DJFC Matrix: Municipal Finance and Budget – Status Quo*

The financing and budgeting for Devens operations is unique from traditional municipal governments because of the two agencies overseeing redevelopment, as well as the regional nature of Devens redevelopment and operations, in addition to environmental clean-up and coordination with the Army, Federal, and State Environmental Agencies. There are a number of regional services that Devens provides to surrounding towns, including, but not limited to water, sewer, and utilities.

Relevant Sections of Chapter 498 of the Acts of 1993 dealing with Finance:

SECTION 4. Debt Obligation

Principle Debt obligation for Devens redevelopment: $200,000,000.

Section 6. Executive Director

MassDevelopment Chief Financial Officer is in charge of its funds, books of accounts, and accounting records.

Section 20. One Stop Development and Financing

Coordinated one-stop state program for businesses, institutions and private parties that may intend to locate in Devens in order to enable development activity within Devens to be more effectively promoted by the Commonwealth.

Section 21. taxes and user fees

The DEC and MassDevelopment exercise all the powers granted to cities and towns to enable the collection of such taxes and other charges. The towns are not entitled to assess any fees or taxes on property, persons or businesses located in Devens.

MassDevelopment Devens:

MassDevelopment Board of Directors approves the annual budget for the entire agency operations. Devens operations expenses include salaries, Administrative, professional services, projects, tax abatement, and operating expenses. The current tax rate in Devens is $12.55 for residential and $17.27 for commercial/industrial (per $1,000).

Devens Enterprise Commission (DEC):

The DEC's operating budget comes primarily from permitting fees. The DEC has a tax sharing agreement with MassDevelopment in which 2% of the property taxes collected in Devens by MassDevelopment go to the DEC to supplement their funding. To ensure continued permitting operations, if the DEC's cash reserve is forecast by the DEC to fall below $250,000 in any year, MassDevelopment is required pay to the DEC an amount of money sufficient to restore the cash reserve to a balance of $250,000. The DEC's budget is approved annually by the Commission after estimating projected revenue for the upcoming fiscal year. DEC expenses include salaries, contracted services, insurance, legal, office, special projects for advancing the reuse plan, and professional development.

** This list has not been vetted or reviewed by MassDevelopment. It is important that their input be included in this process to ensure a more complete matrix.*