

City of Framingham



The City Council of Framingham



ORDER NO. 2022-138 REQUEST OF THE MAYOR

UPON THE REQUEST OF THE MAYOR, THE CITY OF FRAMINGHAM, THROUGH THE FRAMINGHAM CITY COUNCIL, IT IS SO ORDERED:

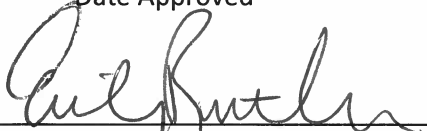
That the Council votes to refer to the Finance Subcommittee consideration of acceptance of Massachusetts General Law c.40, sec.5B, para. 4, as attached, for recommendation to the full Council.

YEAS: Alexander, Bryant, Cannon, Leombruno, Long, Mallach, Ottaviani, Stefanini,
Steiner, Stewart- Morales
NAYS: none
ABSTAIN: none
ABSENT: All members were present in person or via teleconferencing
PASSED IN COUNCIL: December 6, 2022

A TRUE RECORD, ATTEST:

12/7/22

Date Approved



Lisa A. Ferguson, City Clerk

Emily L. Butler, Assistant City Clerk

Section 5B: Stabilization funds; establishment

[Section impacted by 2020, 92, Secs. 10, 16 and 17, effective June 5, 2020 relating to the suspension of the dedication of revenue to special funds for fiscal year 2021 in order to address disruptions caused by the outbreak of COVID-19.]

Section 5B. Cities, towns and districts may create 1 or more stabilization funds and appropriate any amount into the funds. Any interest shall be added to and become part of the fund.

The treasurer shall be the custodian of all stabilization funds and may deposit the proceeds in a trust company, co-operative bank or savings bank, if the trust company or bank is organized or exists pursuant to the laws of the commonwealth or any other state or may transact business in the commonwealth and has its main office or a branch office in the commonwealth; a national bank, federal savings bank or federal savings and loan association, if the bank or association may transact business and has its main office or a branch office in the commonwealth; provided, however, that a state-chartered or federally-chartered bank shall be insured by the Federal Deposit Insurance Corporation or its successor; or may invest the funds in participation units in a combined investment fund pursuant to section 38A of chapter 29 or in securities that are legal investments for savings banks.

At the time of creating any stabilization fund the city, town or district shall specify, and at any later time may alter, the purpose of the fund, which may be for any lawful purpose, including without limitation, an approved school project pursuant to chapter 70B or any other purpose for which the city, town or district may lawfully borrow money. The specification and any alteration of purpose, and any appropriation of funds from any such fund, shall be approved by a two-thirds vote, except as provided in paragraph (g) of section 21C of chapter 59 for a majority referendum vote. Subject to said section 21C of said chapter 59, any such vote shall be of the legislative body of the city, town or district, subject to charter.

Notwithstanding section 53 of chapter 44 or any other general or special law to the contrary, a city, town or district that accepts this paragraph may dedicate, without further appropriation, all, or a percentage not less than 25 per cent, of a particular fee, charge or other receipt to any stabilization fund established pursuant to this section; provided, however, that the receipt is not reserved by law for expenditure for a particular purpose. For purposes of this paragraph, a receipt shall not include taxes or excises assessed pursuant to chapter 59, 60A, 60B, 61, 61A or 61B or surcharges assessed pursuant to section 39M or chapter 44B. A dedication shall be approved by a two-thirds vote of the legislative body of the city, town or district, subject to charter, and may be terminated in the same manner. A vote to dedicate or terminate a dedication shall be made before the fiscal year in which the dedication or termination is to commence and shall be effective at least for 3 fiscal years.