



Deputy  
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Local Officials Directory

Municipal Calendar

IGR's & Bulletins

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DOR 360



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Dan Bertrand, Editor

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## Sign Up Today for the 2013 Regionalization Conference!

The Fifth Annual Regionalization Conference at Holy Cross in Worcester is scheduled for Monday, September 16<sup>th</sup>. For the first time, we're pleased to announce that online registration is now available! This year's conference will feature a series of morning workshops and afternoon roundtable discussions. The workshops will include panelists sharing their insights and experiences on regionalizing municipal services and best practices.

For more information including the day's agenda, click [here](#). To register, click [here](#). We hope you'll be able to join us!

## Debra Joyce Joins BLA Bureau of Local Assessment

Debra Joyce, a 25-year veteran of the Division of Local Services, has joined the Bureau of Local Assessment (BLA) where she will continue to work in the Worcester DLS Office.

Over the course of her DLS career, Debra developed and

has maintained the Assessors Database, which is used to make sure the credentials of local assessors meet standards and are up to date; developed a database of reimbursable state-owned land; and was part of the training staff for new growth reporting.

Debra, who took on the job of assisting in the review and approval of new growth with relish last year, will now work on the review of interim year LA-3 sales reports and the LA15, will continue to assist in the review of new growth, and also assist with the state-owned land database. She is also working with DLS IT to integrate the Assessors Database with the Local Officials Directory maintained by DLS.

Debra has extensive assessing experience, dating back to her work in the City of Worcester Assessing Department which was then directed by Gary McCabe, who later became BLA Bureau Chief and who is now Chief Assessor in Brookline. She began her career as a data collector in Worcester in 1985 working on a full measure and list revaluation and became senior clerk in charge of valuation system data entry. She was also introduced to sales report research and coding while working for the city in which she resides.

"I am pleased to have Debra join our team," said BLA Bureau Chief Joanne Graziano. "This is a great opportunity for us to harness Debra's energy, expertise and knack for numbers, and for her to continue to expand her assessing skills."

## **Ask DLS**

### **City and Town Editorial Board**

This month's *Ask DLS* features frequently asked questions about e-billing. We hope the answers will provide timely and helpful information. Please let us know if you have other areas of interest or send a question to [cityandtown@dor.state.ma.us](mailto:cityandtown@dor.state.ma.us). We'd like to hear from you!

**Can cities and towns send property tax or other bills by email?**

With the approval of the Municipal Relief Act on July 27, 2010 (c. 188 of the Acts of 2010), cities and towns are now authorized to issue property tax bills in electronic form. Section 54 of the Act amends M.G.L. C. 60 by adding new language to Section 3A that allows tax bills to be sent by email and other bills and nonpolitical information to be inserted with the mailing.

The local decision to allow issuance of the so-called "e-bills" rests with the board of selectmen in a town and the mayor in a city. There are two primary components to the authorization:

- 1.) Like hardcopy bills, electronic property tax bills must be in a form approved by the Commissioner of Revenue and must meet the "content" requirements imposed by c.60, s.3A, subsection (a), which are unchanged; and
- 2.) The program must be voluntary. Taxpayers cannot be forced to receive an electronic bill.

The legislation encourages a paperless system where the only tax bill received by property owners would be an email copy. Savings would be realized through the elimination of printed bills and postage for mailings two or four times a year. To receive an electronic bill or notice, taxpayers must explicitly enroll and provide their email address to the collector.

In addition, municipal collectors are permitted to include, with the electronic property tax bill, other charges for water or sewer use, solid waste disposal or collection, or electric, gas or other utility services. These can only include charges that are authorized by ordinance or by-law and that are assessed by the city or town. The inserted bills or notices of payments due must be separate and distinct from the property tax bills. In the case where a separate commission oversees the water or sewer operation, it rather than the selectmen or mayor would authorize utility e-bills.

The authority previously granted to municipalities to include nonpolitical informational material in an envelope with the tax bill is now expanded. The inclusion of additional information with an email tax bill is permitted, but requires the approval of the selectmen or mayor.

