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City and Town

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Municipal Affairs Coordinating Cabinet Convenes

Robert R. Bliss, Communications Director

Everything from expanded group purchasing to expedited Civil Service reviews was on the table for the first meeting of Gov. Deval Patrick's new Municipal Affairs Coordinating Cabinet June 5 in the Governor's Council Chamber.

The new cabinet, designed to provide guidance, advice and programs for the state's 351 cities and towns to operate more efficiently and effectively in such areas as technology, procurement, construction and employee benefits was announced earlier this year by Executive Order of the Governor.

Its members are the state purchasing agent, chief information officer, commissioner of Capital Asset Management and Maintenance (DCAM), executive director of the Group Insurance Commission (GIC), the personnel administrator, chairman of the Civil Service Commission and any other person who the secretary for Administration and Finance may designate.

Lt. Gov. Tim Murray, who chairs the Local Government Advisory Commission (LGAC), welcomed the Cabinet with a call for it to be used as a "petri dish for ideas to assist cities and towns. One such idea he cited would allow communities to borrow for energy performance contracts using savings achieved through investments in energy-reducing measures."

Robert G. Nunes, deputy commissioner of the Division of Local Services and director of the Municipal Affairs Coordinating Cabinet, conducted a roundtable with the state agencies represented on the cabinet. Nunes said the

Cabinet would "re-establish connections with cities and towns" and consider, where appropriate, regionalized municipal services.

Nunes reviewed the governor's proposed Municipal Partnership Act, significant portions of which have now been approved by the Legislature in regards to underperforming retirement systems and municipal health insurance.

A&F Secretary Leslie Kirwan noted that "ever present financial challenges at the local level demand more creativity and a whole new toolkit" of revenue-saving and cost-saving measures for local officials.

Ellen Bickelman, state purchasing agent for the Operational Services Division (OSD), urged local officials to take advantage of the state's Comm-PASS (www.comm-pass.com) online marketplace for communities buying goods and for vendors seeking bid and contract opportunities. OSD will conduct training of Comm-PASS use anywhere as long as 10 people sign up. "We want more eyes on the system," she said, noting that more than 160 statewide contracts are now available to cities and towns. She also touted the "\$ave\$mart" program, which encourages vendors to lower costs and create bulk purchase opportunities on such items as photocopiers, computers, software, lighting, office furniture and paper.

Delores Mitchell, GIC executive director, said her agency is preparing 11 regional meetings to explain the mechanics of cities and towns joining the GIC and saving money on health insur-

ance costs, but she noted that the GIC needs to know by Oct. 1 if a community is going to join in time for open enrollment in April. Sec. Kirwan noted that Springfield limited its growth in municipal health insurance costs to 5 percent after joining the GIC.

Bethann Pepoli, acting chief information officer, said the state Information Technology Division (ITD) offers a wide variety of services including inexpensive e-mail at \$4.26 per month, detailed technical services advice on IT procurement, secure internet applications including credit card payments, and money-saving buys on desktops and servers.

Christopher Bowman, commissioner, said the Civil Service Commission is now processing appeals in a more

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**DLS Commentary**

For over a decade the New Official's Finance Forum has been conducted by the Division of Local Services every June. This year over 100

newly appointed and elected officials attended the session at Holy Cross College in Worcester. Attendees listen to presentations and set a hypothetical tax rate with a DLS representative. This interactive format is well received and illustrates DLS' commitment towards financial teamwork.

Coming up soon are two more important educational opportunities that I urge you to take advantage of. First, What's New in Municipal Law will be hosted by the Municipal Finance Law Bureau's legal staff. It will take place on Friday, September 28, 2007 in West Springfield, MA and Friday, October 12, 2007 in Randolph. These are always well-attended so watch for the Bulletin in July and sign up early.

Second, two Course 101s will be offered soon for assessors and assistant assessors with valuation responsibilities. The first will be during the week of August 5-10, 2007 and is sponsored by the Massachusetts Association of Assessing Officers (MAAO) in conjunction with DOR. For information and registration contact the MAAO. The second Course 101 will be offered during the evening at Westfield State College, Westfield, MA. For information and registration contact Donna Quinn, Training Coordinator, at 617-626-3838. The Department will issue a Bulletin with registration information on this course shortly. We look forward to seeing you.

Robert G. Nunes
Deputy Commissioner &
Director of Municipal Affairs

Best Practices

Springfield's PRIM

Mayor Charles V. Ryan

Switching the investment of its retirement fund to the state's Pension Reserves Investment Management Board (PRIM) netted the City of Springfield a \$23 million increase in return this year, and brought the city's fund from one of the state's worst performers to one of the best.

The state's investment return rate was 16.48 percent compared to the city's recent five-year rate of 7.73 percent. The city's pension fund had underperformed by approximately \$12 million a year between 1999 and 2005 when compared to PRIM.

If our experience is any indication, cities and towns throughout the Commonwealth should welcome the opportunity to have PRIM manage their retirement funds, as Gov. Patrick has proposed in his Municipal Partnership Act.

The transition to the state's pension management board followed a 2005 analysis, which was conducted to determine if the city's pension fund strategy was satisfactory. The analysis made it clear that the local method of investment was far from the best practice for the City of Springfield.

