



The TOWN OF NORWOOD

Commonwealth of Massachusetts

FINANCE COMMISSION

ANNE MARIE HALEY
CHAIR

ROBERT G. DONNELLY
VICE-CHAIR

JUDITH A. LANGONE

KELLIE NOUMI

ALAN D. SLATER

FINANCE COMMISSION MEETING

Thursday, May 14, 2020 at 4:00pm

This meeting will be conducted digitally using GoToMeeting. Directions explaining how to join the meeting can be found on page two of this agenda.

A G E N D A

- Acceptance of minutes from Thursday, April 23, 2020 meeting
- Report on Covid-19 spending General Government for all departments outstanding and paid
- Discussion of spending and reimbursement procedures under the emergency
- Discussion of Norwood Funds: amounts that have been donated and what has been spent/dispersed
- Revolving Funds General Government: identify all funds and income and expenses
- Grants General Government: identify all grants in all General Government departments. Explain how it is used, funds received, start and end date
- Revenues to date/anticipated shortfalls
- Discussion of DLS Bulletins 4,5, 6 and other pertaining to present budget and 2021
- Discussion of News Articles
- Budget Discussion and Approval
 - Revenues
 - Spending in 2021
- Warrant Changes/Motions
- Policy Compliance Pages in Budget Book
- FINCOM Budget Book Letter
- Reserve Fund Transfer
- Other Business

RECEIVED
TOWN OF NORWOOD
MAY 11 2020

FISCAL 2020 RESERVE FUND ACTIVITY

Reserve Fund ATM Appropriation:

\$125,000

The Commission reserves the right to consider items on the agenda out of order. This listing of matters contains those items reasonably anticipated by the Chairman which may be discussed at the meeting at least 48 hours prior to the meeting. Not all items listed may in fact be discussed and other items not listed may also be brought up for discussion to the extent permitted by law.

Here is additional information about how to attend the meeting using GoToMeeting

Finance Commission Meeting (Will Be Recorded)
Thu, May 14, 2020 4:00 PM - 8:00 PM (EDT)

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FINANCE COMMISSION MEETING
Thursday, April 23, 2020
MINUTES OF MEETING - DRAFT

A meeting of the Finance Commission was held at 4:00 pm digitally using GoToMeeting.

Attending the meeting were Anne Haley, Chair, Robert Donnelly, Vice Chair, members Judy Langone, Kellie Noumi and Alan Slater, supported by Tom McQuaid, Clerk to the Finance Commission and Molly Ahearn, Assistant Town Accountant.

Michelle Resendes, Business Manager at Blue Hills Regional Vocational Technical School presented the FY21 budget highlighting goals and detailing major changes in both salary and expense accounts. Ms. Resendes explained the statutory method of calculating assessments to each member municipality including key factors such as enrollment changes. The presentation also included a fact sheet specific to Norwood's assessment and enrollment history. Mr. Slater commented on the significant increase in enrollment of Norwood students at Blue Hills and proposed that one factor was the uncertainty surrounding the override vote last year. Ms. Resendes provided an update on the Blue Hills renovation project at Vice Chair Donnelly's request. She explained that costs have increased over the course of the project, but it is anticipated to be completed before school opens in September 2021.

Mr. McQuaid noted that state charges and assessments have been added to the FY21 budget since the last Budget Balancing Committee meeting. This was a geographical move only as previously these costs were listed below the budgets on the Tax Recap Sheet for Town Meeting.

Dr. David Thomson, Superintendent of Schools presented the FY21 School Budget focusing on major budget drivers. These include English Language Learner (ELL) and Special Education (SPED) mandates that require new positions and resources, as well as an increase in out of district placements and new requirements under the Student Opportunities Act. The Commission asked Dr. Thomson what practices the School Department put in place during the COVID-19 crisis. He explained that there has been an increase in IT training for teachers and staff in order to shift to remote learning. The Commission also asked Dr. Thomson if the School Department has given any thought to redistricting because of new housing developments. Dr. Thomson stated that it has been brought up, but will need to be studied over the course of a school year. Mrs. Langone asked about the budget items that are in addition to the 3.5% maximum budget increase as stated in the Override MOU. Karin Sheridan, Director of Finance and Operations, outlined the additional funding sources.

Mr. McQuaid explained the efforts that were taken to defend the FY21 budget against possible effects of the COVID-19 crisis. These measures included decreasing the percent of FY19 actuals used for revenue estimates from 92% to 90%; not utilizing Free Cash to fund capital items; and delaying the decision on the majority of capital projects until the Fall. Commissioners inquired about the new benefitted positions in the town-wide facilities shared costs budget. Mr. Mazzucco pointed out that this new department has been in the planning stages for the past few years and confirmed that the budget could absorb these additional costs.

Vice Chair Donnelly presented a draft Memorandum of Understanding (MOU) related to Out-of-District Spending in excess of the 3.5% target. This proposed agreement between the School Committee and the Finance Commission is the first step to starting a conversation on establishing a SPED Stabilization Fund. On a motion from Ms. Noumi, seconded by Mr. Slater, the Commission **voted unanimously**, through a roll-call vote, to accept this Memorandum of Understanding.

Mr. Mazzucco addressed the potential short and long term possible implications of the current COVID-19 crisis in relation to the Town's budget. He then presented the General Government budget, highlighting significant changes from Fiscal 2020. The large increase in Information Technology is primarily due to annual maintenance costs of software. When we made the decision to move to commercial software, we assumed an ongoing annual maintenance cost.

An increase in the number of elections during in Fiscal 2021, combined with a large increase in early voting, increased the Elections and Registration budget. The increase to Community Development is a result of one part time benefitted position becoming full time in order to meet the increased need for project oversight and new grant opportunities. Mr. Mazzucco explained that the department is understaffed for the increasing workload.

We also added Department 198 to replace what has traditionally been referred to as Article 1 in the budget. This budget item is an approximation of the funds needed to meet obligations of unsettled union contracts. Commissioners focused on training and professional development accounts throughout the Town's pointing out that there was some backlash from the public about sending so many employees to the International City Managers Association (ICMA) annual meeting in Nashville, TN. Mr. Mazzucco noted that this was a change for Norwood as he believes strongly in professional development and education. Managers have to be exposed to best practices before they can be implemented.

Mr. Mazzucco reviewed the Public Safety budget and noted no significant staffing changes except for the building itself which continues to be a cost driver. Mr. Slater inquired about the Emergency Management lines given the current COVID-19 situation and Mr. Mazzucco acknowledged that this amount will always be an unknown until circumstances arrive. He is comfortable with this budget amount.

Mr. Mazzucco presented the Public Works budget and pointed out the major change was moving costs for Water and Sewer into separate departments as the Town moves towards more enterprise-like accounting practices. The increased funding for road construction continues in the

FY21 budget and the line for waste collection and disposal increased due to increased recycling costs.

In the Council on Aging budget, Mr. Mazzucco introduced a pilot program in which the Town plans to purchase a sedan as part of the Capital Plan, offering transportation to appointments. In part, this will be funded by reductions in the Transfare Program.

Mr. Mazzucco noted that the budget for the Reserve Fund increased in an effort towards moving towards the goal of our new Financial Policies.

The line for purchase power in the Light Department budget shows a significant decrease but Mr. Mazzucco explained that this change is not necessarily indicative of a savings as it is a projection of less power being purchased by the Town.

Chair Haley decided to postpone the Finance Commission's vote on the FY21 Budget until after the Board of Selectmen has voted. Commissioners were encouraged to send feedback, edits and comments on the budget to Mr. McQuaid and Mr. Mazzucco.

Mr. Mazzucco explained that all items in Capital Outlay have been delayed until the Fall Special Town Meeting except for the following items which need an appropriation at the Annual Town Meeting. These projects include authorization for MWRA interest-free borrowing, replacement of SPED vans and a few IT projects such as VOIP. Dr. Thomson explained that the School Department is already short one van in the pool and ordering the vans over the summer will help ensure a delivery date closer to the start of the school year. Teresa Stewart, School Committee Chair noted that the request for vans dropped from 6 to 4 as a result of the current COVID-19 situation and was a more conservative request. The Capital Outlay Committee and School Committee voted on the six-year Capital Outlay plan. The Finance Commission usually waits until the Board of Selectmen take a position before it votes.

The Commission agreed that the Reserve Fund Transfer agenda items will be pushed to a later meeting.

Vice Chair Donnelly requested an amendment to the minutes from March 2, 2020, correcting a typographical error. On a motion to accept from Ms. Noumi, seconded by Mrs. Langone, the amended minutes from March 2, 2020 were ***approved unanimously*** through a roll-call vote.

On a motion from Mr. Slater, seconded by Vice Chair Donnelly, the Commission ***voted unanimously*** through a roll-call vote to adjourn the meeting at 7:36 pm.

A True Copy

Attest: _____
Thomas J. McQuaid, Clerk

TOWN OF NORWOOD
EMERGENCY FUNDS
AS OF MAY 11, 2020

	SCHOOLS (FUND 2113)				GENERAL GOVERNMENT (FUND 5070)				NORWOOD FUND (FUND 4263)			
Revenues												\$ 70,835.00
Category:	<u>Salary</u>	<u>Expended</u>	<u>Encumbered</u>	<u>Total</u>	<u>Salary</u>	<u>Expended</u>	<u>Encumbered</u>	<u>Total</u>	<u>Salary</u>	<u>Expended</u>	<u>Encumbered</u>	<u>Total</u>
Extended Day	\$ 59,375.95			\$ 59,375.95								
Technology		\$ 25,148.55		25,148.55	\$ 2,587.46	25,662.12		28,249.58				
Cleaning / Disinfecting			\$ 2,840.90	2,840.90				-				
Food Distribution								-	\$ 1,244.02			\$ 1,244.02
Elections					11,424.57			11,424.57				
Disinfecting					22,851.58			22,851.58				
Food Security					12,976.00			12,976.00				
Infrastructure					6,290.00	2,000.00		8,290.00				
Meal Reimbursement					4,977.26			4,977.26				
Rentals					4,973.76	5,086.91		10,060.67				
PPE / Safety					13,867.89	28,044.02		41,911.91				
Total	\$ 59,375.95	\$ 25,148.55	\$ 2,840.90	\$ 87,365.40	\$ -	\$ 79,948.52	\$ 60,793.05	\$ 140,741.57	\$ -	\$ 1,244.02	\$ -	\$ 1,244.02

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Bulletin

BUL-2020-01

Emergency Expenditures and Borrowing

TO: Local Officials
FROM: Marie Jane Handy, Director of Accounts
DATE: March 20, 2020
SUBJECT: **Emergency Expenditures Related to COVID-19 under G.L. c. 44, § 31 and
Emergency Short-term Borrowing under G.L. c. 44, § 8(9)**

This Bulletin provides guidance to local officials on emergency expenditures related to COVID-19 under G.L. c. 44, § 31. The provisions of G.L. c. 44, § 31 apply to cities, towns and special purpose districts as defined under G.L. c. 44, § 1, but do not apply to regional school districts.

