

REVOLVING FUNDS FOR NON-SCHOOL DEPARTMENT PROGRAMS

The purpose of this chart is to provide general information about revolving funds allowed by Massachusetts law. It is not designed to address all questions or issues about the listed funds. Nothing contained in the chart changes the laws that authorize and govern these funds.

A revolving fund separately accounts for specific revenues and earmarks them for expenditure by a board or officer without appropriation for particular purposes to support the activity, program or service that generated the revenues. Typically, revolving funds are authorized by state law for programs or services with expenses that (1) fluctuate with demand and (2) can be matched with the fees, charges or other revenues collected during the year.

The board or officer with authority to spend from a revolving fund can only incur liabilities and spend from the available, unspent and unencumbered balance of actual collections.

| REVOLVING FUND | LOCAL ACCEPTANCE | TOWN MEETING/ CITY COUNCIL ACTION | DEPARTMENT/ ACTIVITIES | MUNICIPAL SALARIES | CAPITAL ITEMS/ DEBT SERVICE | STATUTORY SPENDING CEILING | REVENUE SOURCE | INTEREST | FUND BALANCE | OTHER ACCOUNTING PROCEDURES | REPORTS | OTHER |
|--|------------------|--|---|--------------------|-----------------------------|---|--|----------------|---|-----------------------------|---|---|
| ANNIVERSARY AND SPECIAL EVENT CELEBRATION G.L. c. 44, § 53I | NO | ANNUAL APPROPRIATION FOR 5 YEARS PRECEDING ANNIVERSARY OR SPECIAL EVENT | ACTIVITIES AND PROGRAMS TO CELEBRATE (1) 200, 250, 350 OR ANY SEMICENTENNIAL ANNIVERSARY OF SETTLEMENT OR INCORPORATION; OR (2) ANY SPECIAL EVENT SPONSORED BY CITY OR TOWN | YES | NOT PROHIBITED | NONE | APPROPRIATIONS; RECEIPTS FROM SALE OF COMMEMORATIVE ITEMS; AND ADMISSION CHARGES FOR COMMEMORATIVE CEREMONIES OR EVENTS | REVOLVING FUND | CLOSES TO GENERAL FUND AFTER CELEBRATION ACTIVITIES COMPLETED | | | FUND MAY BE SPENT BY MAYOR, CITY MANAGER, SELECTBOARD, OR SPECIAL COMMITTEE ESTABLISHED TO PLAN CELEBRATION OR EVENT, IN YEAR PRECEDING, YEAR OF, AND YEAR AFTER, ANNIVERSARY OR EVENT |
| ARTS LOTTERY COUNCIL G.L. c. 10, § 58 | NO | ESTABLISH LOCAL CULTURAL COUNCIL; OR WITH APPROVAL OF MASSACHUSETTS CULTURAL COUNCIL, ESTABLISH REGIONAL CULTURAL COUNCIL WITH A CONSORTIUM OF OTHER CITIES OR TOWNS | ACTIVITIES AND PROGRAMS TO PROMOTE THE ARTS | YES | NOT PROHIBITED | NO MORE THAN 5% OF MONIES RECEIVED FROM STATE ARTS LOTTERY FUND CAN BE SPENT FOR ADMINISTRATION | STATE ARTS LOTTERY FUND DISTRIBUTION, RECEIPTS FROM LOCAL OR REGIONAL CULTURAL COUNCIL ACTIVITIES; GIFTS, GRANTS AND OTHER DONATIONS | REVOLVING FUND | CARRIES FORWARD FOR FUNDS RECEIVED WITHIN 12 MONTHS FUNDS NOT SPENT WITHIN 12 MONTHS OF RECEIPT MUST BE SEGREGATED (SEE OTHER) | | ANNUAL REPORT BY ACCOUNTING OFFICER TO MAYOR OR CITY MANAGER AND CITY COUNCIL, SELECTBOARD OR TOWN MANAGER COPY TO MASSACHUSETTS CULTURAL COUNCIL AND BOA (SCHEDULE A) | FUNDS NOT SPENT WITHIN 12 MONTHS OF RECEIPT MUST BE SPENT BY MAYOR OR CITY MANAGER AND CITY COUNCIL, SELECTBOARD OR TOWN MANAGER FOR ARTS PURPOSES, NOT BY LOCAL OR REGIONAL CULTURAL COUNCIL |
| CENTENNIAL CELEBRATION G.L. c. 40, § 5H | NO | ANNUAL APPROPRIATION FOR 5 YEARS PRECEDING CENTENNIAL | ACTIVITIES AND PROGRAMS TO CELEBRATE ANY CENTENNIAL ANNIVERSARY | YES | NOT PROHIBITED | NONE | APPROPRIATIONS; RECEIPTS FROM SALE OF COMMEMORATIVE ITEMS; AND ADMISSION CHARGES FOR COMMEMORATIVE CEREMONIES OR EVENTS | REVOLVING FUND | CLOSES TO GENERAL FUND AFTER CELEBRATION ACTIVITIES COMPLETED | | REPORT TO TREASURER ACCOUNTING FOR EXPENDITURES AT CELEBRATION END | FUND MAY BE SPENT BY MAYOR, CITY MANAGER, SELECTBOARD OR SPECIAL COMMITTEE ESTABLISHED TO PLAN CELEBRATION, IN YEAR PRECEDING, YEAR OF, AND YEAR AFTER CENTENNIAL ANNIVERSARY |