City Auditor Mark J. Ianello said "If we were not with the PRIM, we would have earned approximately \$23 million less last year. Currently, the pension system is 42.6 percent funded and must reach full funding by 2028."

In August 2005, the city initially transferred \$255 million into the state's fund, 98 percent of its investment assets. This move to the state's pension program was a completely obvious and intelligent one. A major reason for the sharp improvement is the state's pension management operation that includes \$47

billion in assets as compared to the city's \$255 million and the state's more diversified portfolio.

Before the switch, the city was rated among the worst performing retirement funds in the state, coming in at 103rd out of the 106 public retirement systems. Since transitioning to state management the city's retirement performance has been upgraded significantly to 22nd out of the 106.

The overhaul of the city's pension investment strategy represents a giant leap forward in fiscal soundness. In the past, we have had sharp budget increases to fund pensions primarily because of poor performance. By switching to PRIM, we now look forward to some stability in our budget in the area of pension costs. ■

Cabinet

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timely manner with a goal of moving termination cases to a decision in six months, and is posting decisions online. Chief Human Resources Officer Paul Dietl said a larger policy call is yet to be made on whether to eliminate Civil Service for all titles except police and fire.

Peter Norstrand, DCAM deputy commissioner, noted several recent examples of the state surplus property for use by cities and towns, which prompted Sec. Kirwan to observe that "this is a huge area of opportunity for us, and we want local input."

The new Municipal Cabinet will also analyze and implement recommendations coming from the LGAC and the governor, coordinate the implementation of municipal impact statements on legislation and executive orders, and analyze home rule legislation provisions to see if they should be applied broadly to all cities and towns. ■

Legal

in Our Opinion

Hiring a Private Attorney Under the Tort Claims Act

James Crowley, Esq.

Being a local official is not an easy job. Consider the case of an elected tax collector who became embroiled in a dispute with a taxpayer about an excise tax obligation. When the taxpayer threatened to sue him, the tax collector hired his own attorney to represent him. The dispute was soon settled upon payment of the excise bill and the collector sought indemnification under M.G.L. Ch. 258 §13 from the town for his legal expenses. Yet, the board of selectmen refused to pay, and the tax collector sued the town. This spring, the Appeals Court upheld a Superior Court decision in favor of the town in the case of *McCoy v. Town of Kingston*, 68 Mass. App. Ct. 819 (2007).

M.G.L. Ch. 258, called the Massachusetts Tort Claims Act, abolished sovereign immunity and permits a plaintiff with a valid cause of action to recover in negligence against a governmental entity. Under M.G.L. Ch. 258 § 9, there is permissive authority for a municipality to indemnify local officials from personal financial loss and expenses, including legal fees and costs, if the town meeting or city council believes indemnification is warranted. However, the Kingston town meeting had adopted M.G.L. Ch. 258 §13, a local option provision, which provides in pertinent part that a city or town "shall indemnify and save harmless municipal officers, elected or appointed from personal financial loss and expense including reasonable legal fees and costs, if any, in an amount not to exceed one million dollars, arising out of any claim, demand, suit or judgment by reason of any act or omission, except an intentional violation of civil rights

of any person, if the official at the time of such act or omission was acting within the scope of his official duties or employment." Relying on this statute, McCoy contended that the town was required to indemnify him for the hiring of his private attorney.

When the case was initially filed in Superior Court, the lower court judge ruled that McCoy was not entitled to indemnification since the tax collector's dispute with the taxpayer did not rise to the level of a "claim" or "demand" as required by M.G.L. Ch. 258 §13. According to the Superior Court judge, the taxpayer would have had to file a civil action for tort damages before the collector could be indemnified for his legal expenses. In addition, the Superior Court judge held that McCoy had not followed Kingston town policy because he failed to obtain prior approval from the board of selectmen before hiring a private attorney. Under a bylaw adopted by the Kingston town meeting, the Board of Selectmen was empowered "to institute or defend suits and to employ Counsel at any time if in their judgment the interests of the town so require." In 1994, by virtue of its authority over employment of counsel, the Kingston Board of Selectmen had established a new written policy that "no special counsel will be paid unless the Board of Selectmen approves the appointment of that counsel *prior to any costs being incurred*" (emphasis original). On these grounds, the Superior Court gave a judgment for the town.

On appeal, McCoy's attorney argued his client's request for indemnification arose out of a "claim" under M.G.L. Ch. 258 § 13 and that there was no requirement that an actual civil suit be brought. The Appeals Court agreed with McCoy. According to the court, the statute must be interpreted in a commonsense way so as to effectuate the legislative purpose.

McCoy was less successful in dealing with his violation of the 1994 Board of Selectmen policy by hiring the private attorney without prior approval of the selectmen. McCoy admitted he did not observe the policy but contended that setting a condition on indemnification was contrary to the provisions of M.G.L. Ch. 258. The Appeals Court disagreed. As a general matter, the court observed that all municipal bylaws were presumed to be valid. If McCoy were permitted to hire any attorney he wanted and then seek indemnification for all his legal expenses, such action appeared to the court to remove "any screening role or gatekeeping function" by the town over indemnification expenses. In the court's view, the Kingston prior approval policy was entirely reasonable. The court also noted that if a local official made an unsuccessful indemnification request, the rejection could always be appealed to the courts. Consequently, the Kingston tax collector won his battle with the taxpayer but lost in his effort to have the town pay for his attorney.