Note – Legislation is pending which may affect the information contained in this Bulletin. If such legislation is approved, the Director will issue further guidance.

I. Emergency Liabilities in Excess of Appropriation

Under G.L. c. 44, § 31, no department financed by municipal revenue, or in whole or in part by taxation, of any city, town or special purpose district, except Boston, may incur liabilities in excess of appropriation "except in cases of major disaster, including, but not limited to, flood, drought, fire, hurricane, earthquake, storm or other catastrophe, whether natural or otherwise, which poses an immediate threat to the health or safety of persons or property, and then only upon a declaration by the governor of a state of emergency with respect to the disaster" On March 10, 2020, the Governor declared a state of emergency with regard to COVID-19. As a result, cities, towns and special purpose districts may expend from any available funds in the treasury in relation to the emergency without an appropriation by following the procedure described below.

II. Payment of Liabilities After Director's Approval

Emergency liabilities in excess of appropriation may only be paid after written approval by the Director of Accounts (Director) of the Division of Local Services (DLS). Requests for written approval must be made by the entity's chief executive officer (CEO). Under G.L. c. 4, § 7, clause Fifth B, the CEO is the mayor in a city and the selectboard in a town unless some other municipal office is designated to be the chief executive officer under the provisions of a local charter. In a district, the prudential committee, if any, otherwise the commissioners shall act as the CEO. The request must include the following:

- a spending estimate to address the emergency situation
- a description of the types of expenditures anticipated to be made.

Payments may be made from any available funds in the treasury. The Director's written payment authorization will deem these expenditures to be legal overdrafts. The spending estimate may be increased upon approval by the Director, if needed. The Director's approval provides immediate spending authority until other financing sources, such as emergency borrowing or appropriations from available funds, can be put in place to cover the spending.

Even if the entity intends to emergency borrow as will be shown in this Bulletin, the Director's payment approval is still necessary so as to not negatively affect the calculation of free cash.

III. Allowable and Non-Allowable Liabilities

Allowable liabilities in excess of appropriation which may be incurred include personnel costs, overtime and other costs associated with the emergency, including but not limited to, costs related to extraordinary cleaning of public buildings, maintaining the health and safety of employees or the public, including the purchase of personal protective supplies and equipment, and costs to implement remote participation of local boards or committees in meetings under the Open Meeting Law as described in the Governor's Order dated March 12, 2020 – Order Suspending Certain Provisions of the Open Meeting Law, G.L. c. 30A, § 20.

IV. Accounting for Expenditures

After receiving the Director's written payment authorization, the local accounting officer may either:

- establish a COVID-19 emergency account to charge expenditures (recommended); or
- charge any applicable existing account(s). If this option is chosen, by fiscal year end, the Director's authorized payments may be transferred by the local accounting official without appropriation to a COVID-19 emergency account as indicated above. If a sufficient balance remains in the account(s) as of June 30, such a transfer may be deemed unnecessary.

V. Providing for an Emergency Account Deficit

An emergency account deficit may be provided for in the current fiscal year's Tax Rate Recap, with or without appropriation from the tax levy, if the tax rate has not yet been set. Otherwise, the deficit must be provided for in the next fiscal year's Tax Rate Recap unless otherwise indicated by the Director. Additional options include:

- appropriating from certified free cash or other allowable available funds;
- transferring under G.L. c. 44, § 33B;
- applying applicable insurance reimbursements;
- borrowing short or long term under G.L. c. 44, § 8(9), and/or G.L. c. 44, § 8(9a), the proceeds from which must be received prior to tax rate certification for the deficit to be deemed provided for

VI. Reporting of Expenditures

Emergency payments as of June 30th which have not been provided for are reported by the accounting officer or treasurer to the board of assessors to include in the next annual Tax Rate Recap unless otherwise provided for, so long as any proceedings brought under G.L. c. 40, § 53 regarding restraint of illegal appropriations are terminated.

VII. Emergency Short-term Emergency Borrowing under G.L. c. 44, § 8(9)

Cities, towns and special purpose districts may borrow through short-term notes to fund emergency payments approved by the Director under G.L. c. 44, § 31 for a period not more than 2 years or such longer period up to 10 years as the Director shall determine after considering the ability of the city, town or district to provide other essential public services and pay, when due, the principal and interest on its debts, the amount of federal and state payments likely to be received for the purpose of the appropriations and such other factors as the Director may deem necessary or advisable.

To use this short-term emergency borrowing option, the municipality or district must (1) authorize the borrowing and (2) obtain the approval of the borrowing from the Director. The borrowing may be authorized (1) in the regular manner by two-thirds vote of the municipality or district's legislative body, and in a city with the approval of the mayor if required by charter, or (2) under an expedited procedure authorized by the treasurer of the city, town or district, with the approval of the chief executive officer in a city or town, or the prudential committee, if any, or by the commissioners in a district.

Short-term borrowing may be paid down at maturity by applying without appropriation any FEMA or similar reimbursements received regarding the emergency expenditures or insurance reimbursements received regarding the emergency expenditures less than \$150,000 with approval of the chief executive officer under G.L. c. 44, § 53.

For purposes of 8(9), emergency means:

“a sudden, unavoidable event or series of events which could not reasonably have been foreseen or anticipated at the time of submission of the annual budget for approval; provided, further, that emergency shall not include the funding of collective bargaining agreements or items that were previously disapproved by the appropriating authority for the fiscal year in which the borrowing is sought;”

For more information on this borrowing option, please contact Bill Arrigal in the DLS Public Finance Section at (617) 626-2399 email: arrigal@dor.state.ma.us. For other questions regarding this Bulletin, please contact your Bureau of Accounts field representative.



Bulletin

BUL-2020-02

An Act to Address Challenges Faced by Municipalities and State Authorities Resulting From COVID-19

TO: Local Officials
FROM: Patricia Hunt, Chief, Bureau of Municipal Finance Law
DATE: April 3, 2020
SUBJECT: **An Act to Address Challenges Faced by Municipalities and State Authorities Resulting From COVID-19**

This Bulletin provides guidance to local officials regarding changes in municipal finance laws included in [An Act to Address Challenges Faced by Municipalities and State Authorities Resulting From COVID-19, Chapter 53 of the Acts of 2020](#), (the Act). Unless otherwise noted below, these changes became effective on April 3, 2020, upon Governor Baker's signing the Act into law.

I. Town Meeting Delays

A. Power of Boards of Selectmen and Town Councils to Delay Annual Town Meeting

Section 1 of the Act - Before its amendment, [G.L. c. 39, § 9](#) provided that an annual town meeting must take place during the months of February, March, April, May or June; however, a board of selectmen or town council, by vote, could delay the annual town meeting as long as the town meeting completed its business on or before June 30th. Section 1 adds the following exception to the June 30th deadline "in the event of an emergency that poses an immediate threat to the health or safety of persons or property that prevents the completion of the business of the delayed town meeting on or before June 30 if the governor has declared a state of emergency with respect to such emergency."

This exception is available, if necessary, to towns that must delay their town meetings beyond June 30, 2020 due to the COVID-19 outbreak and the declaration of a state of emergency by the governor. Towns are advised to consult with their local counsel regarding the form of vote. See Section I-B of this Bulletin for recess and continuation of town meetings by a town moderator where the town meeting warrant has already been issued.

B. Power of Moderator to Continue Scheduled Town Meetings in Event of Public Health Emergency (Application to Districts)

Sections 2 through 4 of the Act - These sections amend [G.L. c. 39, § 10A](#) by adding “public health” emergencies as a reason for a moderator to recess and continue town meetings already scheduled by warrant. Prior to the amendment, section 10A applied to weather-related and public safety emergencies. Under the amended section 10A, during and for a period of five days after a weather-related, public safety or public health emergency, a town moderator may, in consultation with public safety or public health officials and the board of selectmen, declare a recess and continuance of the town meeting to another time, date and place certain; however, the continuance is limited to a period of 30 days. There are notice, posting and other requirements regarding the time, date and place of the recessed and continued meeting. Additionally, within 10 days after the initial declaration by the moderator of recess and continuance, a local public safety or public health official designated by the board of selectmen must submit a report to the Attorney General providing the justification for the moderation’s continuance.

These amendments also clarify that a moderator may invoke section 10A more than once to recess and continue a town meeting during the same emergency; however, each continuance period must not exceed 30 days and the moderator may not continue the meeting more than 30 days after the rescission of the declaration of emergency by the governor. Additionally, if a town does not have a moderator, the board of selectmen may recess and continue the town meeting under the amended section 10A.

Under [G.L. c. 41, § 119](#) and [c. 48, § 66](#) (fire districts only), the moderator of a district meeting has the powers of a moderator of a town meeting. As a result, a district moderator may recess and continue scheduled district meetings under [G.L. c. 39, § 10A](#). For purposes of section 119, a district means a fire, water, sewer, water pollution abatement, refuse disposal, light, or improvement district, or any other district formed for the purpose of carrying out any of these functions, whether established under general law or special act. [G.L. c. 41, § 1A](#).

Because several town moderators had already invoked Section 10A to recess and continue a scheduled town meeting due to the outbreak of COVID-19, the amendments to section 10A were made retroactive to March 10, 2020. (See Section 19 of the Act.)