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|--|------------------|--|--|---|---|----------------------------------|--|-------------------|---|---|--|---|
| DEPARTMENTAL REVOLVING G.L. c. 44, § 53E½ | NO | (1) BY-LAW OR ORDINANCE ESTABLISHING EACH FUND; AND (2) BY 7/1 EACH YEAR LEGISLATIVE BODY VOTE SETTING SPENDING AUTHORIZATION FOR EACH FUND FOR FY MAY ESTABLISH IN SAME WAY AFTER 7/1 IF A NEW REVENUE SOURCE AND ACCOUNTING OFFICER CERTIFIES ANTICIPATED RECEIPTS NOT USED IN TAX RATE | ANY DEPARTMENT'S ACTIVITY OR PROGRAM EXCEPT WATER, SEWER, HOSPITAL AND CABLE ACCESS | YES, IF PERMITTED BY BY-LAW OR ORDINANCE ESTABLISHING FUND | YES, IF IN CONNECTION WITH PROGRAM OR ACTIVITY GENERATING THE FEES, CHARGES OR OTHER RECEIPTS AND AUTHORIZED BY BY-LAW OR ORDINANCE ESTABLISHING FUND | NONE | FEES, CHARGES OR OTHER RECEIPTS GENERATED BY DEPARTMENT'S ACTIVITY OR PROGRAM SPECIFIED IN BY- LAW OR ORDINANCE ESTABLISHING FUND EXCEPT REVENUE OR RECEIPTS ALREADY RESERVED BY LAW | GENERAL FUND | CARRIES FORWARD TO NEXT FY UNLESS BY-LAW OR ORDINANCE REPEALS FUND IF FUND TERMINATED, BALANCE CLOSES TO GENERAL FUND | IF SALARIES OF FULL TIME EMPLOYEE CHARGED TO REVOLVING FUND, FRINGE BENEFITS MUST ALSO BE CHARGED TO FUND EXCEPT FOR SCHOOL BUS DRIVERS | AS SPECIFIED IN BY- LAW OR ORDINANCE ESTABLISHING FUND | BY-LAW OR ORDINANCE MUST SPECIFY (1) EXPENSES OF DEPARTMENTAL PROGRAM OR ACTIVITY CHARGEABLE TO FUND; (2) FEES, CHARGES OR OTHER MONIES CHARGED AND RECEIVED BY DEPARTMENT IN CONNECTION WITH THE PROGRAM OR ACTIVITY; AND (3) DEPARTMENT OR AGENCY HEAD, BOARD, COMMITTEE OR OFFICER AUTHORIZED TO SPEND FROM THE FUND SPENDING AUTHORIZATION VOTED BY LEGISLATIVE BODY FOR FY MAY BE INCREASED DURING YEAR BY CITY COUNCIL AND MAYOR IN CITY, SELECTBOARD AND FINANCE COMMITTEE IN TOWN |
| EXPEDITED PERMITTING G.L. c. 43D, § 6(b) | YES | NONE | OPERATION OF EXPEDITED PERMITTING PROGRAM | YES | NOT PROHIBITED | NONE | EXPEDITED PROGRAM FEES | REVOLVING FUND | CARRIES FORWARD TO NEXT FY | | | FEES MUST BE ESTABLISHED BY AND FUNDS MAY BE SPENT BY MAYOR OR MANAGER AND CITY COUNCIL, OR SELECTBOARD |
| LAW ENFORCEMENT TRUST G.L. c. 94C, § 47 | NO | NONE | PROTRACTED LAW ENFORCEMENT INVESTIGATIONS; ADDITIONAL TECHNICAL EQUIPMENT OR EXPERTISE; MATCHING FUNDS FOR FEDERAL GRANTS; OR OTHER LAW ENFORCEMENT PURPOSE | NO | TECHNICAL EQUIPMENT | NONE | LOCAL SHARE OF CASH SEIZED OR PROCEEDS FROM SALE OF FORFEITED PROPERTY OBTAINED FROM STATE OR LOCAL DRUG ENFORCEMENT ACTIONS | GENERAL FUND | CARRIES FORWARD TO NEXT FY | | | ANY LOCAL SHARE OF FORFEITURE PROCEEDS FROM FEDERAL DRUG ACTIONS IS TREATED AS A GRANT UNDER G.L. c. 44, § 53A AND IS NOT CREDITED TO FUND |