It should be noted that the holding in this case does not entirely preclude the hiring of attorneys since some state statutes expressly permit a town board to hire legal counsel. For example, a local school committee can hire legal counsel for collective bargaining (M.G.L. Ch. 71 § 37E). The assessors can also hire their own attorney for Appellate Tax Board cases (M.G.L. Ch. 41 §26A). Local officials, however, should be cautious in retaining their own private legal counsel. ■

Focus

on Municipal Finance

The Shift Was On

Split Tax Rates FY1992 to FY2006

James Paquette

During the past 15 years growth in residential property values has run far ahead of growth in commercial, industrial and personal property (CIP) values. The Classification Act of 1979 established shift limits so that communities could utilize split or dual tax rates to balance the property tax burden among different classes of property, even as this trend continued. The adoption of different rates for CIP and residential property does not change the total tax levy but does determine the share of the levy each property class is to bear.

Many communities using the split tax rate and its shift limits have approached their maximum shift. Trends, since the advent of shifting, have shown that as the growth of residential values in the marketplace slows down and an "up-tick" in CIP values takes place, those communities may get some breathing room rather than bumping against their maximum shift factor.

Other communities which still employ the single tax rate, but whose residential taxpayers have experienced the stress of higher property tax bills, may want to review the experience of the nearly 100 communities that have opted to use the split rate and its shift limits. (See [table of communities that shifted](#), available on the DLS website.)

Shift limits of the "Split Tax Rate" were established by the Classification Act of 1979. The share of the levy raised by the commercial and industrial classes and personal property class (CIP) may be increased 50 percent as long as the residential (R) and open space (O) classes raise at least 65 percent of what they would have raised without the shift. The "minimum residential factor" established by the Commissioner of Revenue is used to make certain that the shift of the tax burden complies with the Classification Act. If the minimum residential factor would be less than .65, the community cannot choose the maximum shift and must use a CIP factor less than 1.50. The .65 limitation is important because it directly

affects communities with larger CIP values as a portion of their total value. In the instance of a community that has 20 percent of their value as CIP; a shift in the CIP by the 50 percent would result in a MRF (minimum residential factor) of .875. In the instance of a community that has 45 percent of their value as CIP; an attempt to shift 50 percent would produce a MRF of .59, which would be lower than the permitted .65, meaning that they could not shift the entire 50 percent.

Chapter 200 of the Acts of 1988 provides relief for those communities in which the maximum shift results in a residential share which is larger than that of the prior year. For those communities, the limits

have been raised. They may increase the CIP share of the levy by 75 percent as long as the residential class would not be reduced to less than 50 percent of its original share. However, this new residential share cannot be less than the residential share in any year since the community's values were first certified at full and fair cash value.

A change in circumstances

The CIP as a percent of total value decreased from 22.2 percent to 15.4 percent during the time period from FY1992 to FY2006 for all 351 Massachusetts communities (Figure 1). During the same time period 98 selected communities (communities that had shifted each year: FY1992-FY2006), had shown a similar large decrease (Figure 2). The most significant drop occurred during the period of FY2000 to FY2006. During that time period there was a decrease in the CIP as a percent of total value of 27.6 percent for all communities and a similar decrease for the selected communities. While there was

Many cities and towns use the split rate and its shift limits.