In developing an electronic tax bill program, the municipal collector should work with local assessors and a technology advisor. Among other topics, consideration might be given to the following:

**Program Management:** Consideration of the tax billing process, staffing, web access and software capability should help local officials determine the most practical option for managing the program. In most instances, we would expect this to be collector's office, which has the legal responsibility to send proper notice of the tax due. The same analysis should be completed relative to any other bills allowed to be inserted with the electronic tax bill. Alternatively, companies are emerging that will contract with a city or town to manage its e-billing program.

**Enrollment:** Property owners should have the ability to enroll on-line at a dedicated town webpage. A verification mechanism must be built into the process. For instance, enrollment could be confirmed through a required return email acknowledgement by the property owner. The pertinent information could then be incorporated automatically into a data base. Over-the-counter enrollment or enrollment by mail is also an option and must include a written enrollment acknowledgement. Staff time would then have to data enter the information into the system or program.

**Technology:** For tax bills, whether in the assessors' appraisal system or a collector's billing system, software should allow property accounts to be flagged where owners have requested an electronic bill. The taxpayer's billing account would remain in the commitment, but no hardcopy bill would be printed or mailed. A similar process should be developed for other types of bills that might be inserted with the electronic property tax bill. In each instance, the collector should have the ability to print a copy of the bill, if needed.

**Legal:** At the time of enrollment to receive an e-bill, property owners should be required to, at least, acknowledge that:

- they understand by enrolling they will not receive a bill in the mail or in any other hardcopy form;
- they are responsible for the accuracy of the information provided;
- they are solely responsible for reporting any changes

- to the information on file;
- they are not relieved of the legal obligation to make timely payment if they fail to receive a tax bill, or any other bill, because of incorrect information;
  - they attest to the truth and accuracy of the information provided.

## **Updates on the FY14 Strategic Plan and Performance Report on FY13 Strategic Plan**

In our last edition, we announced the publication of the FY13 Strategic Plan Performance Report detailing the implementation of the [FY13 Strategic Plan](#) and the [FY14 Strategic Plan](#). Below please find highlights from those reports.

### **Bureau of Local Assessment**

For FY2013, 2012 Equalized Valuations (EQVs), as of January 1, 2012 were issued. BLA held three certification workshops in February and reviewed 106 communities for their triennial certification. In addition, we improved internal communication regarding the LA4, LA13 (New Growth) and Interim Year Adjustment. Both steps improved operations and the process was more efficient. This year, the bureau plans to track Interim Year Adjustment sales tracking and monitor status for both Growth and Sales. Combined with Certification Tracking, we can "centrally track" all BLA processes so that anyone in the bureau can check a status on the community. In the spring, BLA hosted three workshops across the state to provide local assessors with the tools and methodology for valuing Solar Photovoltaic (PV) systems for the purpose of local taxation or for negotiation of payment in lieu of taxes (PILOT) agreement. SOL Values were issued in July for January 2013. For FY14, we continue to review our operations to increase efficiency. We plan to revisit the legislation for the SOL review process, New Growth IGR's will be updated and we plan to actively communicate with assessors during the interim year review.

### **Bureau of Accounts (BOA)**

In FY13, the Bureau of Accounts certified 353 municipal tax rates and 63 special purpose districts throughout the

Commonwealth of Massachusetts. The Bureau also approved 350 balance sheets, with an aggregate general fund free cash of \$1,108,867,812. This is the first time in the history of the Commonwealth that free cash exceeded \$1B statewide. Other notable factors include 83 Regional School Districts had Excess and Deficiency approval for an aggregate of \$61,122,931; 319 Schedule A's approved; 672 State House Notes approved in the amount of \$396,476,594; and 15 emergency borrowings consistent with Chapter 44, section 31. BOA staff conducted numerous training and other presentations with stakeholders, including but not limited to municipal Treasurers, Collectors, Accountants, Auditors, etc. Staff researched a new approach to enhance transparency by disseminating the free cash calculation sheet during FY14. Finally, pro-active reviews regarding indirect costs with certain enterprise funds and cash reconciliation of specified municipalities were conducted in an effort to ensure compliance with Massachusetts municipal finance laws and regulations.