II. Emergency Liabilities in Excess of Appropriation if the COVID-19 Emergency Prevents the Adoption of an Annual Budget

Section 5 of the Act - Under [G.L. c. 44, § 31](#), no department financed by municipal revenue, or in whole or in part by taxation, of any city, town or special purpose district, except Boston, may incur liabilities in excess of appropriation “except in cases of major disaster, including, but not limited to, flood, drought, fire, hurricane, earthquake, storm or other catastrophe, whether natural or otherwise, which poses an immediate threat to the health or safety of persons or property, and then only upon a declaration by the governor of a state of emergency with respect to the disaster” On March 10, 2020, the Governor declared a state of emergency regarding COVID-19. As a result, cities, towns and special purpose districts may, with the approval of the Director of Accounts (director) of the Division of Local Services (DLS), expend from any available funds in the treasury in relation to the emergency without an appropriation by following the procedure described in [Bulletin 2020-1](#).

Section 5 amends [G.L. c. 44, § 31](#) by inserting the following:

If the declared emergency prevents the adoption of an annual budget by a town or district by the June 30 preceding the start of the fiscal year, the board of selectmen, town council or district commissioners shall notify the director and the director may approve expenditures, from any appropriate fund or account, of an amount sufficient for the operations of the town or district during the month of July not less than 1/12 of the total budget approved by the town or district in the most recent fiscal year pursuant to a plan approved by the board of selectmen, town council or district commissioners and such authority shall continue for each successive month while the emergency continues to prevent the adoption of a budget. The director may promulgate and revise rules or regulations regarding the approval of emergency expenditures described in this section and accounting with regard to such expenditures.

This amendment will allow deficit spending, with the approval of the director, on a month-to-month basis in fiscal year 2021 if the town or district was prevented from adopting a budget for fiscal year 2021 due to Governor Baker's Declaration of Emergency issued on March 10, 2020. Additional guidance will be issued by the director, like that contained in [Bulletin 2020-01](#), that will explain the procedure to follow to obtain the director's approval to deficit spend under this provision.

III. Director's Authority to Allow Appropriations after June 30, 2020 from Free Cash Certified as of July 1, 2019

Section 6 of the Act provides:

"...[I]f the adoption of an annual budget in a city, town or district is delayed beyond June 30, 2020, as a result of the governor's March 10, 2020 declaration of a state of emergency or the outbreak of the 2019 novel coronavirus, also known as COVID-19, the director of accounts of the department of revenue may authorize the appropriation from the available balance of the city's, town's or district's undesignated fund balance or "free cash" certified by the director under section 23 of chapter 59 of the General Laws as of July 1, 2019, as a funding source for the city's, town's or district's fiscal year 2021 expenditures, including, but not limited to any such undesignated fund balance in an enterprise fund or special revenue account...."

Ordinarily, under [G.L. c. 59, § 23](#), appropriations from certified free cash may only be made until the June 30th following its July 1 certification date. As a result, free cash certified by the director as of July 1, 2019 is available for appropriation only up to and including June 30, 2020. This section allows the director to authorize the appropriation from free cash certified as of July 1, 2019 after June 30, 2020 where the city, town or district has been prevented from adopting its FY 2021 annual budget by June 30, 2020 due to the Governor's March 10, 2020 declaration of a state of emergency or the outbreak of the 2019 novel coronavirus. Once a city, town or district can meet and adopt its FY 2021 budget, this section will allow the director to permit appropriations from free cash certified as of July 1, 2019 as a funding source for its FY 2021 expenditures. Pursuant to Section 6, the director will issue additional guidance regarding the implementation of this provision.

IV. Amortization of Deficit Resulting from COVID-19 Over a Three-year Period

Section 7 of the Act - Under [G.L. c. 44, § 31](#), deficit expenditures not otherwise provided for must be funded in full when setting the tax rate for the next fiscal year. Section 7 of the Act permits the amortization over a three-year period of the amount of a city, town or district's fiscal year 2020 deficit resulting from the outbreak of the 2019 novel coronavirus also known as COVID-19, as described in the governor's March 10, 2020 declaration of a state of emergency. This applies to both expenditure deficits and revenue deficits related to the emergency. Examples of revenue deficits that could result from the emergency are reduced meals tax and room occupancy revenues. This legislation is similar to [St. 2015, c. 10, § 58](#) which, due to the extreme snow removal costs incurred the previous winter, permitted amortization of snow and ice expenditure deficits over three years. Again, the director will issue additional guidance on the implementation of this section.

V. Continuation of Expenditure Authorization for Departmental Revolving Funds under [G.L. c. 44, § 53 E ½](#) in FY 2021

Section 8 of the Act - Under [G.L. c. 44, § 53 E ½](#), a city or town may authorize by bylaw or ordinance one or more revolving funds and must annually before July 1 vote the limit on the total amount that may be expended from each revolving account. Section 8 of the Act allows the continued expenditure in FY 2021 from these departmental revolving funds at the same level of expenditure authorized by the city or town for FY 2020 until the city or town adopts its FY 2021 annual budget at which time the legislative body of the city or town must adopt the FY 2021 expenditure limits for each departmental revolving fund.

VI. Suspension of Time Period for Cities and Towns to Exercise Right of First Refusal to Purchase Lands Classified under G.L. c. 61, 61A and 61B

Section 9 of the Act - Section 9 suspends the time periods that require a city or town to "act, respond, effectuate or exercise an option to purchase" under [G.L. c. 61, § 8](#), [c. 61A, § 14](#) and [c. 61B, § 9](#). The suspension is during and for a period of 90 days after the termination of the governor's March 10, 2020 declaration of a state of emergency. If a city or town receives notice of intent to convert or sell classified land during this period, we advise that local counsel be contacted for advice.

VII. Due Dates of Real and Personal Property Tax Bills and Applications for Exemptions and Waiver of Interest on Certain Late Payments

Sections 10 and 11 of the Act include several provisions regarding local tax bills.

A. Local Option to extend the Due Dates of Property Tax Bills

Sections 10(a)(i-iii) include a local option to extend the due dates of property tax bills under [G.L. c. 59, §§ 57](#) and [57C](#) from April 1, 2020 (for semi-annual billing communities with annual

preliminary bills) or May 1, 2020 to a date not later than June 1, 2020. This local option applies to semi-annual tax billing communities and quarterly tax billing communities. The local option is exercised by the chief executive officer of a city, town or district. The chief executive officer is a mayor in a city and the board of selectmen in a town unless some other municipal office is designated to be the chief executive officer under the provisions of a local charter. In a district, the chief executive officer is the prudential committee or commissioners.

B. Local Option to Extend the Due Date for Exemption and Deferral Applications

Section 10(a)(iv) includes a local option to extend the due date under [G.L. c. 59, § 59](#) for applications for exemptions from April 1, 2020 to a date not later than June 1, 2020. This due date extension, if exercised, will automatically apply to deferrals under [G.L. c. 59, § 5\[18A\] and \[41A\]](#), residential exemptions under [G.L. c. 59, § 5C](#) and small commercial exemptions under [G.L. c. 59, § 5I](#). This second local option is exercised in the same manner described in Section VII-A of this Bulletin.

C. Local Option to Waive Interest on Certain Payments Made After Due Dates

Section 11 includes a local option to waive interest and other penalty for late payment of any excise, tax, betterment assessment or apportionment thereof, water rate or annual sewer use or other charge added to a tax for any payments with a due date on or after March 10, 2020 where payment is made after its respective due date but before June 30, 2020. This third local option is also exercised in the same manner described in Section VII-A of this Bulletin.

This section allows the waiver of interest and penalties regarding late payments of bills with a due date of March 10, 2020 or after, when such bills are paid late but paid on or before June 30, 2020. This section does not permit waiver of interest and penalties regarding bills with due dates before March 10, 2020 or if the bill is not paid by June 30, 2020.

Section 11 also provides that a city or town shall not terminate an essential service of a resident, including but not limited to, water, trash collection or electricity, for nonpayment of taxes or fees with due dates on or after March 10, 2020 if paid on or before June 30, 2020, if the inability to pay resulted from circumstances related to the outbreak of COVID-19 or the governor's March 10, 2020 declaration of a state of emergency.

D. Clarification of Due Dates When Municipal Office is Closed Due to COVID-19

Section 10(b) - Under [G.L. c. 59, §§ 57, 57C](#) and [59](#), there is an automatic extension of due dates for tax payments and applications for exemptions when a municipal office is closed for a weather-related or other public safety emergency until the next day that the municipal office is open. Section 10(b) of the Act clarifies that these automatic extensions do not apply if municipal offices are closed as a result of the outbreak of the 2019 novel coronavirus or the declaration of a state of emergency issued by the governor on March 10, 2020 and that due dates shall only be extended by the exercise of the local options described in Sections VII- A and B of this Bulletin.

E. Notice to Taxpayers

Tax bills (with due dates of April 1, 2020 or May 1, 2020) should have already been mailed in the formats described in [IGR 2019-1](#), [IGR 2019-2](#), [IGR 2019-3](#) or [IGR 2019-4](#), as applicable. Where

tax bills have been mailed, the attached Notice must be sent to taxpayers by separate mailing if any of the local options described above are exercised. If a city or town has not adopted all three local options or June 1, 2020 due dates, the attached Notice must be amended, as appropriate, by the city or town to reflect its exercised options.

If the tax bills have not been mailed and any of the above local options are exercised, the format and content of the tax bills themselves should not be changed. Instead, tax bills should be issued in the form described in [IGR 2019-1](#), [IGR 2019-2](#), [IGR 2019-3](#) and [IGR 2019-4](#), as applicable, and the mailing must include the attached Notice (worded to reflect the local options and due dates approved by the city/town) in the same mailing as the tax bill. (See Sections IV-B-1 of [IGR 2019-1](#), [IGR 2019-2](#) and [IGR 2019-3](#) and Section V-B-1 of [IGR 2019-4](#) for insertion by collector of tax billing information in same envelope as a tax bill.)

VIII. Waiver for Hours Worked and Earnings Received During State of Emergency Regarding Services Performed by Certain Retirees Under [G.L. c. 32](#)

Section 14 of the Act includes a waiver for hours worked and earnings received by certain retirees during the state of emergency. Cities and towns are advised to contact the Public Employee Retirement Administration Commission (PERAC) for more information regarding this section.