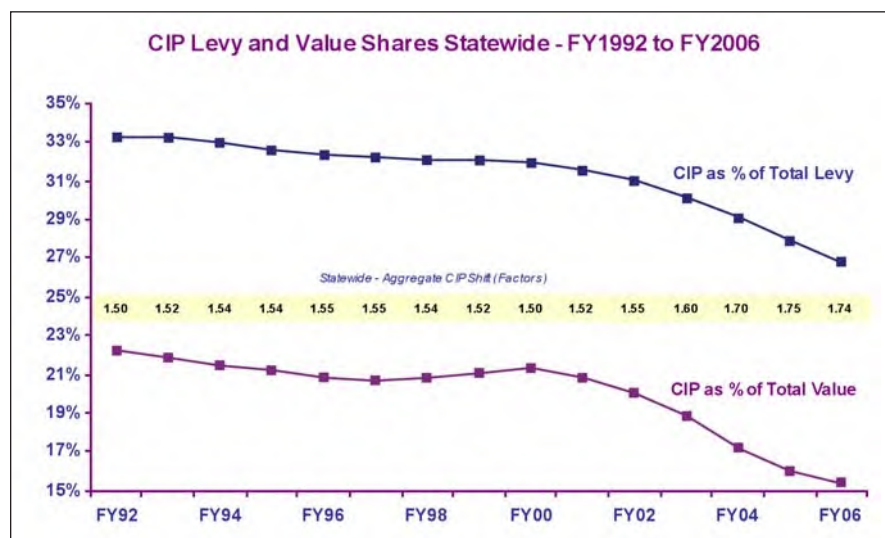


Figure 1

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Split Tax Rates

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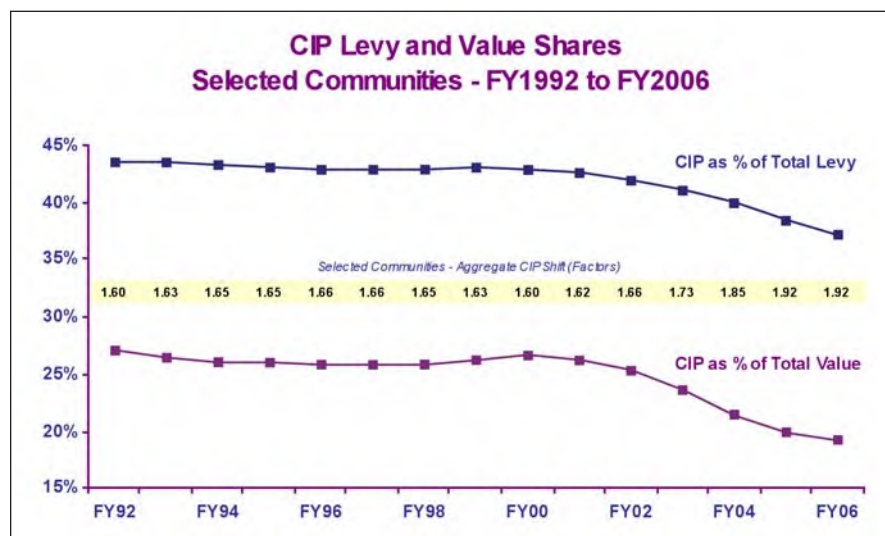


Figure 2

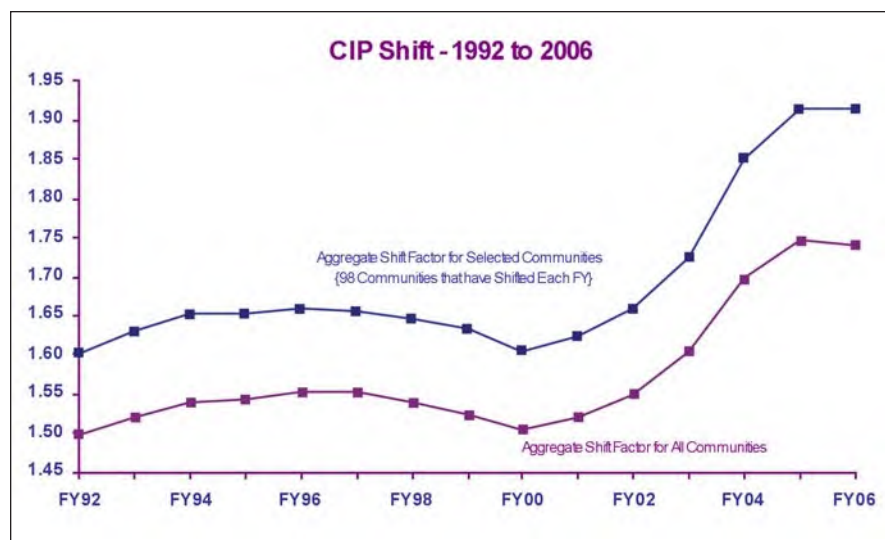


Figure 3

a somewhat parallel pattern shown by the statewide figures and the selected community figures, a comparison of Figure 1 and Figure 2 demonstrates the higher overall figures for the selected communities. The selected communities were running 5 percent higher on the percent of total value and 10 percent higher on the percent of total levy. This is significant because it has an effect on the ability to shift. If a community has an extraordinary proportion of their value in the CIP classes they can't shift that much because the residential share would drop too low.

Additionally, in the instance of a community that has, for example, 20 percent of their value as CIP; the maximum shift in the CIP of 50 percent (under the acts of 1979) would result in a CIP as a percent of the levy of 30 percent. If the CIP as a percent of total value dropped to 18 percent, the maximum shift in the CIP of 50 percent (under the acts of 1979) would result in a CIP as a percent of the levy of 27 percent, a change in the balance between R+O and CIP.

The purpose of Chapter 200 was to help keep the CIP percent of total levy somewhat constant. Using the example

above, if the CIP as a percent of total value dropped to 18 percent, the maximum shift in the CIP of 75 percent (under Chapter 200) would result in a CIP as a percent of the levy of 31.5 percent, a chance to maintain the balance between R+O and CIP.

Through Figure 2, it can be seen that this was, for the most part, what occurred from FY1992 through FY2000. The situation shows a dramatic change, though, from FY 2000 through FY 2006. The rapid decrease in the CIP as a percent of total value was in turn causing a rapid decrease in the CIP as a total percent of total levy.

A reaction to the changing circumstances

The decrease in the CIP as a percent of total value resulted in a reciprocal increase in the aggregate shift factor. The aggregate shift factor of the selected communities moved quite rapidly from 1.60 in FY2000 to 1.92 in FY2006 (Figure 3). This is opposite of the movement of the CIP as a percent of total value during the same period (Figures 2) which moved, again, quite rapidly downward during the same time period. The communities were attempting to keep the CIP as a percent of total levy stable, thereby keeping the existing balance between the residential portion of the levy and CIP portion of the levy. There was a need to shift more and more to the shrinking CIP base to keep the same balance. Communities were doing this by shifting to even greater degrees but they were losing ground. The upward movement of the shift factor was not able to keep pace with the downward movement of the CIP as a percent of value. This resulted in a drop in the CIP as a percent of the levy from 43.4 percent in FY1992 to 36.9 percent in FY2006.

