from last year or at least found no difference. Respondents who felt the process was “worse” indicated mainly that the new balance sheet template took them longer than last year to complete and several further suggested improvements to the process.

Question 3 analyzed the overall experience with the new standardized balance sheet template. With 190 responses, 33% indicated “excellent”, 48% “good”, 12% “fair,” 4% “poor” and 3% indicated that the template was not applicable to them because they maintain a statutory accounting system. The chart below shows their responses.



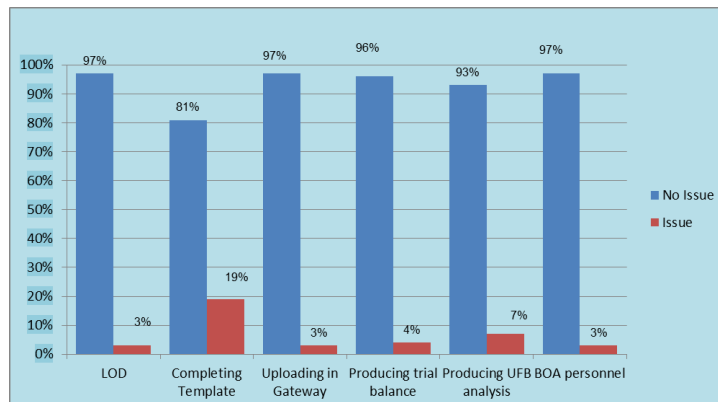
Question 4 asked whether the officials received adequate DLS guidance on the new requirements for free cash certification. With 189 responding, 93% of them indicated “yes” and 7% indicated ‘no.’



Question 5 asked the officials to identify whether they encountered difficulty and/or a delay in the FY2019 free cash certification process due to six particular areas:

- The Local Officials Directory
- Completing the Standardized Balance Sheet Template
- Uploading documentation in Gateway
- Producing the General Fund system trial balance
- Producing the system-generated analysis of the Undesignated Fund Balance
- BOA personnel

Officials were asked to indicate whether there were “issues” or “no issues” and were provided a comment box for matters they may have identified elsewhere.



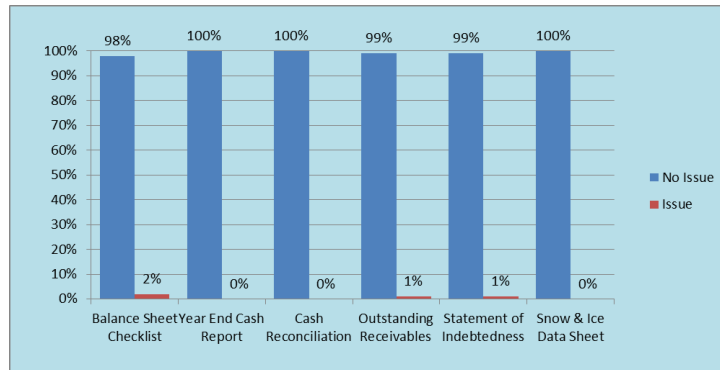
After reviewing 62 attached comments to Question 5, it was noted that many respondents felt that their field representative was helpful during the process and suggested that a standardized submission should be somehow coordinated with accounting software vendors.

Question 6 asked the officials to identify any issues entering or submitting the following six particular BOA forms into Gateway:

- Balance Sheet Checklist

- Year End Cash Report
- Cash Reconciliation
- Outstanding Receivables
- Statement of Indebtedness
- Snow & Ice Data Sheet

Officials were asked to indicate whether there were “issues” or “no issues” and a comment box was provided. Responses to each particular area ranged from 184 to 186 and their percentages are shown in the chart below.



Question 7 allowed for comments or suggestions to improve the BOA free cash certification review process. There were 51 responses, mostly positive, giving praise to the new process as well as to particular BOA field representatives for their continued assistance. Comments included:

- “I was very happy with the change”
- “Very happy with standardized format”
- “Much needed improvement”
- “DLS official was very helpful and patient”
- “Great job”
- “Very smooth process”
- “I think it went well.”

To be fair, one respondent wrote, “Do away with the balance sheet template.” I guess we can’t please everybody.

The BOA wishes to thank all those who participated in the survey. The information gathered will help the Bureau review its free cash certification review process, consider alternatives and make improvements as we review goals for our FY2020 Strategic Plan.

Ask DLS: Special Injury Leave Indemnity Fund - Part 1

This month's *Ask DLS* features frequently asked questions about a section of the Municipal Modernization Act, [c. 218 of the Acts of 2016, § 60](#), which amended [G.L. c. 41, § 111F](#), the Injured on Duty Statute, to add by local adoption a special fund, known as the Special Injury Leave Indemnity Fund. Please let us know if you have other areas of interest or send a question to cityandtown@dor.state.ma.us. We would like to hear from you.

What are the obligations of a municipality under [G.L. c. 41, § 100](#) and [G.L. c. 41, § 111F](#) when a firefighter or police officer is injured in the line of duty?