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|---|---|--|---|-----------------------|--------------------------------|--------------------------------------|--|-----------------|---|-----------------------------------|---------|--|
| MULTI-COMMUNITY YARD WASTE c. 179 OF THE ACTS OF 1993 | NO | APPROPRIATION BY PARTICIPATING COMMUNITIES | OPERATION OF YARD WASTE PROCESSING OR RECYCLING PROGRAMS | YES | NO | SET ANNUALLY BY LEAD COMMUNITY | APPROPRIATIONS FROM PARTICIPATING COMMUNITIES, OTHER PROGRAM RECEIPTS | GENERAL FUND | | | | IN FIRST YEAR, SELECTBOARD OR MAYOR AND CITY COUNCIL OF LEAD COMMUNITY MUST (1) AUTHORIZE FUND; (2) SET FY SPENDING LIMIT; AND (3) DESIGNATE DEPARTMENT RESPONSIBLE FOR OPERATING PROGRAM IN SUBSEQUENT YEARS, TOWN MEETING OR CITY COUNCIL SETS FY SPENDING LIMIT AND DESIGNATES RESPONSIBLE DEPARTMENT |
| MUNICIPAL BUILDING OR PROPERTY RENTAL G.L.c. 40, § 3 | NO, BUT PROVISION PERMITTING USE OF FUNDS FOR ANY FACILITY AND FUND CARRY-OVER REQUIRES ACCEPTANCE (SEE DEPARTMENT/ ACTIVITIES; FUND BALANCE) | LEGISLATIVE BODY ESTABLISHES REVOLVING FUND FOR RENTAL PAYMENTS FROM PARTICULAR RENTAL OR LEASE OF BUILDING OR SPACE BY SEPARATE VOTE, OR BY-LAW OR ORDINANCE SETTING OUT TYPES OF RENTALS OR LEASES REVOLVING FUND TO BE USED | UPKEEP OF RENTED FACILITY OR SPACE, INCLUDING CUSTODIAL COSTS, UTILITIES, ORDINARY REPAIRS AND MAINTENANCE. MAY BE USED FOR UPKEEP OF ANY MUNICIPAL BUILDING OR PROPERTY IF CITY OR TOWN HAS ACCEPTED PROVISION SO PERMITTING | YES | NOT PROHIBITED | NONE | RENTAL PAYMENTS FROM LESSEES OF RENTED PREMISES | GENERAL FUND | CLOSES TO GENERAL FUND AT END OF FY, UNLESS CITY OR TOWN HAS ACCEPTED PROVISION PERMITTING CARRY OVER TO NEXT FY | | | |