The impact

The number of communities shifting to their maximum had ranged from a low of 13 in FY1993 to a high of 24 in

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Split Tax Rates

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FY2003 and the number of communities within 5 points of their maximum shift ranged from a low of 27 in FY1996 to a high of 44 in FY2004. While these variations may initially seem small, there was an almost 63 percent increase in the number of communities that were within 5 points of their maximum allowable shift. The largest number of communities, within 5 points of their maximum shift, occurred in the years of FY 2003 (40 of 99 communities shifting), just before Chapter 3 of the Acts of 2004 (see explanation below), and in FY2004 (44 of 103 communities shifting), the first year a shift greater than 1.75 could be utilized. (See Figure 4.)

Under Chapter 3 of the Acts of 2004, there were expanded parameters for fiscal years 2004, 2005, 2006 and 2007. A community continued to have its maximum shift computed under current law in each of those years. If adopting that shift resulted in residential taxpayers paying a greater share of the tax levy than the prior year, the shift was then further adjusted upward using that year's expanded parameters.

The expanded parameters for determining the maximum shifts for communities that qualify would be:

Fiscal year	Maximum business share (pct.)	Minimum residential share (pct.)
2004	200	45
2005	197	47
2006	190	49
2007	183	50

There was an additional limitation that residential taxpayers could not pay a lower share of the tax levy than in the prior year.

In fiscal year 2008, communities that used expanded parameters in any of these years will have their maximum shift determined as under current law. Based on the current legislation, beginning in fiscal year 2009, the maximum shift in these communities will be based on business taxpayers paying no more

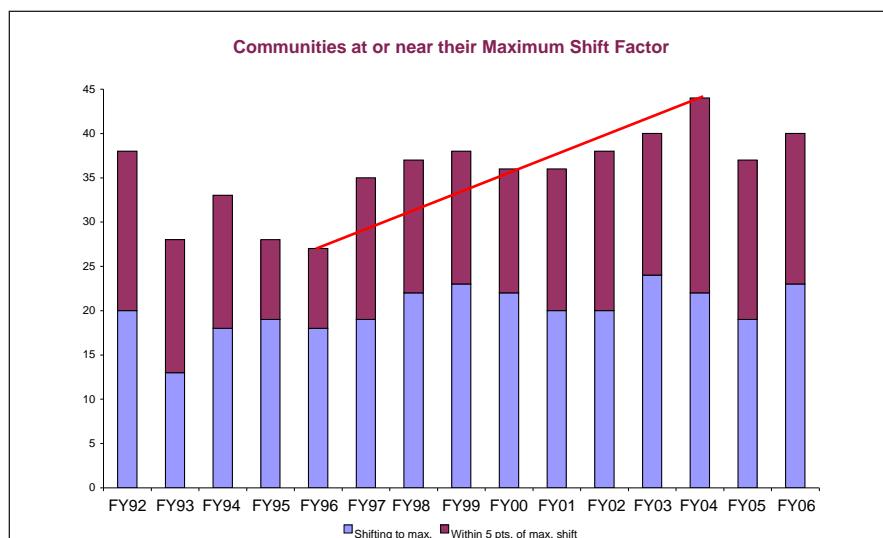


Figure 4

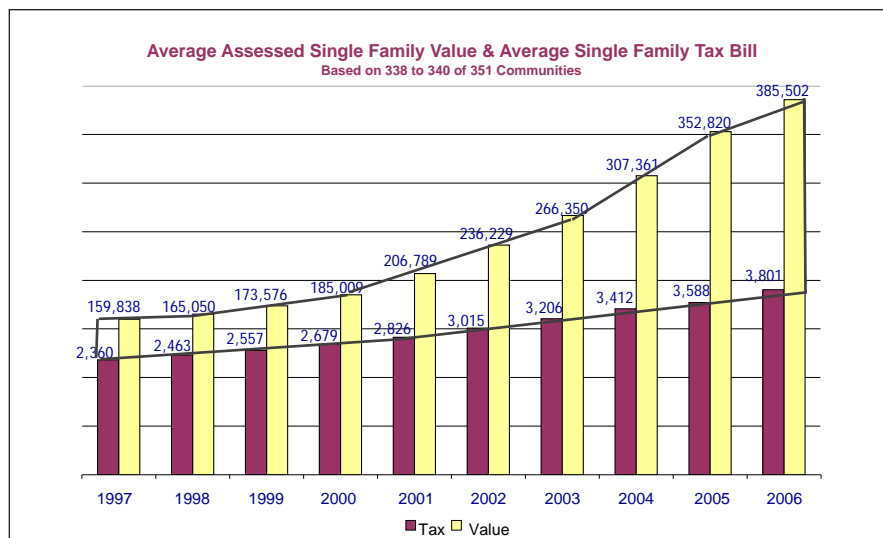


Figure 5

than 170 percent of their fair cash value share of the tax levy.