IX. Other Provisions of the Act

The Act also includes other non-finance provisions related to cities and towns, including **Section 17** regarding the suspension of certain deadlines affecting local permits and local permitting authorities. Cities and towns are advised to review the Act with their local counsel.

SAMPLE NOTICE TO TAXPAYERS
TO BE INCLUDED WITH TAX BILL OR SEPARATELY MAILED
(Samples should not be used without the advice of municipal counsel.)

Town/City of _____

Important information Regarding Your Tax Bill

Under "An Act to Address Challenges Faced by Municipalities and State Authorities Resulting From COVID-19," Chapter 53 of the Acts of 2020, the town/city has adopted local options to extend due dates for real and personal property tax payments and applications for exemptions and a waiver of interest on certain municipal tax and other bills paid by June 30, 2020. See below.

1. **The due date of your real and personal property tax bill has been extended to June 1, 2020.** June 1, 2020 is the new due date even if the due date for payment on your enclosed or previously mailed tax bill is April 1, 2020 or May 1, 2020.
2. **The due date for applications for property tax exemptions has also been extended to June 1, 2020.** June 1, 2020 is the new due date even if the due date for applications on your enclosed or previously mailed tax bill is April 1, 2020.

This extension applies to applications for the exemptions listed in the third paragraph of G.L. c. 59, § 59, including exemptions under clauses 17, 17C, 17C1/2 and 17D (seniors, surviving spouses, minor children of deceased parent); 18 (financial hardship – activated military, age and infirmity); 22, 22A, 22B, 22C, 22D, 22E, 22F and 22H (veterans, surviving spouses and surviving parents); 37 and 37A (blind persons); 41, 41B, 41C and 41C1/2 (seniors); 42 and 43 (surviving spouse and minor children of firefighter/police officer killed in line of duty); 52 (certain eligible seniors); 53 (certain eligible properties with septic systems); 56 (National Guard and reservists on active duty in foreign countries); and 57 (local option tax rebates). This extension also automatically applies to applications for residential exemptions under G.L. c. 59, § 5C, for small commercial exemptions under G.L. c. 59, § 5I and for deferrals under G.L. c. 59, § 5, clauses 41A (seniors) and 18A (poverty or financial hardship due to change to active military).

3. The town/city has also voted to waive interest and other penalty for late payment of any excise, tax, betterment assessment or apportionment thereof, water rate or annual sewer use or other charge added to a tax for any payments with a due date on or after March 10, 2020 where payment is made late but before June 30, 2020. This applies to late payments of bills that have a due date of March 10, 2020 or after, when such bills are paid late but paid on or before June 30. This waiver of interest does not apply to bills with due dates before March 10, 2020 or if the bill is not paid by June 30.

NOTE - If the municipal offices are closed on the June 1, 2020 extended due date for tax payments or filing of exemption applications as a result of the outbreak of the 2019 novel coronavirus or the declaration of a state of emergency issued by the governor on March 10, 2020, the due dates for tax payments and applications for exemptions are not extended – they will be due on June 1, 2020 even if the municipal offices are closed. (See section 10(b) of the Act.)

[City/town should add information on how/where to make tax payments and file applications for exemptions, for example, by mail, through an on-line payment system or dropping payment into a lockbox (with the location). The city/town should also provide a telephone number where questions to local officials can be directed and the address of any relevant website information.]



Bulletin

BUL-2020-03

Addendum to Bulletin 2020-2

TO: Local Officials
FROM: Sean Cronin, Senior Deputy Commissioner for Local Services
DATE: April 7, 2020
SUBJECT: Addendum to Bulletin 2020-2

Please be advised that in lieu of the notice to taxpayers described in Section VII-E of Bulletin 2020-2, cities and towns may provide notice to taxpayers of local options accepted, including the extension of due dates for real and personal property tax bills and due dates for applications for exemptions in the following manner: by posting the notice attached to Bulletin 2020-2 in a prominent location on the city/town's website, by posting information on official municipal social media accounts, and by utilizing technologies such as "reverse-911" and other push notification systems.



Bulletin

BUL-2020-04

An Act to Address Challenges Faced by Municipalities and State Authorities Resulting From COVID-19

TO: Local Officials
FROM: Mary Jane Handy, Director of Accounts
DATE: May 2020
SUBJECT: **Appropriation of July 1, 2019 Certified Free Cash and Retained Earnings
After June 30, 2020**

This Bulletin provides guidance to local officials regarding the procedures for the appropriation of free cash and retained earnings after June 30, 2020 as authorized by section 6 of [An Act to Address Challenges Faced by Municipalities and State Authorities Resulting From COVID-19, Chapter 53 of the Acts of 2020](#), (the Act). Section 6 provides an option for cities, towns and districts to appropriate from July 1, 2019 certified free cash and retained earnings after June 30, 2020 "as a funding source for the city's, town's or district's fiscal year 2021 expenditures" if the city, town or district's annual budget is delayed beyond June 30, 2020 due to the current COVID-19 emergency ("emergency").

I. "Free Cash"

A. Definition

Free cash is defined as a city's, town's or district's undesignated fund balance (with any required adjustments) certified by the director as of July 1 and available for appropriation by a majority vote of a city's, town's or district's legislative body (the city or town council, or town or district meeting). Free cash is based on the June 30 balance sheet which reflects operational results for that fiscal year.

Free cash cannot be appropriated until it has been certified by the director under [G.L. c. 59, § 23](#) and any unappropriated balance expires on the next June 30 and is unavailable for appropriation after June 30 until free cash is recertified as of the next July 1.

Free cash, once certified, may be appropriated for any lawful purpose.

B. Special Accounting Treatment

Normally, unappropriated free cash certified as of July 1, 2019 expires June 30, 2020. [Section 6 of chapter 53](#) allows the director to authorize the appropriation of free cash certified as of July 1, 2019 after June 30, 2020, to fund the city's, town's or district's fiscal year 2021 expenditures if a city's, town's or district's adoption of an annual budget was delayed due to the emergency. This authorization will also apply if a city, town or district was able to adopt an abbreviated FY21 operating budget before June 30, 2020, but was unable to approve its FY21 capital budget appropriations, FY21 appropriations to reserves or other FY21 expenditure appropriations. Section 6 does not authorize appropriation of July 1, 2019 certified free cash after June 30, 2020 for fiscal year 2020 expenditures.

In order for the director to authorize the appropriation of July 1, 2019 certified free cash after June 30, 2020, the community or district is required to complete and submit in Gateway the Free Cash Available for FY2021 Appropriation form found under the "Misc Forms" module to show that there is an unappropriated balance remaining in its free cash certified as of July 1, 2019. (See Sample Calculation of Available Free Cash at the end of this Bulletin.) The director will send written notification to the city, town or district of the authorized amount. Authorization of the director will expire upon the earlier of the setting of the community's FY21 tax rate or certification of its free cash as of July 1, 2020.

II. "Retained Earnings"

A. Definition

A city's or town's retained earnings represents the amount of enterprise fund net assets unrestricted that is certified by the director to be available for appropriation. Once certified by the director, retained earnings may be appropriated for particular enterprise purposes, including to support funding for the next fiscal year's enterprise budget.

Retained earnings is certified by the director as of July 1 each year upon submission of a community's June 30 balance sheet with supporting documentation by the local accounting official and may be appropriated through the following June 30 only after certification of the amount by the director and not in excess of the amount certified. [G.L. c. 44, § 53F1/2](#).

While [G.L. c. 44, § 53F1/2](#) is not applicable to special purpose districts, a district may be allowed an enterprise fund by special act adopted by the state legislature. If a special purpose district has a special act adopted by the state legislature that requires the director's certification of enterprise retained earnings, the below special accounting treatment will be applied.

B. Special Accounting Treatment

Normally, unappropriated retained earnings certified as of July 1, 2019 expires June 30, 2020. [Section 6 of chapter 53](#) allows the director to authorize the appropriation of retained earnings certified as of July 1, 2019 after June 30, 2020, to fund the city's, town's or district's fiscal year 2021 enterprise expenditures if the adoption of an annual budget was delayed due to the emergency. This authorization will also apply if a city, town or district was able to adopt an abbreviated FY21 operating budget before June 30, 2020, but was unable to approve its FY21

enterprise appropriations. Section 6 does not authorize appropriation of July 1, 2019 certified retained earnings after June 30, 2020 for fiscal year 2020 expenditures.

In order for the director to authorize the appropriation of July 1, 2019 certified retained earnings after June 30, 2020, the community is required to complete and submit in Gateway the Retained Earnings Available for FY2021 Appropriation form found under the "Misc Forms" module to show that there is an unappropriated balance remaining in its retained earnings certified as of July 1, 2019. (See Sample Calculation of Available Retained Earnings at the end of this Bulletin.) The director will send written notification to the city, town or district of the authorized amount. Authorization of the director will expire upon the earlier of the setting of the community's FY21 tax rate or certification of its retained earnings as of July 1, 2020.

Free Cash Certified as of July 1, 2019	\$ _____
Free Cash Update Certified During Fiscal Year 2020	+ \$ _____
Free Cash Reported on FY2020 Recap Form B-1 Free Cash Part II Lines 3 and 4	- \$ _____
Free Cash Appropriated from the July 1, 2019 Certification After FY2020 Recap Approval through June 30, 2020	- \$ _____
Free Cash Certified as of July 1, 2019 Available for Appropriation After June 30, 2020	= \$ _____

Sample Calculation
Retained Earnings Available for FY2021 Appropriation
Section 6 of Chapter 53 of the Acts of 2020

Enterprise Fund

Retained Earnings Certified as of July 1, 2019 \$ _____

**Retained Earnings Appropriated from the
July 1, 2019 Certification and Reported on
the FY2020 Recap Form A-2 Enterprise Funds
(Verify the amount was reported correctly) - \$ _____**

**Retained Earnings Appropriated from the
July 1, 2019 Certification After FY2020
Recap Approval through June 30, 2020 - \$ _____**

**Retained Earnings Certified as of July 1, 2019
Available for Appropriation after June 30, 2020 = \$ _____**



Bulletin

BUL-2020-05

An Act to Address Challenges Faced by Municipalities and State Authorities Resulting From COVID-19

TO: Local Officials
FROM: Mary Jane Handy, Director of Accounts
DATE: May 2020
SUBJECT: **Amortization of FY2020 Deficit Resulting From COVID-19 Emergency**

This Bulletin provides guidance to local officials regarding the amortization of its FY2020 deficit resulting from the COVID-19 emergency as authorized by section 7 of [An Act to Address Challenges Faced by Municipalities and State Authorities Resulting From COVID-19, Chapter 53 of the Acts of 2020](#), (the Act). This section provides an option for cities, towns and special purpose districts to amortize their FY2020 COVID-19 emergency expenditure account deficit and certain FY2020 revenue deficits over the next three fiscal years in equal installments or more rapidly. The commissioner of revenue will implement section 7 through the director of the Bureau of Accounts of the Division of Local Services (director).