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|---|------------------|---|--|--|--|----------------------------------|---|--|---|---|--|--|
| OUTSIDE CONSULTANTS G.L.c. 44, § 53G | NO | NONE | OUTSIDE CONSULTANTS HIRED TO ADVICE OR ASSIST REGULATORY BOARDS, COMMITTEES OR OFFICERS THAT ISSUE PERMITS, LICENSES OR APPROVALS IN REVIEW OF APPLICATIONS | NO | NO | NONE | OUTSIDE CONSULTANT FEES CHARGED APPLICANTS FOR LICENSES, PERMITS OR APPROVALS | PROJECT ACCOUNTS | PROJECT BALANCE RETURNED TO APPLICANT UPON COMPLETION OF REVIEW | SEPARATE ACCOUNT FOR EACH PROJECT | ACCOUNTING OFFICER REPORT TO APPLICANT AT PROJECT END ANNUAL REPORT TO MAYOR OR CITY MANAGER AND CITY COUNCIL, SELECTBOARD OR TOWN MANAGER WITH PUBLICATION IN ANNUAL CITY OR TOWN REPORT COPY TO BOA (SCHEDULE A) | FEES MUST BE ESTABLISHED BY RULES OR REGULATIONS OF COMMITTEE, BOARD OR OFFICER CONSULTANT SELECTION CRITERIA AND APPEAL TO SELECTBOARD OR CITY COUNCIL MUST BE ESTABLISHED BY RULES OR REGULATIONS OF COMMITTEE, BOARD OR OFFICER |
| PARKS AND RECREATION G.L.c. 44, § 53D | YES | NONE, UNLESS ANNUAL AUTHORIZATION REQUIRED BY BY- LAW OR ORDINANCE | PARKS AND RECREATIONAL PROGRAMS AND SERVICES | PART-TIME, SEASONAL, TEMPORARY ONLY | YES, IF IN DIRECT SUPPORT OF OR NECESSARY TO PROGRAM OPERATION | NONE | PARTICIPATION FEES AND PROGRAM RECEIPTS | REVOLVING FUND | BALANCE OF \$10,000 OR LESS CARRIES FORWARD TO NEXT FY BALANCE OVER \$10,000 CLOSES TO GENERAL FUND | | ANNUAL REPORT BY ACCOUNTING OFFICER TO MAYOR OR CITY MANAGER AND CITY COUNCIL, SELECTBOARD OR TOWN MANAGER COPY TO BOA (SCHEDULE A) | |
| PERFORMANCE SURETY DEPOSITS G.L.c. 44, § 53G½ | NO | BY-LAW, ORDINANCE, RULE OR REGULATION REQUIRING DEPOSIT BY APPLICANTS FOR SPECIFIED PERMITS, LICENSES, APPROVALS OR AUTHORIZATIONS OR BY CONTRACTORS FOR SPECIFIED AGREEMENTS | MEET CONDITION OR COMPLETE WORK SECURED BY DEPOSIT MADE BY APPLICANT FOR PERMIT, LICENSE, APPROVAL OR AUTHORIZATION OR BY CONTRACTOR , AS SPECIFIED IN BY-LAW, ORDINANCE, RULE OR, REGULATION REQUIRING DEPOSIT | YES, IF TO MEET CONDITION OR COMPLETE WORK, AS PERMITTED BY BY-LAW , ORDINANCE, RULE OR, REGULATION REQUIRING DEPOSIT | YES, IF TO MEET CONDITION OR COMPLETE WORK, AS PERMITTED BY BY-LAW, ORDINANCE, RULE, OR REGULATION REQUIRING DEPOSIT FOR THE PERMIT, LICENSE, APPROVAL, AUTHORIZATION OR CONTRACT | NONE | CASH AND PROCEEDS FROM NON-CASH FINANCIAL GUARANTEES DEPOSITED BY APPLICANTS | AS SPECIFIED IN BY-LAW, ORDINANCE, RULE OR REGULATION REQUIRING DEPOSIT | DEPOSIT RETURNED TO APPLICANT UPON SATISFACTORY PERFORMANCE | SEPARATE ACCOUNT FOR EACH DEPOSIT | | BY-LAW, ORDINANCE, RULE OR REGULATION MUST SPECIFY (1) TYPE OF REQUIRED FINANCIAL GUARANTEES; (2) TREATMENT OF INVESTMENT EARNINGS, IF ANY; (3) PERFORMANCE REQUIRED AND STANDARDS FOR DETERMINING SATISFACTORY COMPLETION OR DEFAULT; (4) PROCEDURES APPLICANT MUST FOLLOW TO OBTAIN RETURN OF DEPOSITED SECURITY; (5) USE OF MONIES IN ACCOUNT UPON DEFAULT; AND (6) OTHER REASONABLE CONDITIONS TO SECURE PERFORMANCE |