It's important to note the impact on the average residential tax bill that was mitigated by the use of shifting (Figure 5). While the average single family assessed value had increased from \$159,838 in FY1997 to \$385,502 in FY2006, an increase of 141 percent, the increase in the average tax bill for these properties, during the same period was from \$2,360 to \$3,801, an increase of 61 percent (based on 338 to 340 communities out of the total 351 communities*). During the time frame,

FY2001 to FY2005, when there was a rapid increase in single family assessed value, the average valuation increase was 12 percent per year while the average increase in the corresponding tax bill was 5.7 percent per year.

The statistics surrounding the decreasing CIP values and the corresponding decreasing CIP share along with the increasing shift factors demonstrates the changes confronting communities in an environment of rapidly increasing residential values along with the stagnant

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Renewable Energy and Energy Efficiency Opportunities

Jan Gudell, Renewable Energy Project Coordinator, DOER

Eileen McHugh, Municipal Programs Coordinator, DOER

Renewable Energy in State Government

As concerns over climate change, energy security and energy costs grow, interest in solutions such as sustainable development, energy efficiency and renewable energy is on the rise. This article describes energy efficiency programs and some of the recent and renewable energy policy and project developments at the state level, and provides a list of resources for further information.

Driving Forces

The continued growth of global greenhouse gas (GHG) emissions represents the most daunting environmental threat. Between 1970 and 2004, global GHG emissions have increased 70 percent. The effects of climate change are predicted to be multifarious and devastating, especially to coastal communities. Most of the GHG emissions come from the energy supply sector. Along with the climate change threat, volatile pricing, resource depletion, geopolitical instability and environmental degradation are compelling reasons to curtail fossil fuel use.

Renewable Energy Opportunities

Renewable energy conversion technologies can play an important role in climate change mitigation. The Massachusetts Division of Energy Resources (DOER), along with the Executive Office of Energy and Environmental Affairs, the Division of Capital Asset Management, Operational Services Division and other agencies are working to bring renewable energy to Massachusetts state facilities. Highlighted below are some recent developments.

Biofuels

"Biodiesel" is the name of an environmentally friendly fuel produced from domestic, renewable resources, such as soybean oil, tallow or used cooking oils. Biodiesel contains no petroleum, but it can be blended at any level with petroleum diesel to create a biodiesel blend. A B5 blend, for example, contains 5 percent biodiesel and 95 percent petroleum diesel. Biodiesel can be used in any equipment that burns diesel or No. 2 oil with little or no modifications at blends up to B20. It has many advantages over petroleum diesel. Being a domestically produced fuel, biodiesel supports the rural economy, energy security and fuel diversity. It is biodegradable, nontoxic, sulfur-free and compared with regular diesel, significantly reduces both regulated and non-regulated emissions. In addition to the environmental benefits, many users report operational advantages when using biodiesel. Engines run cleaner and quieter; boilers require less cleaning; and fuel tanks accumulate less sludge. For low blends (< B20) the principal disadvantages are higher cost and limited availability of the fuel. Fortunately, for state and municipal entities, the Commonwealth is taking steps to overcome these obstacles.

Last year, the Executive Office of Administration and Finance issued Bulletin 13, "Establishment of Minimum Requirements for Bio-Fuel Usage in State Vehicles and Buildings by Executive Agencies." Bulletin 13 directs executive agencies to use a B5 blend beginning in FY08 for transportation applications and move up to a minimum average of B15 by FY10. The Bulletin directed the DOER to conduct a biodiesel heating oil, or "bioheat," pilot in No. 2 fired boilers over the '06-07 winter. Four agencies participated in the pilot test using a B3 blend with very good results. The maintenance staff at one of the larger facilities was so impressed with bioheat's performance that they increased their blend to B10. In mid-April, Governor Patrick issued Executive Order 484

"Leading By Example — Clean Energy and Efficient Buildings," which, among other things, mandates the use of B3 bioheat blend for all state executive agencies in the winter of 2007–2008, and increases to a B10 blend by 2012.

Biodiesel for transportation applications is already available on statewide contract ENE 23, while bioheat will become available on a new statewide contract prior to the coming heating season. Massachusetts cities and towns are eligible to purchase fuels from the state contract, thus minimizing procurement costs while taking advantage of the bulk buying power of state purchasing.

Biodiesel training sessions for state and municipal fleet managers were recently held on May 2 and May 3, but training sessions for biodiesel heating will occur in late summer 2007.

Wood Pellet Fuels

In addition to biodiesel, the Commonwealth supports the use of biomass resources such as wood pellets. Wood pellet heating has gained national attention as an effective way to reduce home heating bills. There are about 800,000 homes in the United States currently using wood pellet stoves or furnaces for heating. Wood pellet heating is becoming increasingly common on larger scales as well, such as in municipal or federal buildings, educational facilities, housing complexes, office buildings and other businesses. In 2006, a bulk wood pellet distribution facility opened in Palmer, MA. This facility handles over 75,000 metric tons of wood pellets annually and is capable of supplying bulk wood pellets at a price that is cost competitive with oil, propane and electric heat. Facilities currently heated with oil, propane, or electricity, with a heated area between 10,000 and 50,000 sq. ft., and located in a delivery radius no more than 50 miles from a bulk wood pellet distribution center have the potential to realize significant cost savings by switching to

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Renewable Energy

wood pellets. On a \$/BTU basis, bulk wood pellets priced at about \$200 per ton is the equivalent of paying \$1.72/gallon for No. 2 heating oil. It is worth noting that the average residential heating oil price has not been lower than \$1.80/gallon since late 2004.