This option is exercised by the adoption of a deficit amortization schedule prior to setting the city's, town's or special purpose district's fiscal year 2021 tax rate. The amortization schedule must be adopted in a town by the board of selectmen; in a city, by the council, with the mayor's approval when required by law; and in a municipality having a town council form of government, by the town council. In a special purpose district, the deficit amortization schedule is adopted by the prudential committee or commissioners.

Amortization of the FY2020 COVID-19 emergency expenditures account deficit includes only those expenditures given prior authority by the director of accounts to spend in excess of appropriation under [G.L. c. 44, § 31](#) (see [Bulletin FY2020-01](#)), calculated and recorded in accordance with this guidance.

Amortization of FY2020 revenue deficits includes deficits calculated and recorded in accordance with this guidance.

For cities, towns and special purpose districts not authorizing an amortization, the FY2020 COVID-19 emergency expenditure account deficit, any FY2020 General Fund revenue deficit and any enterprise fund revenue shortfall must be fully raised or otherwise funded on the FY2021 Tax Rate Recap.

I. COVID-19 Emergency Expenditures

A. Determining Amount of Emergency Expenditures Deficit

As stated in [Bulletin 2020-01](#), after receiving the director's authority for emergency deficit spending, the local accounting officer was advised to (1) establish a COVID-19 emergency account to charge expenditures or (2) charge such expenditures to any applicable existing account(s). If option (2) was chosen, by fiscal year end, the director's authorized amounts were to be transferred to a COVID-19 emergency account unless a balance remains in the account(s) as of June 30 and such a transfer may be deemed unnecessary. As a result, all cities, towns and districts authorized to deficit spend for the emergency must have established a COVID-19 emergency account by fiscal year end.

The director will allow a transfer of anticipated reimbursement from the federal government or otherwise for qualifying emergency expenditures incurred into the account to offset the deficit expenditures. As a result, amortization is needed only for the net FY2020 deficit. The account should be reported as a special revenue fund on the June 30, 2020 balance sheet. The director may require an adjustment to this amount once a more definitive reimbursement amount has been determined.

After final reimbursements are received, any remaining deficit in this account must be raised or otherwise funded on the next Tax Rate Recap unless the deficit is to be amortized under section 7. If the final reimbursement occurs during the amortization time period, the city, town or special purpose district may adjust the remaining deficit to be amortized.

The director will not reduce free cash as a result of the deficit being amortized in this special account if properly recorded.

Separate accounts are recommended for COVID-19 emergency assistance revenues for certain reimbursement or upfront amounts restricted for specific expenditure.

B. Amortizing the Deficit

The total amount of the net expenditure deficit may be amortized either in three equal installments from FY2021 to FY2023, or in more rapid installments. The decision to amortize must be made by the local authority described above before setting the FY2021 tax rate. Installments may be reported on the Tax Rate Recap as either an appropriation on page 4 or under Other Amount to be Raised on page 2.

If amortizing in three equal installments, simply divide the net expenditure deficit by "3." If amortizing more rapidly, the FY2021 and FY2022 installments must be greater than the amount of the equal installments. The exception is when the installments for FY2022 or FY2023 is the final one.

In order for the director of accounts to authorize amortization of the FY2020 COVID-19 emergency expenditure deficit account, the community or special purpose district is required to complete and submit the Gateway COVID-19 Emergency Expenditure Amortization Schedule found under the "Misc Forms" Module. (See Sample Calculation of Emergency Expenditure Amortization at the end of this Bulletin.)

II. Revenue Deficits

A. Determining Amount of Revenue Deficit

General Fund Revenue Deficit To calculate a General Fund revenue deficit, please see the information contained in this [link](#). An example of how to calculate a General Fund revenue deficit is as follows:

A local government finalizes its budget for the fiscal year as follows:

Total Non-Property Tax Revenues \$100,000
Total Appropriations \$100,000

At the end of the fiscal year, it is determined that the local government received \$90,000 in non-property tax revenues and will turn back \$5,000 in unspent appropriations. There is a revenue deficit of \$5,000.

	Budget	Actual	Favorable (Unfavorable)
Revenue	\$100,000	\$90,000	(\$10,000)
Expenditures	\$100,000	\$95,000	\$5,000
<u>Revenue Deficit</u>			(\$5,000)

Enterprise Fund Revenue Deficit For an enterprise fund, the director closes a revenue shortfall (FY2020 budgeted amounts reported on the FY2020 Tax Rate Recap, Schedule A-2, in excess of FY2020 actual revenue received as of June 30, 2020) to enterprise fund balance and a retained earnings deficit is shown on the next Tax Rate Recap. The director may allow by local decision an alternative calculation for a revenue shortfall net of any appropriation or other close-outs, as the revenue deficit to be amortized.

The deficit in this fund may be provided for by enterprise fund revenues, enterprise fund retained earnings or by a subsidy from another fund (i.e. the General Fund).

B. Amortizing the Revenue Deficit

A revenue deficit will be amortized using the same procedure as amortizing the COVID-19 emergency expenditures deficit, as applicable. For this process, see Section I above.

During the amortization period, the director will not reduce free cash or retained earnings due to the amortized deficits if properly recorded.

In order for the director to authorize amortization of the FY2020 General Fund revenue deficit and/or FY2020 enterprise fund retained earnings shortfall, the city, town or special purpose district is required to complete and submit the Gateway COVID-19 Revenue Deficit form found under the "Misc Forms" Module. (See Sample Calculation of Revenue Deficit Amortization at the end of this Bulletin.)

C. Accounting for the Revenue Deficit

If a revenue deficit is calculated per II A above, record the following entry in the General Fund and/or enterprise fund as applicable:

DEBIT Fund Balance Designated for Authorized Revenue Deficit Amortization

CREDIT Undesignated Fund Balance

The entry is reversed as annual installments are raised.

Sample COVID-19 Emergency Expenditure Amortization Schedule
Section 7, Chapter 53 of the Acts of 2020

City/Town/District

Actual Deficit as of 6-30-2020	\$xx,xxx,xxx,xxx
Less Actual Reimbursements	\$xx,xxx,xxx,xxx
Net Deficit as of 6-30-2020	\$xx,xxx,xxx,xxx

In FY2021, you must provide for a minimum of one-third (1/3) of the net total balance sheet deficit as of 6-30-2020

We have adopted the following amortization schedule:

FY2021	\$xx,xxx,xxx,xxx
FY2022	\$xx,xxx,xxx,xxx
FY2023	\$xx,xxx,xxx,xxx

Amortization Tracking Schedule

	Special Revenue Fund - Balance Sheet Net Deficit as of 6-30	Less Reimbursements	Less Appropriations (Any Revenue Source)	Other Amount Raised on Recap page 2	Amount Deferred
FY2021	\$xxx,xxx,xxx	\$xxx,xxx,xxx	\$xxx,xxx,xxx	\$xxx,xxx,xxx	\$xxx,xxx,xxx
FY2022	\$xxx,xxx,xxx	\$xxx,xxx,xxx	\$xxx,xxx,xxx	\$xxx,xxx,xxx	\$xxx,xxx,xxx
FY2023	\$xxx,xxx,xxx	\$xxx,xxx,xxx	\$xxx,xxx,xxx	\$xxx,xxx,xxx	\$xxx,xxx,xxx

A city, town or district may amortize over FY2021 – FY2023, inclusive, in equal installments or more rapidly, the amount of its FY2020 COVID-19 emergency expenditures deficit. The local appropriating authority as defined in G.L. c. 59, § 21C and a special purpose district's prudential committee or commissioners, shall adopt a deficit amortization schedule before setting the city's, town's or district's FY2021 tax rate.

Sample COVID-19 Revenue Deficit Amortization Schedule
Section 7 of Chapter 53 of the Acts of 2020

City/Town/District

**General Fund Revenue Deficit
as of 6-30-2020**

\$XX,XXX,XXX,XXX

Total Enterprise Fund(s) Shortfall

\$XX,XXX,XXX,XXX

\$XX,XXX,XXX,XXX

**In FY2021, you must provide for a
minimum of one-third (1/3) of these
deficits as of 6-30-2020**

We have adopted the following amortization schedule:

FY2021

\$XX,XXX,XXX,XXX

FY2022

\$XX,XXX,XXX,XXX

FY2023

\$XX,XXX,XXX,XXX

Amortization Tracking Schedule

	Special Revenue Fund - Balance Sheet Net Deficit as of 6-30	Less Reimbursements to Offset Deficit	Less Appropriations to Offset Deficit	Other Amount Raised on Recap page 2 to Offset Deficit	Deficit Amount Deferred
FY2021	\$1,200,000	0	0	\$400,000	\$800,000
FY2022	\$800,000	0	0	\$400,000	\$400,000
FY2023	\$400,000	0	0	\$400,000	\$0

	Enterprise #1 (name)	Enterprise #2 (name)	Enterprise #3 (name)	Enterprise #4 (name)	Enterprise #5 (name)
Enterprise Fund FY2020 Revenue Shortfall	\$600,000	\$900,000			
FY2021 Appropriations or Raised on Recap	\$200,000	\$300,000			
Shortfall Amount Deferred	\$400,000	\$600,000			
FY2022 Appropriations or Raised on Recap	\$200,000	\$400,000			
Shortfall Amount Deferred	\$200,000	\$200,000			
FY2023 Appropriations or Raised on Recap	\$200,000	\$200,000			
Deferral Complete	\$0	\$0	\$0	\$0	\$0

A city, town or district may amortize over FY2021 – FY2023, inclusive, in equal installments or more rapidly, the amount of its FY2020 revenue deficit in the General Fund or enterprise fund revenue shortfall as per guidelines and instructions issued by the director of accounts. The local appropriating authority as defined in G.L. c. 59, § 21C and a special purpose district's prudential committee or commissioners, shall adopt a deficit amortization schedule before setting the city's, town's or district's FY2021 tax rate.