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|--|------------------|---|--|-----------------------|--------------------------------|----------------------------------|--|---------------------|---|---|--|---|
| SMART GROWTH CONSULTANTS G.L.c. 40R, § 11(h) | NO | FEES SET BY SMART GROWTH ZONING BY-LAW OR ORDINANCE | OUTSIDE CONSULTANTS FOR APPLICATION APPROVING AUTHORITY | NO | NO | NONE | APPROVAL FEES | PROJECT ACCOUNTS | PROJECT BALANCE RETURNED TO APPLICANT UPON COMPLETION OF REVIEW | SEPARATE ACCOUNT FOR EACH PROJECT | | |
| SPECIAL DETAIL G.L.c. 44, § 53C | NO | NONE | COMPENSATION OF EMPLOYEES FOR OFF- DUTY OR SPECIAL DETAIL WORK NOT RELATED TO REGULAR DUTIES | NO | NO | NONE | PAYMENTS BY ENTITIES OBTAINING OFF- DUTY OR SPECIAL DETAIL SERVICES | GENERAL FUND | CARRIES FORWARD TO NEXT FY | ANY ADMINISTRATIVE FEE IMPOSED MUST BE CREDITED TO GENERAL FUND FEE MAY NOT BE MORE THAN 10% OF COST OF DETAIL SERVICE | | PAYMENT MUST BE MADE TO EMPLOYEE WITHIN 10 DAYS OF RECEIPT OF PAYMENT FROM ENTITY PROVIDED SERVICES |
| SUBDIVISION PLAN PERFORMANCE BOND DEFAULTS G.L.c. 41, § 81U | YES | NONE | COMPLETION OF MUNICIPAL INFRASTRUCTURE OF APPROVED SUBDIVISION PLAN | YES | PLANNED INFRASTRUCTURE | \$100,000 | PROCEEDS OF PERFORMANCE BOND OR DEPOSIT IF NOT MORE THAN \$100,000 | GENERAL FUND | PROJECT BALANCE RETURNED TO DEVELOPER | SEPARATE ACCOUNT FOR EACH PROJECT | | NOT APPLICABLE IN CITIES, OR TOWNS WITH TOWN COUNCILS EXPENDITURES REQUIRE APPROVAL OF SELECTBOARD |
| TAX TITLE G.L.c. 60, § 15B | YES | BY-LAW, ORDINANCE OR LEGISLATIVE BODY VOTE, UPON RECOMMENDATION OF CHIEF EXECUTIVE OFFICER | OUT OF POCKET EXPENSES TO MAKE TAX TAKING OR FORECLOSE TAX TITLE, INCLUDING COSTS OF RECORDING OR FILING DOCUMENTS, TITLE SEARCHES, MAILING, PUBLISHING OR ADVERTISING NOTICES, PETITIONING LAND COURT, SERVING DOCUMENTS AND COURT FILINGS, PAYING LEGAL FEES | NO | NO | NONE | COLLECTION COSTS AND CHARGES RECEIVED WHEN TAX TITLE REDEEMED OR TAX POSSESSION SOLD | GENERAL FUND | CARRIES FORWARD TO NEXT FY IF FUND, TERMINATED, BALANCE CLOSES TO GENERAL FUND | | ANNUAL REPORT TO MAYOR OR CITY MANAGER OR, SELECTBOARD OR TOWN MANAGER | |
| WETLAND PROTECTION G.L.c. 131, § 40 c. 43, § 218 OF THE ACTS OF 1997 c. 194, § 349 OF THE ACTS OF 1998 | NO | NONE | CONSERVATION COMMISSION ADMINISTRATION AND ENFORCEMENT OF WETLAND PROTECTION ACT | YES | NOT PROHIBITED | NONE | WETLAND PROTECTIONS FILING FEES | GENERAL FUND | CARRIES FORWARD TO NEXT FY | | | EXPENDITURES REQUIRE WRITTEN APPROVAL OR SELECTBOARD OR TOWN MANAGER OR MAYOR OR CITY MANAGER |