To help educate potential commercial/institutional scale users on the benefits of wood pellets, DOER is developing a Wood Pellet Heating Guide, which will soon be available for download on the DOER website.

Additional Resources

Massachusetts Division of Energy Resources: www.mass.gov/doer/

Massachusetts Procurement — Statewide Contracts and Solicitations: www.comm-pass.com/

National Biodiesel Board: www.biodiesel.org/

Pellet Fuels Institute: www.pelletheat.org/2/index/index.html

Energy Efficiency Opportunities

Consistent with its mission as an agency (to improve and streamline energy regulation, promote greater efficiency in all energy uses, reduce energy costs and mobilize energy education) DOER coordinates and leads several energy efficiency deployment programs including Energy Management Services and Rebuild Massachusetts. DOER conducts outreach to target communities, publicizes local partnership results and success stories, recruits other state agencies, and identifies relevant state technical and financial resources.

The specific objective is to provide support and leadership to state and local entities focusing on energy efficiency and sustainability, provide ongoing technical and logistical support and disseminate the results as models to communities and stakeholders to stimulate further adoption of resource efficiency as a standard part of planning and implementing energy effi-

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ciency investments. This comprehensive approach identifies opportunities where, 1) action has already taken place, 2) have current or potential projects in target sectors, or 3) have the potential for municipal-wide energy management planning.

In response to communities that have organized Energy Committees or Commissions, DOER recently launched the Energy Smart Communities Network to advance state and community energy-savings efforts by fostering connections between cities and towns, disseminating information, and facilitating discussions focused on energy efficiency projects. The Network listserv brings together communities and individuals seeking sustainable energy solutions with their peers in other cities and towns.

If there is something particular you are looking for, or if you are just interested in what other communities have done, this directory will be able to assist you. Affiliates must be willing to, 1) share information on local activities with other members, and 2) keep contact information up-to-date.

Any community that has an Energy and/or Environmental Committee or Commission or lead office dedicated to energy management can become a member of the network. Communities are asked to share information about their goals and activities.

DOER maintains and edits an address list of everyone who subscribes to the Energy Smart Network. When someone wants to post a message, s/he just sends an e-mail to the list address. Everyone on the list will get that message. If the topic is of general interest, list members are encouraged to respond or comment by replying to the list. Anyone interested may join online at www.mass.gov/doer/. ■

Editor's note: This article represents the opinions and conclusions of the authors and not those of the Department of Revenue.

Split Tax Rates

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and sometimes declining commercial values. Chapter 3 of the Acts of 2004, in allowing a greater level of shift, helped in the effort to stabilize the CIP as a percent of total levy. While the increasing level of shifting was a tool, a reversal of the decreasing CIP value as a percent of total value would address the root of the situation causing the need for greater and greater shifting levels. That reversal could be in the form of a "slow down" in the rate of increase of residential real estate values, which has taken place, in the market, during last year and into this year. Additionally, there has been a simultaneous increase in commercial and industrial property values. These market conditions should help decrease the need to shift to greater levels to stabilize the CIP as a percent of the total levy. ■

***Data for the 11 communities that have adopted a residential exemption are excluded from this file because they do not submit adequate data to determine an average tax bill. The 11 communities are Boston, Brookline, Cambridge, Chelsea, Marlborough, Nantucket, Somerset, Somerville, Tisbury, Waltham, and Watertown. The residential exemption reduces the taxable valuation of each residential parcel that is a taxpayer's principal residence. Granting the exemption raises the residential tax rate and shifts the residential tax burden from low and moderately valued homes to apartments and higher valued homes. In FY06, Barnstable and Everett adopted a residential exemption to make 13 communities.**

DLS Notices

Statewide Contract Emergency Response Supplies, Services and Equipment

A Reference Guide to Statewide Contracts for Emergencies

Do you know who to call for commodities and services in an emergency? Operational Services Division (OSD) has compiled information on existing commodity and services on Statewide Contracts that could be of assistance during a time of need. The "Statewide Contract Emergency Response Supplies, Services and Equipment" booklet is a reference guide to Statewide Contracts for emergencies and is available on OSD's website at www.mass.gov/osd. The booklet offers its readers a Quick Reference Table that provides a snapshot of the contracts covered, a Contract Reference Index for identifying and locating many emergency items/services and an alphabetical Listing of Statewide Contracts with contact information for ordering. It also includes OSD contact information in the event that an emergency occurs after normal business hours. Where can you obtain supplies and services in the event of an emergency? Perhaps they can be obtained from a Statewide Contract identified in the booklet. Be sure to print a copy today so you have it readily available. If you have any questions after reviewing it please contact OSD at 617-720-3300.

Mark Your Calendars

What's New in Municipal Law

The Division of Local Services will offer a full day seminar, "What's New in Municipal Law" on Friday, September 28 at the Clarion Hotel and Conference Center (formerly the Best Western Hotel) in West Springfield, and on Friday, October 12 at The Lantana in Randolph. The morning session will include presenta-

tions on new legislation and recent court decisions pertaining to local government. The afternoon session will consist of three simultaneous workshops. Check the DLS site website for the registration form.