Bulletin

BUL-2020-6

An Act to Address Challenges Faced by Municipalities and State Authorities Resulting From COVID-19

TO: Local Officials
FROM: Mary Jane Handy, Director of Accounts
DATE: May 2020
SUBJECT: **Deficit Spending Authority for Continued Operation After June 30, 2020
In the Event of a Delay in FY2021 Budget Adoption**

This Bulletin provides guidance to local officials regarding the procedures for obtaining deficit spending authority for continued operation beginning July 1, 2020 as authorized by section 5 of [An Act to Address Challenges Faced by Municipalities and State Authorities Resulting From COVID-19, Chapter 53 of the Acts of 2020](#), (the Act). Section 5 provides an option for towns and districts for expenditure without appropriation if the town's or district's annual budget is delayed beyond June 30, 2020 due to the current COVID-19 emergency ("emergency").

Section 5 authorizes the Division of Local Services' Director of Accounts (director) to approve expenditure from any appropriate fund or account of an amount necessary to continue uninterrupted government operations of not less than 1/12th of the town's or special purpose district's FY2020 approved budget. The director's authority continues provided the emergency prevents budget adoption by a town or special purpose district meeting. Once the FY2021 budget is adopted, the deficit expenditure authority approved by the director terminates and spending authority thereafter will be pursuant to the budget approved by the town or district meeting.

Towns and districts may not spend beginning July 1, 2020 without either a FY2021 budget approved by the town or district meeting or approval of monthly deficit spending by the director under section 5 through the procedures described in this Bulletin. If it is possible that a scheduled town or district meeting may not be held by June 30, we strongly encourage that a monthly expenditure plan under this Bulletin be submitted as soon as possible to ensure spending authorization starting July 1.

I. Process to Receive Deficit Expenditure Approval by the Director

A. Delay of Town or Special Purpose District Meeting

Section 5 applies to a town or district where the adoption of its annual budget is delayed beyond June 30, 2020 due to the current COVID-19 emergency ("emergency").

[Bulletin 2020-02](#) explains sections 1 through 4 of Chapter 53 of the Acts of 2020. These provisions grant authority to boards of selectmen and town councils to delay town meetings beyond June 30 and to moderators to recess and continue scheduled meetings due to the emergency. Towns are advised to consult with their local counsel regarding the responsibilities of the board or council and the form of vote to delay the meeting. Districts are advised to post their annual meeting warrants and have the moderator recess and delay the meeting if necessary.

B. Develop a Monthly Expenditure Plan

Section 5 requires that the selectboard, town council or board of commissioners approve an expenditure plan for the month of July for submission to the director that provides sufficient expenditure authority necessary to achieve uninterrupted government operations and prudent fiscal restraint. The plan development and approval process will continue for each successive month while the emergency continues and prevents the adoption of a budget by the town or district meeting.

The monthly expenditure plan should include:

- an expenditure estimate for operations in the general fund and enterprise fund (estimates should consider that a reduction in estimated revenues may be required during the FY2021 tax rate setting process);
- amounts sufficient to cover regional school district, pension or other similar assessments; and
- debt service payments.

The monthly budget plan should not include:

- any activities which you have reason to believe will not be supported by the relevant appropriations (once adopted);
- increases in salaries called for in collective bargaining agreements that have not previously been approved by the legislative body;
- appropriations such as reserved premiums, overlay surplus, free cash, stabilization or other similar funds balances;
- capital or other items that ordinarily require special purpose appropriation by town or district meeting; and

- estimated FY2020 COVID-19 emergency expenditure deficits or other emergency expenditure deficits given authorization by the director under [G.L. c. 44, § 31](#).

FY2020 encumbrances, borrowing proceeds, gifts, grants, final judgments of courts or other adjudicatory agencies and other similar expenditures that do not require town or special purpose district appropriation for expenditure may be spent as usual without the director's authority.

Questions as to specific expenditures which can or cannot be added to the plan may be sent to the director for a decision.

C. Approve the Monthly Expenditure Plan

The monthly expenditure plan must be approved by the selectboard, town council or board of commissioners by majority vote pursuant to the open meeting law, as revised per Governor Baker's Executive Order on March 12, 2020. The vote need only indicate that the board or council approves the plan being submitted. The clerk of each board or council must certify that a vote to approve the plan was properly taken.

D. Submit the Monthly Request for Deficit Expenditure Authority

Towns and districts are required to complete and submit in Gateway for each month the Deficit Expenditure Approval form found in the "Misc Forms" Module along with these additional requirements:

- the uploaded monthly expenditure plan approved by the selectboard, town council or board of commissioners;
- completion of the summary of expenditures section of the form;
- an uploaded Clerk's certificate of vote stating the submitted plan was approved by the selectboard, town council or board of commissioners, the date and time of the meeting and vote results; and
- the Clerk's electronic signature.

Spending is not allowed beginning July 1 without a FY2021 budget approved by the town or district meeting or approval of monthly deficit spending by the director under this Bulletin. If it is possible that a scheduled town or district meeting may not be held by June 30, we strongly encourage that a monthly expenditure plan under this Bulletin be submitted as soon as possible to ensure spending authorization starting July 1.

II. Director's Approval

Section 5 authorizes the director to allow deficit expenditures for continued operations beginning July 1, 2020 of not less than 1/12th of the town's or district's FY2020 budget. For non-tax rate setting special purpose districts, the director will rely on FY2020 budget information received from the district's board of commissioners.

The director will approve monthly expenditures for July if the submittal is in compliance with section 5 and the instructions contained in this Bulletin. If the emergency continues to prevent budget adoption by a town or special purpose district meeting, the process described above will continue as long as necessary.

III. Accounting for Approved Expenditures

Once the town or special purpose district receives expenditure approval by the director, local officials must use best practices to manage spending so as not to exceed the director's expenditure allowance. When the annual budget is approved by the town or district meeting, the director's expenditure approval terminates and spending authority for the town or district is then pursuant to its adopted budget.

All expenditures made under the director's approval must be fully raised or otherwise funded on the FY2021 Tax Rate Recap.

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Sen. President Karen Spilka paints a 'frightening' picture of state finances caused by coronavirus

By Henry Schwan

hschwan@wickedlocal.com

Posted May 5, 2020 at 9:42 AM

Updated May 5, 2020 at 5:28 PM

Nearly 1 million unemployment claims is just one troubling number Spilka delivered Monday night to Natick selectmen

NATICK – State Senate President Karen Spilka delivered some sobering news Monday night to Natick selectmen about the statewide financial fallout caused by the coronavirus:

Up to \$700 million in lost tax revenue in the current fiscal year, which ends June 30. The culprit is thousands of businesses closing and sheltering-in-place advisories that have kept families pent up at home, unable to spend money that fills state coffers.

In addition, there have been nearly 1 million unemployment claims.

Next fiscal year, which starts July 1, the financial pain could be much worse, with state revenues falling by \$4 billion to \$6 billion.

"That's a best-case scenario," Spilka said during an appearance on a Zoom meeting.

"Frightening" and "uncertain" were among the words the Ashland Democrat used to describe the tough road ahead for state lawmakers as they try to set a budget for next fiscal year.

The uncertainty is tied to many factors, including the unknown dollar figure on state revenues and how much money could arrive from the federal government. Twelve years ago, as the housing bubble burst, Spilka said Washington, D.C. sent Massachusetts a substantial amount of education funds that helped the state weather a crisis. But that can't be counted on this time around, Spilka said.

The good news is there are no expected cuts to cities and towns this fiscal year in state aid and Chapter 70 education funds.

After hearing Spilka's comments, selectmen unanimously supported guidelines for Town Administrator Melissa Malone to develop a budget for fiscal 2021.

One assumes an \$8.6 million drop in revenue due to expected reductions of 20% in state aid and 30% in local receipts, which includes meals and hotel taxes. Automobile excise taxes are included in local receipts, and Malone has said new car sales have dropped as COVID-19 spread.

The board also supported Malone's recommendation to use 25%, or about \$2.3 million, of the town's general and operational stabilization funds to supplement next year's fiscal budget. Those funds are held in reserve for unexpected catastrophic expenses and sustained economic downturns.

Additionally, the board accepted Malone's recommendation to postpone some capital projects this fiscal year, including \$2 million approved during last year's Town Meeting. Selectmen also agreed to remove \$5 million in capital projects from consideration at Town Meeting for next fiscal year's budget. Roughly \$1 million would remain, including \$450,000 to clean up PCB contamination at East Park.

- Concern in Natick about PCB contamination at East Park

The town's plan is to adopt last year's budget for the first three months of next fiscal year, which runs through Sept. 30. Doing so will give officials time to get a clearer picture of the financial damage from COVID-19, Malone has said.

State lawmakers passed a law to give communities this option during COVID-19. Essentially, communities that haven't set a new budget by June 30 can spend 1/12 of last year's total operating budget each month until the state of emergency in Massachusetts is lifted.

When Malone does submit a budget for next fiscal year, it must be approved at Town Meeting, currently set for 7:30 p.m. on June 9 at the Wilson Middle School.

- Natick: New dates set for Town Election and Town Meeting due to coronavirus

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CORONAVIRUS COVERAGE

Projected Tax Revenue Shortfall In Mass. Sets Up Tough Budget Math, Tufts Researchers Say

March 31, 2020

Katie Lannan, State House News Service

A policy research group is warning state lawmakers to prepare for a "dramatic collapse" in state revenue, estimating a tax revenue shortfall of \$1.8 billion to \$3 billion over the next 15 months.

In a brief released Tuesday, Center for State Policy Analysis researchers said state tax revenues will begin to decline immediately, while emergency spending increases on health needs and economic supports associated with the COVID-19 pandemic

"No one really knows how effectively we're bending the curve on this pandemic, how far-reaching the economic damage will be" or when we might find some new normalcy," the brief concludes. "But one thing that seems increasingly certain is that the state will likely face a dramatic drop-off in revenues, potentially amounting to between \$1.8 and \$3 billion before the end of FY 2021."