Generally, pursuant to [G.L. c. 41, § 111F](#), a municipality is obligated to provide leave without loss of pay to police officers and firefighters injured in the line of duty for the period of such incapacity. Municipal police and fire personnel are not defined as "employees" within the meaning of the Commonwealth's workers compensation laws and therefore do not qualify for payments under the workers compensation laws, as do other municipal employees. [G.L. c. 152, § 69](#). Additionally, under [G.L. c. 41, § 100](#), a municipality is obligated to pay all reasonable medical and related expenses of such injured firefighters and police officers.

Can municipalities seek third-party restitution for these payments?

Both [G.L. c. 41, § 111F](#) and [G.L. c. 41, § 100](#) provide that either the municipality, or the injured police officer or firefighter, may seek third party restitution where the actions of another, such as a motorist, have caused such injury.

For what costs may a municipality seek restitution?

The municipality may pursue recovery from insurers and third parties for all costs incurred by the municipality caused by the injury, such as salary and other compensation paid to the police officer or firefighter, payments for backfilling to deploy replacement police officers and firefighters to cover missed shifts, as well as medical bills.

How must a municipality account for restitution received pursuant to [G.L. c. 41, § 111F](#) or [G.L. c. 41, § 100](#)?

Prior to the adoption of the Municipal Modernization Act, municipalities had to treat such revenue as general fund revenue, which meant that the revenue had to be received in the general fund, close at the end of the fiscal year and be certified as part of free cash in order to be available for appropriation by the local legislative body.

After the Municipal Modernization Act, while municipalities may still treat such revenues as general fund revenue, there is now a local option under [G.L. c. 41, § 111F](#) that allows a municipality to establish a special fund, the Special Injury Leave Indemnity Fund (Fund), to which are credited monies recovered from third parties, such as from judgments and settlements, as well as from insurance or restitution proceeds. A municipality may also appropriate into the Fund.

May a municipality account for such revenues in a departmental revolving fund under [G.L. c. 44, § 53E1/2](#)?

No, the revenues recovered by a municipality as restitution under either [G.L. c. 41, § 111F](#) or [G.L. c. 41, § 100](#) are not “program receipts,” as that term is defined in [G.L. c. 44, § 53E1/2](#); they are not “fees, charges, or other receipts” from departmental programs or activities.

Stay tuned for next month's *Ask DLS* where we will focus on local procedures required to implement and manage the Fund and expenditures from the Fund.

Databank Highlight of the Month: Updated Community Comparison Report

Donnette Benvenuto - Municipal Databank

The new and improved [Community Comparison Report](#) is now up and running. It can be found on the front page of the [Municipal Databank](#). If you have used this report in the past, you will be in for a treat. The updated report is sleek, streamlined and very user friendly. Still drawing on 65 data elements, each of the seven easily accessible tabs on the top of the page pulls the information from multiple data sources onto one page. This provides a snapshot of your data removing the often tedious task of scrolling and scrolling found on the old report.

Using any of the 12 different search criteria on each heading refines your search across all the tabs. If you are looking to see what communities with a population between 30,000 and 50,000 with an annual budget between \$50 million and \$90 million, you just enter that criteria and it will carry over to each tab. Since the search criteria carries over, the Community Comparison report essentially does the work for you.

In the report you can quickly extract the most current available comparative municipal finance and demographic data for multiple communities, it eliminates the frustrating task of opening numerous spreadsheets to sort, cut and paste data to compare. A simple click and you can download

your information into Excel. Please contact us if you need any help using the application at databank@dor.state.ma.us.

May Municipal Calendar

- | | | |
|----|-------------------------|--|
| 1 | Taxpayer | <p>Deadline to Pay 2nd half and 4th Quarter Tax Bill without Interest
This is the deadline to pay the 2nd half tax bill in semiannual communities and the 4th quarter tax in quarterly communities.</p> |
| 1 | Accountant or Treasurer | <p>Notification of Amount of Debt Due in Next Fiscal Year
As required by M.G.L. c. 44, § 16, the Accountant or Treasurer must notify the Assessors of all debt due in the next fiscal year. The community is required to pay its debts, appropriated or not. Any debt service not covered by appropriations is added to the "Other Local Expenditures" category found on page 2 of the recap. It is important the Assessors have this information to avoid setting a tax rate that will raise insufficient revenue to cover the community's expenditures.</p> |
| 30 | State Treasurer | <p>Notification of Monthly Local Aid Distributions, see IGR 17-17 for more cherry sheet payment information, monthly breakdown by program is available here.</p> |

To view the municipal calendar in its entirety, please [click here](#).

Editor: Dan Bertrand

Editorial Board: Sean Cronin, Donnette Benvenuto, Linda Bradley, Paul Corbett, Theo Kalivas, Ken Woodland and Tony Rassias

Contact *City & Town* with questions, comments and feedback by emailing us at cityandtown@dor.state.ma.us.

To unsubscribe to *City & Town* and all DLS alerts, email dls_alerts@dor.state.ma.us.