Course 101

Assessment Administration: Law, Procedures and Valuation (Course 101), will be held at Westfield State College

on Tuesday evenings from 6:00 p.m. to 9:00 p.m., starting on October 16 and run through November 20. Assessors and assistant assessors with valuation responsibilities are required to successfully complete this course within two years of appointment or election.

Contact Donna Quinn, training coordinator, with any questions regarding the above training opportunities. ■

Procurement

Saving on Lighting & Energy Efficient Products

As municipalities consider their end-of-fiscal-year purchases, the Operational Services Division would like to highlight an opportunity to save over 40 percent in addition to the regular statewide contract savings on lighting and energy efficient products. The savings are available by purchasing from statewide contractors that were awarded to offer the **Lighting and Energy Efficient Products Save\$mart**.

Under statewide contract FAC22, the Operational Services Division has negotiated significantly lower pricing with two contractors for lighting and energy efficient products for orders placed before July 30, 2007.

Graybar Electric was awarded to sell:

T5 and T8 fluorescent tubes

Photoluminescent (glow in the dark) exit signs

Standard Electric was awarded to sell:

Compact fluorescent light (CFL) bulbs

LED exit signs

Occupancy sensors

Download the pricing sheet with ordering instructions from www.mass.gov/Aosd/docs/EPP/final_pricing_2007.xls.

If you have a problem downloading this file and would like it sent as an attachment, please contact Dmitriy Nikolayev, Procurement Manager, Facilities & Environmental Services at Dmitriy.Nikolayev@state.ma.us or 617-720-3351. He will also be your contact if you have any questions.

OSD offers a number of other \$ave\$mart opportunities, including those on photocopier equipment, IT hardware, protective clothing and safety equipment. For more information on those opportunities, please visit www.mass.gov/osd and click on the "Big Buy" link in the "Online Services" area at the top of the page. ■

DLS Profile

Jeff Reynolds, Springfield's Certification Advisor

In August 2006 Jeff Reynolds joined the Division of Local Services in the Bureau of Local Assessment as a certification advisor, working in the Springfield office. Currently, he is assigned to 34 communities, primarily in the Berkshire County and hill town region of Western Massachusetts, where he oversees local cities and towns during their triennial certification process.

Prior to joining the BLA field staff, Jeff owned and operated an independent fee real estate appraisal and commercial/industrial brokerage company, based in Springfield. As a Certified General RE Appraiser in the commonwealth for 14 years, his primary appraisal focus was on commercial, industrial, and investment properties. Additionally, he has experience in all types of residential and vacant land appraisal. Coming from a family of real estate professionals (his father is an appraiser/broker, mother was a residential salesperson for years, as were his grandmother, aunt, cousins, etc, and his uncle is a developer on Cape Cod), he has always had an interest in real estate, and enjoys working in the field. Jeff began working for his father at age 12 in the summertime, putting together sales comp information and throughout high school gathered information at the registry of deeds and assessors offices, as well as verifying sales, doing preliminary write-ups, etc.

Jeff finds his new position with the BLA to be both challenging and rewarding. He enjoys working with local officials and appreciates the diversity of functions within the job. Jeff said "every town is unique, and I have found working with the officials to bring the process to a successful conclusion to be very gratifying." As a native of western Massachusetts, he is happy to be working in a region he finds to be physically beautiful and culturally vibrant.

Jeff received a BA in Economics from Skidmore College in Saratoga Springs, NY. He is an antique house buff who lives in an 1807 former tavern and inn in Huntington that he and his wife Nichole have been busily restoring for the past five years along with their son Nate (13) and daughter Sadie (7). Jeff enjoys volunteering in the community, and is currently serving as the local youth athletic association's treasurer. Outside of work, he enjoys all things outdoors, including running, hiking, skiing, camping, and the annual summer vacation on Cape Cod. ■



Jeff Reynolds

Municipal Fiscal Calendar

August 1

Taxpayer: Quarterly Tax Bills — Deadline for Paying 1st Quarterly Tax Bill Without Interest

Taxpayer: Annual Boat Excise Return Due

Accountant: Notification of Total Receipts of Preceding Year

August 15

Assessors: Deadline to Vote to Seek Approval for Authorization to Issue Optional Preliminary Tax Bills for semi-annual communities.

August 31

DOR/BOA: Issue Instructions for Determining Local and District Tax Rates

September 15

Accountant/Assessors: Jointly Submit Community Preservation Surcharge Report

September 30

Municipal and District Treasurer/Collector: Compensating Balance Report

Accountant/Superintendent/School Committee:

Jointly Submit End of Year Report to the DOE

Accountant: Submit Snow and Ice Report

Treasurer: 4th Quarter Reconciliation of Cash for the Previous Fiscal Year (due 45 days after end of quarter or upon submission of a balance sheet for free cash/excess and deficiency certification, whichever is earlier)

Treasurer: Statement of Indebtedness

State Treasurer: Notification of Quarterly Local Aid Payments on or Before September 30

City & Town

City & Town is published by the Massachusetts Department of Revenue's Division of Local Services (DLS) and is designed to address matters of interest to local officials.

Marilyn Browne, Editor

To obtain information or publications, contact the Division of Local Services via:

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