Get breaking news alerts and updates about the coronavirus outbreak across New England in your inbox. [Sign up now.](#)

On Monday, as the number of people in Massachusetts confirmed with COVID-19 rose to 5,752, Gov. Charlie Baker projected that a surge in cases could hit the state somewhere between April 7 and April 17.

The pandemic response has upended much of daily life, with schools and most businesses closed and gatherings of more than 10 people banned.

It's also completely shifted the Legislature's focus and thrown up a series of complex questions around how to craft next year's \$44.6 billion budget, and ensure that it is balanced, when many people are out of work and much of the state's economy is shut down.

The Center for State Policy and Analysis, in its brief, said that from an economic perspective the crisis differs from previous downturns because of the unprecedented pace of decline.

Using a model "based on the historically strong connection" between Massachusetts state tax revenues and the national gross domestic product, the center projected shortfalls ranging from \$540 million to \$753 million in fiscal 2020, and from \$1.2 billion to \$2.6 billion in fiscal 2021.

Federal aid could offer a "substantial cushion" to the state budget, the center said. Last week, U.S. Rep. Lori Trahan said a new \$2 trillion economic stimulus package would steer about \$2.67 to Massachusetts state and local governments.

State budget writers in January agreed to a projection of \$31.15 billion in fiscal 2021 tax revenue. They're now working to convene a virtual hearing to gather updated feedback from experts on the state's economic condition and what might be in store.

The center's brief also flagged a series of long-term spending needs and other policy matters for lawmakers to consider, including support for cities and towns, equality in broadband internet access as students learn remotely, a likely strain on the unemployment insurance trust fund, and "small colleges, which were already under intense financial pressure and which may not be able to survive another empty semester."

The November election "could require a wholesale rethinking of how we vote in Massachusetts," and a current lack of toll-paying drivers and fare-paying transit riders "risks setting off a vicious circle of declining revenue leading to reduced investment," the paper said.

The Center for State Policy Analysis launched last month at Tufts University's Jonathan M. Tisch College of Civic Life, with the goal of providing lawmakers and voters with nonpartisan, "real-time" analysis of key topics.

The Herald News

Sales tax hit could affect school construction

By Chris Lisinski / State House News Service

Posted Apr 15, 2020 at 6:07 PM

Updated Apr 15, 2020 at 6:07 PM

BOSTON -- Several public school projects around Massachusetts have delayed construction amid the coronavirus pandemic, and the emergency's full financial impact on the state agency that helps funds most of the work remains unclear.

Massachusetts School Building Authority officials said Wednesday that the organization will face some budget strain because of the widespread economic downturn, but MSBA Chief Financial Officer Laura Guadagno believes the agency is well-poised to weather the storm.

"For fiscal year 2020, there should not be too big of an impact because we have a pretty strong cash position. I think that will carry us through fiscal year 2021," she said during a meeting conducted via videoconference.

"We're in a pretty strong cash position to at least maintain operations at current level for the near future."

In Fall River, the city is in the midst of building a new Durfee High School at a cost of \$263 million. In March, Fall River Superintendent Matthew Malone said the project was continuing as planned. But on April 6, union carpenters on the job there from North Atlantic States Regional Council of Carpenters stopped working over concerns about safety during the coronavirus pandemic.

Durfee project manager Adam Keane said construction of the school was still scheduled to be completed in May 2021 and open for students at the start of the 2021-2022 school year.

The MSBA, a quasi-public organization that helps fund local and regional school capital projects, has a dedicated funding stream from one penny of the state's 6.25 percent sales tax. Through March of fiscal year 2020, Guadagno said, the MSBA had received about \$703 million in that funding, the highest amount over the same span in recent years.

However, March tax revenue figures - which statewide were about \$83 million above benchmarks - do not reflect the real impact of non-essential business closures and stay-at-home advisories. April revenues are tumbling, and they will likely remain low in the ensuing months as long as, or potentially even after, the crisis continues.

Economic experts predicted dire financial outcomes during a Tuesday hearing, forecasting tax revenues will plunge by billions of dollars as unemployment soars.

The Massachusetts Taxpayers Foundation estimated sales tax revenues will drop \$1.5 billion due to closures in public life and loss of personal income as a result of widespread layoffs and furloughs.

Some MSBA Board members raised concerns Wednesday about the impact that cratering revenues will have on their ability to fund school projects.

"We could be in quite a pinch along with a lot of other agencies," said member Greg Sullivan.

"It is obviously very concerning," Guadagno replied.

The MSBA's operating budget is relatively small at \$10 million, Guadagno said, compared to more than \$600 million on its capital grants side.

Jim MacDonald, the organization's CEO, said the MSBA sent models to the Baker administration reflecting how the authority could be affected by sales tax declines. Federal stimulus money going to municipalities and states as part of the so-called CARES Act could help reimburse already-made expenditures, he said.

However, he said projections will not fully take shape until revenue outlooks are more certain.

"Just looking out for the next three months, four months and beyond, a lot of variables are going to come into play," he said. "When the economy slowly starts to get going, what will it look like? Nobody knows the answer to that question."

MSBA Executive Director Jack McCarthy said the organization will continue to hold board and subcommittee meetings remotely as often as possible so the process can move forward during the pandemic, but he noted that districts will need to cope with any increased project costs on their own.

"When we set a grant and our reimbursement rate at the time of project approval, we cannot later increase that amount," he said. "So as of right this second, the overages that may result from actions that districts take are going to fall on the districts."

More than two dozen MSBA-backed projects in varying stages of the process have paused active work because of the pandemic, MSBA Capital Planning Director Mary Pichetti said.

Some responded to local orders to halt construction because of the highly infectious virus, while others still underway have adjusted their plans because certain workers were ordered by their unions not to report until it is safe to do so.

Gov. Charlie Baker has not issued a statewide ban on construction projects. The city of Boston and other municipalities have issued such bans.

**TOWN OF NORWOOD
FISCAL 2020 REVENUE PROJECTION
ACTUALS THROUGH APRIL 30, 2020**

ACCOUNT DESCRIPTION	Budget	YTD - 10 Months	Projected May / June	Projected	Variance
01 MOTOR VEHICLE EXCISE	\$ 4,953,422	\$ 4,032,847	\$ 806,569	\$ 4,839,416	\$ (114,006)
04 PAY IN LIEU OF TAXES	1,157,043	1,148,225	-	1,148,225	(8,818)
07 AMBULANCE	1,460,655	1,182,407	236,481	1,418,888	(41,767)
11 RENTALS	272,251	477,923	95,585	573,508	301,257
14 DEPT REV-CEMETERY	248,731	286,279	57,256	343,535	94,804
15 DEPT REV-RECREATION DEPT	220,390	136,755	-	136,755	(83,635)
16 OTHER DEPT REVENUE	948,709	829,055	165,811	994,866	46,157
17 LICENSES AND PERMITS	1,106,542	1,488,181	297,636	1,785,817	679,275
19 FINES AND FORFEITS	160,825	143,590	28,718	172,308	11,483
20 INVESTMENT INCOME	306,883	402,446	80,489	482,935	176,052
21 MEDICAID REIMBURSEMT	242,221	-	240,000	240,000	(2,221)
2a OTHER EXCISE-MEALS	2,361,163	587,559	50,000	637,559	
2b OTHER EXCISE-ROOM		1,034,364	50,000	1,084,364	
2c OTHER EXCISE-OTHER		30,705	3,000	33,705	(605,534)
22 MISC RECURRING	1,800,000	1,350,000	450,000	1,800,000	-
DEPARTMENTAL RECEIPTS	15,238,835	13,130,338	2,561,545	15,691,883	453,048
05 CHRG SVC WATER	16,198,467	13,561,858	2,712,372	16,274,230	75,763
09 CHRG SVC LIGHT	63,061,147	49,788,249	9,957,650	59,745,899	(3,315,248) *
22 MISC BROADBAND	8,571,980	6,589,407	1,317,881	7,907,288	(664,692)
TOTAL UTILITIES	87,831,594	69,939,514	13,987,903	83,927,417	(3,904,177)
TOTAL LOCAL RECEIPTS	\$ 103,070,429	\$ 83,069,852	\$ 16,549,448	\$ 99,619,300	\$ (3,451,129)

* SEE PAGE 2 FOR REDUCTIONS IN COST

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**TOWN OF NORWOOD
LIGHT DEPARTMENT PROJECTION OF REVENUE AND COST**

ACCOUNT DESCRIPTION	<u>Budget</u>	<u>YTD - 10 Months</u>	<u>Projected May / June</u>	<u>Projected</u>	<u>Variance</u>
Revenue	\$ 63,061,147	\$ 49,788,249	\$ 9,957,650	\$ 59,745,899	\$ (3,315,248)
Salaries	4,495,784	3,559,035	711,807	4,270,842	224,942
Purchase of Power	38,516,240	21,811,496	7,270,499	29,081,995	9,434,245
PILOT	1,100,000	1,100,000	-	1,100,000	-
Other Operating Cpts	2,392,998	1,445,096	289,019	1,734,115	658,883
Depreciation	<u>2,602,800</u>	<u>2,602,800</u>	<u>-</u>	<u>2,602,800</u>	<u>-</u>
	49,107,822	30,518,427	8,271,325	38,789,752	10,318,070
Net					7,002,822

Drug Free Communities Grant Funding timeline

Grant Year	Federal Fiscal year	Town Fiscal Year
Year 1	Sept 30, 2017- Sept 29, 2018	July 1, 2017 – June 30, 2018 (FY18)
Year 2	Sept 30, 2018- Sept 29, 2019	July 1, 2018 – June 30, 2019 (FY19)
Year 3	Sept 30, 2019- Sept 29, 2020	July 1, 2019 – June 30, 2020 (FY20)
Year 4	Sept 30, 2020- Sept 29, 2021	July 1, 2020 – June 30, 2021 (FY21)
Year 5	Sept 30, 2021- Sept 29, 2022	July 1, 2021 – June 30, 2022 (FY22)*
Competitive application for Years 6-10 (possible gap year FY23)		
Year 6	Sept 30, 2022- Sept 29, 2023	July 1, 2022 – June 30, 2023 (FY23)
Year 7	Sept 30, 2023- Sept 29, 2024	July 1, 2023 – June 30, 2024 (FY24)
Year 8	Sept 30, 2024- Sept 29, 2025	July 1, 2024 – June 30, 2025 (FY25)
Year 9	Sept 30, 2025- Sept 29, 2026	July 1, 2025 – June 30, 2026 (FY26)
Year 10	Sept 30, 2026- Sept 29, 2027	July 1, 2026 – June 30, 2027 (FY27)*

*Funds needed to cover next fiscal year.

