

OFFICE OF THE TOWN ADMINISTRATOR



MEMORANDUM

DATE: February 2, 2017
TO: Town Council
FROM: Jeffrey D. Nutting, Town Administrator
RE: Proposed By Law

Last year the legislature adopted the “municipal modernization act” that helped stream line many areas of law. Unfortunately in a few cases they made it more difficult.

Attached is a resolution that is required if we wish to continue to deposit revenue from parking fees into receipt reserve for appropriation for parking. The intent of the fund would be to help purchase of land for parking or pay for a lease. Currently there is \$314,000 in the fund and we collect approximately \$40,000 a year goes into the account.

If the Council ever increases either the commuter parking permits or business permits the annual revenue will increase.

Please feel free to call with any questions.



Sponsor: Administration

TOWN OF FRANKLIN

RESOLUTION 17-07

**LOCAL ACCEPTANCE OF AMENDED PROVISIONS OF
G.L. CHAPTER 40, SECTIONS 22A, 22B AND 22C**

WHEREAS, G.L. Chapter 40, Sections 22A, 22B and 22C govern municipal parking, both on-street and off-street, including, inter alia, the creation, funding, and revenue, and

WHEREAS, prior to the passage of Chapter 218 of the Legislative Acts of 2016, the so-called Municipal Modernization Act, these statutes permitted a municipality to reserve revenues generated from public parking fees and to use said revenues for public parking-related purposes without appropriation, but said Chapter 218 amended G.L. Chapter 40, Sections 22A, 22B and 22C to require local acceptance of certain provisions of said statutes in order for a municipality to reserve and use public parking fee-generated revenues for public parking-related purposes without appropriation, and

WHEREAS, Town had employed the above-described practice prior to the statutory amendments and desires to continue to do so,

NOW, THEREFORE, the Franklin Town Council, acting on behalf of the Town of Franklin accepts the second sentence of G.L. Chapter 40, Section 22A, accepts Section 22B, and accepts the second sentence of Section 22C, as amended by Sections 25, 28 and 29, respectively, of Chapter 218 of the Legislative Acts of 2016.

This Resolution shall become effective according to the rules and regulations of the Town of Franklin Home Rule Charter.

DATED: _____, 2017

VOTED:

UNANIMOUS _____

YES _____ **NO** _____

ABSTAIN _____

ABSENT _____

A True Record Attest:

Teresa M. Burr
Town Clerk

Judith Pond Pfeffer, Clerk
Franklin Town Council

ier action.

How does the Municipal Modernization Act impact the treatment of parking meter revenues?

Before the Municipal Modernization Act, parking meter or other parking receipts had to be reserved for appropriation under MGL c. 40, secs. 22A, 22B and 22C. As of the November 7, 2016 effective date of the Act, however, those receipts are unrestricted and unreserved general fund revenue unless the city or town accepts provisions in those statutes in order to credit them to a "receipts reserved for appropriation" special revenue fund. Any revenue received before November 7, 2016 remains in the receipts reserved special revenue fund to be appropriated accordingly.

If a city or town wants to continue treating parking revenues as "receipts reserved for appropriation," its legislative body must accept the provisions in the statutes. If the city or town does not use any of the parking revenues it anticipates receiving on or after November 7, 2016 as estimated receipts when setting its fiscal year 2017 tax rate, it may in an acceptance vote taken on or before June 30, 2017 provide that any revenue received on or after November 7, 2016 be credited to the receipts reserved fund. Otherwise, the acceptance will only apply to revenues received on or after the effective date of the vote, or later effective date specified in the vote.