#### **Bureau of Municipal Finance Law**

The Bureau of Municipal Finance Law provides legal and policy support to DLS managers and professional staff and performs certain statutory obligations regarding municipal finance and tax administration. Its strategic goal is to assist DLS in developing and implementing uniform regulatory interpretations, policies and procedures and provide written guidance and training programs to explain them to both internal and external stakeholders. In FY13, we provided guidance by issuing 45 written advisory opinions, 9 Informational Guideline Releases (IGRs) and 4 Bulletins, responding to over 5000 phone calls and emails, providing 50 educational and training presentations sponsored by DLS and professional associations for local officials and hosting 10 legal and policy meetings with DLS managers and professional staff to resolve pending issues. We also worked on the first phase toward development of a searchable data base of advisory opinions, IGRs and Bulletins for the DLS website. In FY14, we will work with DLS IT on further development of the data base and on improvements to the Gateway Land of Low Value foreclosure application for treasurers. We will also provide Frequently Asked Questions (FAQs) to appear in *City and Town* and for eventual posting on the website and are leading a new initiative to cross train DLS staff through a series of "brown bag lunch" programs.

### **Information Technology**

In FY2013, the Information Technology section worked with other bureaus to enhance Gateway in four significant areas: Responding to external stakeholders by reformatting Schedule A on-line data entry forms, working with the Community Software Consortium to enable conversion of Excel Schedule A data to a XML format that can be uploaded to Gateway, adding Free Cash worksheets to public facing pages on the DLS website and to automatic approval notifications, and finally adding enhancing internal tracking to DLS operations for FOIA requests, upcoming meetings, and IT support. The DLS IT section also assisted the Community Software Consortium in pioneering affordable cloud computing applications for municipal finance.

In FY2104, the Information Technology section completed and released a new Certification tab module, consolidating all real and personal property assessment certification processes and information in one place. Design and programming priorities for the year include providing external user search of legal opinions, bulletins, and IGR's by keywords, topics, and other popular search criteria. Consolidation of the Assessors Training database with Local Official Directory entries will promote efficiencies at both state and local levels. DLS website improvements, based on stakeholder surveys, will be an immediate priority, and support of the Community Software Consortium in building out affordable cloud-based applications for cities and towns will continue through the year.

### **Municipal Data Management and Technical Assistance Bureau (MDM/TAB)**

During FY2013, MDM/TAB issued local aid estimates and distributed more than \$5.6 billion in local aid to cities, towns and regional and charter schools. Staff from the bureau also collaborated with Administration and Finance on a new general government local aid formula that was introduced in the Governor's FY2014 budget. The Databank section developed 27 new web-based reports that allow users to directly query the DLS' Gateway data and create their own comparative reports using various user-selected parameters. The bureau's Technical Assistance section also produced 15 financial management reviews that addressed issues such as government structure, financial planning and office procedures. Staff also met with and advised government study or charter commissions in several

communities.

On the horizon for FY2014, MDM/TAB plans to take a lead role in new limited-scope technical assistance reviews that will be offered by the Division later this year. These reviews will focus on a particular issue or financial office and bring together Division staff that can best address the issue at hand. On the local aid front, bureau staff will be distributing local aid every month rather than the previous quarterly schedule. The Division has also committed to fund extensive training for Databank staff that will enable them to create more new on-line reports and improve the reports that are currently available. Databank staff will also be developing an instructional video for the website that will give visitors a tutorial on how to access and create comparative data reports from our website.

## **Bureau of Accounts Announcements**

### **The FY2014 EXCEL Tax Rate Recap**

To all Assessors, Auditors, Accountants, Mayors and Selectmen, the Division of Local Services has released the FY2014 EXCEL Tax Rate Recap, related forms and instructions. This year's cover letter includes several important topics to consider when completing the FY2014 tax rate recap form. DLS encourages submission of applicable forms through the Gateway system. When submitting forms via Gateway, BOA and BLA suggest that forms be completed, printed, signed and filed locally (for audit purposes) as well. Forward to BOA or BLA only supporting documentation not entered into Gateway.

The EXCEL Recap, related forms and instructions can be found using the following link:

[Recap - Massachusetts Department of Revenue - Mass.Gov](#)

Gateway can be found using the following link: [Gateway](#)

### **Bulletin 2013-04B: "Sewer Rate Relief Fund - FY2014"**

The Sewer Rate Relief Fund operates under the provisions of Chapter 29 Section 2Z of the General Laws to mitigate escalating costs of sewer service in the Commonwealth. Applications must be submitted by October 11, 2013 as

indicated in the Bulletin. The bulletin can be found using the following link: [Sewer Rate Relief - FY2014](#)

### **The FY2013 EXCEL Schedule A**

To all Auditors and Accountants, the Division of Local Services has released the FY2013 EXCEL Schedule A, related forms and instructions. If you have not received information indicating that your community's FY2012 Schedule A has been approved, fund balance information on the EXCEL program will not be available. The downloadable program will be updated after the FY2012 Schedule A has been approved.