Grant ends FY28 or later depending on length of gap after year 5.

Grant \$125,000/year

Funds 1.4 FTE

Program Director Full-time

Program Coordinator - 16 hours a week

There is a competitive grant process for years 6-10. The Department is planning on requesting \$125,000 for FY 23 in case program is not funded for years 6-10. If we are awarded the grant we would not need the additional funds. The Department would re-apply and hopefully get funding the next year. Some communities have had a gap year and most are funding with a first or second try. I don't know any community that did not eventually get funded for years 6-10.

TOWN OF NORWOOD
FISCAL 2021 OPERATING BUDGET - SUMMARY BY DEPARTMENT

Accounts & Descriptions	FY2018 Actual	FY2019 Actual	FY2020 Budget	FY2021 Request
0001 - GENERAL FUND				
1 - GENERAL GOVERNMENT				
122-SELECTMEN	1,655,851	2,092,305	151,612	155,734
123-GENERAL MANAGER	722,806	704,519	703,458	679,949
131-FINANCE COMMISSION	103,228	102,872	119,084	119,834
135-FINANCE & ACCOUNTING	0	366,057	339,975	349,375
141-ASSESSORS	452,503	616,160	488,810	455,261
145-TREASURER	663,246	684,604	582,484	577,674
151-TOWN COUNSEL	275,067	212,983	246,600	292,438
152-HUMAN RESOURCES	273,755	304,414	378,103	319,322
155-INFORMATION TECHNOLOGY	853,239	1,047,612	993,553	1,167,347
161-TOWN CLERK	623,690	273,848	296,313	306,847
162-ELECTIONS & REGISTRATION	131,734	135,130	101,059	121,100
175-COMMUNITY DEV (PLN/ZON/CONCOM)	373,780	381,708	424,959	456,035
192-MUNICIPAL BUILDING EXPENSES	313,306	522,751	423,578	407,616
195-ANNUAL TOWN REPORTS	7,227	2,961	3,000	3,000
198-GG COLA TO BE ALLOCATED	0	0	0	381,328
199-GENERAL GOVERNMENT	118,593	109,952	130,750	137,750
1 - GENERAL GOVERNMENT TOTAL	\$6,568,025	\$7,557,875	\$5,383,338	\$5,930,610
2 - PUBLIC SAFETY				
210-POLICE	7,740,204	8,036,834	8,410,044	8,684,429
220-FIRE	6,676,854	7,208,757	7,558,571	7,651,911
241-BUILDING COMMISSIONER	461,438	453,008	460,864	456,094
249-PUBLIC SAFETY BUILDING MAINT	407,389	589,515	487,524	541,550
291-EMERGENCY MANAGEMENT	14,894	17,446	25,800	23,800
293-TRAFFIC CONTROL/FIRE ALARMS	79,518	110,422	159,400	169,400
2 - PUBLIC SAFETY TOTAL	\$15,380,298	\$16,415,981	\$17,102,203	\$17,527,184
4 - PUBLIC WORKS				
401-PUBLIC WORKS	3,729,515	3,773,905	3,670,387	2,676,483
410-ENGINEERING	210,431	219,745	225,696	228,277
422-HIGHWAY MAINTENANCE	1,372,456	584,407	945,200	930,200
423-SNOW AND ICE REMOVAL	987,459	649,136	975,000	975,100

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TOWN OF NORWOOD
FISCAL 2021 OPERATING BUDGET - SUMMARY BY DEPARTMENT

Accounts & Descriptions	FY2018 Actual	FY2019 Actual	FY2020 Budget	FY2021 Request
4 - PUBLIC WORKS				
424-STREET LIGHTING	358,140	195,097	128,000	120,000
430-WASTE COLLECTION/DISPOSAL	1,740,053	1,836,968	1,938,776	1,992,134
440-SEWERAGE	54,648	82,428	102,925	0
441-DRAIN MAINTENANCE	71,905	47,136	40,900	0
450-WATER DISTRIBUTION	293,443	361,716	400,300	0
451-MWRA ASSESSMENTS	11,140,239	11,710,966	12,325,100	0
482-AIRPORT	356,031	448,806	471,415	394,395
491-CEMETERY	696,941	717,177	700,414	627,771
650-PARKS MAINTENANCE	308,054	259,966	242,850	275,350
4 - PUBLIC WORKS TOTAL	\$21,319,315	\$20,887,455	\$22,166,963	\$8,219,710
5 - HEALTH & HUMAN SERVICES				
512-BOARD OF HEALTH	633,760	613,489	655,621	664,178
541-COUNCIL ON AGING	479,874	441,058	462,246	487,490
543-VETERANS' SERVICES	429,883	369,075	431,320	430,107
5 - HEALTH & HUMAN SERVICES TOTAL	\$1,543,517	\$1,423,621	\$1,549,187	\$1,581,775
6 - CULTURE & RECREATION				
610-LIBRARY	1,760,755	1,823,572	1,865,370	1,882,354
630-RECREATION	1,079,018	1,199,406	1,332,209	1,354,901
692-CELEBRATIONS	57,640	50,327	53,050	53,050
6 - CULTURE & RECREATION TOTAL	\$2,897,413	\$3,073,305	\$3,250,629	\$3,290,305
7 - SHARED COSTS				
193-FACILITIES	0	0	0	372,939
750-DEBT SERVICE	18,088,811	17,851,885	18,725,991	19,475,241
820-STATE ASSESSMENTS AND CHARGES	0	0	2,046,862	2,003,682
830-COUNTY ASSESSMENTS	0	0	231,463	237,250
840-REGIONAL SCHOOLS	1,080,380	1,097,788	1,338,169	1,631,881
911-RETIREMENT AND PENSION CONTRIB	4,887,339	4,879,431	5,219,730	5,270,183
912-WORKER'S COMPENSATION	401,258	455,520	575,000	575,000
914-HEALTH INSURANCE	13,324,131	13,508,016	14,405,500	15,125,775
916-MEDICARE	892,565	922,411	951,000	981,000
931-CAPITAL EQUIPMENT	0	35,800	0	0
945-LIABILITY INSURANCE	577,052	589,506	961,000	961,000

**TOWN OF NORWOOD
FISCAL 2021 OPERATING BUDGET - SUMMARY BY DEPARTMENT**

Accounts & Descriptions	FY2018 Actual	FY2019 Actual	FY2020 Budget	FY2021 Request
7 - SHARED COSTS				
951-RESERVE FUND	0	0	125,000	150,000
994-TRANSFERS TO PERMANENT FUNDS	405,864	428,571	1,637,861	1,128,571
7 - SHARED COSTS TOTAL	\$39,657,400	\$39,768,928	\$46,217,576	\$47,912,522
0001 - GENERAL FUND TOTAL	\$87,365,967	\$89,127,165	\$95,669,896	\$84,462,106
0003 - SCHOOL FUND				
3 - EDUCATION				
300-DISTRICT WIDE	16,269,946	16,895,173	12,488,962	14,716,007
310-WILLETT/LMPA	4,770,066	5,204,272	3,853,767	3,953,976
320-BALCH SCHOOL	2,922,685	3,330,439	3,126,045	3,441,415
330-CALLAHAN SCHOOL	1,220,578	1,459,677	2,709,335	2,814,776
340-CLEVELAND SCHOOL	1,755,648	1,915,785	3,401,929	3,510,230
350-OLDHAM SCHOOL	1,562,500	1,624,185	2,530,899	2,612,669
360-PRESCOTT SCHOOL	1,359,931	1,557,018	2,621,275	2,729,347
380-COAKLEY MIDDLE SCHOOL	6,270,847	6,989,593	8,050,373	8,223,856
390-NORWOOD HIGH SCHOOL	8,198,975	8,575,742	10,632,955	10,734,415
3 - EDUCATION TOTAL	\$44,331,175	\$47,551,884	\$49,415,540	\$52,736,691
0003 - SCHOOL FUND TOTAL	\$44,331,175	\$47,551,884	\$49,415,540	\$52,736,691
0004 - LIGHT DEPARTMENT				
4 - PUBLIC WORKS				
460-NORWOOD LIGHT DEPARTMENT	37,152,054	42,390,836	49,107,822	46,719,801
4 - PUBLIC WORKS TOTAL	\$37,152,054	\$42,390,836	\$49,107,822	\$46,719,801
0004 - LIGHT DEPARTMENT TOTAL	\$37,152,054	\$42,390,836	\$49,107,822	\$46,719,801
0006 - BROADBAND				
4 - PUBLIC WORKS				
465-BROADBAND	5,619,058	5,737,507	7,395,719	7,389,605
4 - PUBLIC WORKS TOTAL	\$5,619,058	\$5,737,507	\$7,395,719	\$7,389,605
0006 - BROADBAND TOTAL	\$5,619,058	\$5,737,507	\$7,395,719	\$7,389,605
0008 - WATER/SEWER FUND				

**TOWN OF NORWOOD
FISCAL 2021 OPERATING BUDGET - SUMMARY BY DEPARTMENT**

Accounts & Descriptions	FY2018 Actual	FY2019 Actual	FY2020 Budget	FY2021 Request
4 - PUBLIC WORKS				
440-SEWERAGE	0	0	0	446,302
441-DRAIN MAINTENANCE	0	0	0	40,900
450-WATER DISTRIBUTION	0	0	0	1,087,054
451-MWRA ASSESSMENTS	0	0	0	12,900,000
4 - PUBLIC WORKS TOTAL	\$0	\$0	\$0	\$14,474,256
0008 - WATER/SEWER FUND TOTAL	\$0	\$0	\$0	\$14,474,256
GRAND TOTAL	\$174,468,253	\$184,807,393	\$201,588,977	\$205,782,459

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KHS PACE