March 6, 2015

Frank S. Yeomans
15 Ben's Way
Chilmark, MA 02535

      Re: Municipal Appropriations for Snow and Ice

Dear Frank:

Let me summarize here my advice regarding increasing the existing appropriation for removal of snow and ice in Chilmark. Although the Town is free to increase or decrease the appropriation in any fiscal year, lowering the appropriation from the previous year can limit the Town's flexibility to handle unforeseen expenses. General Laws chapter 44, section 31D gives the selectmen, with the approval of the finance committee, power to make expenditures in excess of appropriations for snow and ice removal, <u>provided that the appropriation for such purpose equals or exceeds the appropriation made for such purpose in the previous fiscal year</u>. (In that case, the Assessors are directed to add the excess expenditures to the tax rate for the following year.) If the Town reduces its appropriation in any given year, it loses the power to rely on the statute during that fiscal year, and unexpected expenditures for snow and ice removal would have to be funded by transfer from the reserve fund or by a new appropriation.

Let me give an example. I understand that the FY 2015 appropriation for snow is $7000, and that the Town had already expended around $40,000 as of a few weeks ago. If the Town appropriated the sum of $40,000 for FY 2016, and you had a snowless winter and decided to go back to $7000 for FY 2017, in that year you could not spend more than that $7000 without a reserve fund transfer or supplemental appropriation. But the problem would only last for one year; you would only need to appropriate $7000 for FY 2018 to be able to rely on the statute again.

Hope this answers your question. Call if you would like to discuss further.

      Best,

      DANIEL C. PERRY

DCP/tmf