The Bureau of Accounts strongly encourages completion of the FY2013 Schedule A in Gateway. The form is substantially the same as in FY2012 and is due November 30, 2013. The EXCEL Schedule A, related forms and instructions can be found using the following link: [Schedule A](#)

Gateway can be found using the following link: [Gateway](#)

## **ANF Secretary Glen Shor and Somerville Mayor Joseph Curtatone Host Municipal Performance Management Discussion**

### **Executive Office of Administration and Finance**

On Tuesday, August 13th, Secretary of Administration and Finance Glen Shor joined Somerville Mayor Joseph Curtatone and local mayors and municipal managers from across the Commonwealth to discuss recent successes they have achieved both independently and as members of the Commonwealth's Municipal Performance Management Program (MPCM). The MPCM program, funded through Governor Patrick's Community Innovation Challenge (CIC) grant program, works to help municipalities save taxpayer dollars by using performance management strategies to reduce redundancies and implement new efficiencies.

"The Patrick Administration is committed to promoting results-oriented government, at the state and local levels," said Secretary Shor. "This innovative program is another example of how the state is providing communities with

performance management tools and techniques to help make municipal governments more efficient and transparent for taxpayers."

In 2012, Governor Patrick proposed and signed into law the creation of the Commonwealth Innovation Challenge (CIC) grant program to encourage and incentivize regionalization and other innovative government efficiency initiatives across the Commonwealth. In its first year, the CIC grant program provided \$4 million for regionalization and other initiatives that have improved effectiveness and efficiency in the delivery of local services. In FY13, the program provided \$2.25 million in funding for these grants. In FY14, the CIC grant program is funded at \$4 million.

The City of Somerville, which has been a leader in municipal performance management and data-driven analysis, hosted today's event.

"Using data to manage performance has allowed the City of Somerville to save millions of dollars on everything from capital projects to overtime pay," said Mayor Curtatone. "The SomerStat Department has discovered savings in how we manage inspections, ticketing, and our streetlights, to name a few examples. But there are other benefits too especially around improved customer service. Our parks are cleaner, potholes are filled faster, recycling rates are up, crime rates are down, and we feel that residents are happier as a result. In fact, we even measure resident wellbeing through data."

Successful results of municipal performance management are being realized in the City of Lowell. The City has established a number of financial improvements under this program, including the adoption of enterprise funds for water, wastewater, and parking departments; the consolidation of the finance department; the creation of stabilization funds; and the development of a capital improvement plan. Since 2011, these efforts have saved the City of Lowell over \$1.3 million dollars. In addition, the City recently signed a \$21.1 energy savings performance contract which is expected to produce annual energy savings of more than \$1.5 million over a 20-year period.

The Municipal Performance Management Program is being run by the Collins Center at University of Massachusetts at Boston. The Center works to develop unique performance

management programs called "Citi-Stat models." Collins Center analysts work with the municipalities to analyze relevant data to ensure that taxpayer dollars are spent as efficiently as possible.

Municipalities participating in the program include 10 towns and 14 cities, several of them Gateway cities. 1,131,543 residents, or 17% of the Commonwealth's population, live in municipalities participating in the program: Amesbury, Andover, Arlington, Braintree, Brookline, Cambridge, Chatham, Chicopee, Dartmouth, Greenfield, Holliston, Lowell, Medway, New Bedford, Northampton, Orange, Revere, Salem, Somerville, Westfield, Wilmington, Woburn, Worcester, Wrentham.

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| <b>August 1</b> | <b>Taxpayer</b>   | <p><b>Quarterly Tax Bills: Deadline for Paying 1st Quarterly Tax Bill Without Interest</b></p> <p>According to M.G.L. Ch. 59, Sec. 57C, this is the deadline for receipt of the 1st Quarter preliminary tax payment without interest, unless the preliminary bills were mailed after July 1. If mailed by August 1, the 1st Quarterly payment is due August 1, or 30 days after the bills were mailed, whichever is later, and the 2nd Quarterly payment is due November 1. If mailed after August 1, the preliminary tax is due as a single installment on November 1, or 30 days after the bills were mailed, whichever is later.</p> |
| <b>August 1</b> | <b>Taxpayer</b>   | <b>Annual Boat Excise Return Due</b>  |
| <b>August 1</b> | <b>Accountant</b> | <b>Notification of Total Receipts of Preceding</b>  |

|                  |                  |   |
|------------------|------------------|---|
|                  |                  | <p><b>Year</b></p> <p>The total actual local receipts (e.g., motor vehicle excise, fines, fees, water/sewer charges) of the previous fiscal year must be included on Schedule A of the Tax Rate Recapitulation Sheet (Recap) which is submitted by the Assessors to DOR. On the Recap, the Accountant certifies the previous fiscal year's actual revenues, and the Assessors use this information to project the next fiscal year's revenues. Any estimates of local receipts on the Recap that differ significantly from the previous year's actual receipts must be accompanied by documentation justifying the change in order to be approved by the Commissioner of Revenue.</p> |
| <b>August 10</b> | <b>Assessors</b> | <b>Deadline for Appealing EQVs to ATB (even numbered years only)</b>  |
| <b>August 10</b> | <b>Assessors</b> | <b>Deadline for Appealing SOL Valuations to ATB (every 4th year after 2005)</b>   |
| <b>August 15</b> | <b>Assessors</b> | <p><b>Deadline to Vote to Seek Approval for Authorization to Issue Optional Preliminary Tax Bills</b></p> <p>For semi-annual communities issuing optional preliminary property tax bills, the Assessors must vote to seek authorization to issue</p>  |

|                         |                         |  |
|-------------------------|-------------------------|--|
|                         |                         | <p>the bills from DOR by this date. After receiving approval, Assessors must submit a Pro-forma Tax Rate Recap Sheet to DOR for review and issue the tax bills by October 1.</p>   |
| <p><b>August 31</b></p> | <p><b>DOR/BOA</b></p>   | <p><b>Issue Instructions for Determining Local and District Tax Rates</b><br/> A copy of the Tax Rate Recap Sheet and its instructions are forwarded to the community.</p>   |
| <p><b>August 31</b></p> | <p><b>Assessors</b></p> | <p><b>Begin Work on Tax Rate Recapitulation Sheet (to set tax rate for semi-annual bills)</b><br/> Until the Tax Rate Recap Sheet is completed and certified by the Commissioner of Revenue, the community may not set a tax rate nor send out its property tax bills (unless it issues preliminary quarterly tax bills or requests from DOR the authority to send out preliminary tax notices if DOR requirements are met). Communities should begin gathering the information in enough time for the tax rate to be set and tax bills mailed by October 1. The Tax Rate Recap Sheet provides Mayors or Selectmen with a ready-made financial management tool because the town's most important financial management information is summarized on this form. The Mayor or</p> |

Selectmen should review the Recap Sheet in preliminary form in order to understand the following financial information:

**Page 1 (Tax Rate Summary)**

The proposed tax levy should be compared to the levy limit. If a community does not levy to its limit, the remaining levy is referred to as excess levy capacity. Excess levy capacity is lost to the community for the current fiscal year although it will always remain in the levy limit calculation.

**Page 2 (Amount To Be Raised)**

This section includes appropriations and other local expenditures not appropriated. These include overlay deficits, revenue deficits, state and county charges, Cherry Sheet offset items, and the allowance for abatements and exemptions. By comparing this information to the prior year(s), any significant changes can be determined.

**Page 2 (Estimated Receipts & Revenues From Other Sources)**

In particular, Section C shows the amount appropriated from free cash and other available funds. By comparing the amounts appropriated to the balances

in these accounts (available from the Accountant/Auditor), the Mayor or Selectmen can get a sense of how their non-property tax revenues are being used.

**Page 3, Schedule A (Local Receipts Not Allocated)**

By comparing these figures to prior year(s), the Mayor or Selectmen can determine any changes in these revenues.

**Page 4, Schedule B (Certification of Appropriations and Source of Funding)**

This section includes financial votes of City/Town Council or Town Meeting not previously reported on last year's recap.

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