



Town of Conway

Financial Management Review

Division of Local Services / Technical Assistance Section

March 2012



March 23, 2012

Board of Selectmen
Town Office
P O Box 240
Conway, MA 01341

Dear Board Members:

It is with pleasure that I transmit to you the enclosed Financial Management Review completed by the Division of Local Services for the Town of Conway. It is our hope that the information presented in this report will assist the town in improving its financial management practices, addressing areas of concern and meeting long-term planning needs.

As a routine practice, we will post the completed report on-line at the DLS website within a week or two. Also, we will forward a copy of the report to the town's state senator and representative.

If you have any questions or comments regarding our findings and recommendations, please feel free to contact Rick Kingsley, Bureau Chief of the DLS Municipal Data Management and Technical Assistance Bureau at (617) 626-2376 or at kingsleyf@dor.state.ma.us.

Sincerely,

A handwritten signature in black ink that reads "Robert G. Nunes".

Robert G. Nunes
Deputy Commissioner and
Director of Municipal Affairs

RGN:mjo
Enclosure

cc: Senator Benjamin B. Downing
Representative Stephen Kulik

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INTRODUCTION

At the request of the Conway Board of Selectmen, the Department of Revenue's Division of Local Services (DLS) has completed this financial management review of the town.

We have based our findings and recommendations on site visits and telephone conversations by Municipal Data Management & Technical Assistance Bureau (MDM/TAB) members and consultations with representatives from the Bureau of Accounts (BOA) and Bureau of Local Assessment (BLA). The staff interviewed the selectmen, finance committee members, administrative aide, accountant, assessor, collector, treasurer, town clerk, regional school business manager and other municipal office staff.

DLS staff examined such documents as the tax rate recapitulation sheet, annual budgets, cash and receivables reconciliation reports, and statements of indebtedness. The town also provided us with warrants, debt schedules, town bylaws and other assorted financial documents.

The purpose of this review is to assist Conway officials as they evaluate the town's financial management. In reviewing the existing financial management, we have focused on: (1) the town government structure in the context of the duties and responsibilities of financial officers; (2) the degree of coordination and communication that exists between and among boards, officials and staff involved in the financial management function; (3) the performance of financial operations in such a way as to maximize resources and minimize costs.

We encourage the selectmen, when formulating overall strategies for improving the town's financial management, to consider the observations, analyses, and recommendations contained in this report. These are recommendations only and can be implemented, at the town's option, provided there is sufficient cooperation among the various boards, committees, and officials.

EXECUTIVE SUMMARY

Conway is a small town located on the southern edge of Franklin County in western Massachusetts. Tucked in the hills to the west of the Connecticut River, it is accessible by the Mohawk Trail/Route 2 from the north and Interstate 91 from the east by way of Route 116, which cuts across Conway. It occupies land area of almost 38 square miles and has a population of 1,897 (2010 US Census) persons.

Once a part of Deerfield, Conway was incorporated in 1767. The early residents purchased lots and cleared the forested land for crops and pasture lands. Large families were reared to help run the expansive farms so that by 1790, Conway had a population of 2,092 persons according to the first US Census. Oddly, this would be Conway's highest recorded population (Appendix A). Over a couple of generations as young men came of age in the same family, the farms could no longer be divided. Consequently, some left their family homesteads to seek employment in other communities.

Sawmills and gristmills were built along the rapidly flowing South River. Because of the tremendous waterpower of the river, textile mills, manufacturing plants and other commercial establishments also developed in the town. These employment opportunities reversed the steady population decline of the early 1800s. However, in the latter half of the century, much of this industrial development went into decline. On more than one occasion, dam breaches and flooding of the town washed out bridges and destroyed factories, some of which were not rebuilt.

Another factor that affected the economic stability of the town was transportation costs. Located in the hills of western Massachusetts, both manufacturing businesses and farmers found it difficult to ship in materials and supplies as well as transport products out to markets. In the latter part of the century, a group of citizens raised funds to construct a rail line, the Conway Electric Street Railway, which ran from 1896-1921. It connected passenger and freight service to the major railroads. In the beginning, it was a significant contribution to the town's economic development. However, over time it was not enough. Businesses closed or relocated elsewhere, which added to the community's population decline.

Today, Conway is predominantly a residential community with few commercial or industrial businesses. It continues to have active agricultural businesses and a fair amount of land that is open and undeveloped. There are 121 parcels, covering over 4.5 square miles of the town, which are privately-owned forest, farm and recreational lands, that qualify for preferential tax treatment under M.G.L. Chapters 61, 61A and 61B. In addition to the town's conservation lands, about 4.7 square miles of the community is state forest or state-owned wildlife/environmental properties. Another roughly 220 parcels are vacant lands that comprise more than five square miles of the community of which 85 percent is deemed potentially developable. Due in part to the available land, housing has been constructed and the community's population has increased in the post-WWII era.

Since 1990, single-family residential development has grown from 474 (FY1990) to 597 (FY2012) parcels, an increase of 123 parcels or 26 percent. As a result, Conway's population grew

from 1,529 (1990 US Census) to 1,897 (2010 US Census) persons, an increase of 368 people or 24 percent.

Conway is a member of the Frontier Regional School District (7-12), which also oversees the administration of the local elementary school through the Union 38 School District. Conway has a town hall, a town office (which also includes the police department), a highway garage that houses the fire and ambulance departments, a library and a transfer station. With the exception of the elementary school teachers, a small police force and the highway department, most officials and staff are part-time.

Conway's annual budget that funds education and town services has increased from \$3.88 million (FY2000) to \$5.46 million (FY2011). This increase of nearly \$1.6 million or 41 percent is less than the statewide average municipal increase of 58 percent.

Based on Conway's year-end Schedule A reports¹, the three largest spending increases (in terms of dollars and percentage) were in education, fixed costs (i.e., retirement, insurances, employee benefits and Medicare) and general government between FY2000 and FY2011. Education increased from \$1,987,292 to \$2,538,184 or 27.7 percent; fixed costs grew from \$187,613 to \$500,162 or 166.6 percent and general government rose from \$121,590 to \$260,754 or 114.5 percent.

The growth in the general government budget is in part the result of new staff and increased costs. Historically, the treasurer had served simultaneously as the accounting officer and as such kept the cash book as well as the general ledger. At year's end, the town would hire an auditor to assist in the closing of the books, as well as in the preparation of the balance sheet for the certification of free cash and the Schedule A year-end report for DLS. This auditor also conducted the audits.

The combined treasurer and accountant position is an outdated office structure from the early 1900s and is no longer permitted legally in modern government. Under the standards established by the American Institute of Certified Public Accountants, a combined treasurer and accountant office is considered a material weakness because there is no segregation of duties and may result in errors in the financial records. To correct the situation, Conway accepted M.G.L. c. 41, §55 in 2006, creating a separate accountant's position. The town hired its first accountant at the beginning of FY2008, incurring a new part-time salary in the process. However, since creating the position, three individuals have filled the post. Current accounting services are provided by contracted with the Franklin Regional Council of Governments (FRCOG). The FRCOG annual cost to the town is approximately \$16,000 and \$1,000 for computer maintenance. There was an initial start-up cost of about \$3,000 for the data conversion to the FundWare program and for bringing the accounting history from past fiscal years forward.

There also have been changes in the treasurer's and collector's offices in the last decade. In 2003, the town voted to change these offices from elected to appointed. By FY2006, one individual was appointed to serve in both capacities, but she left town service in the spring of 2011. The

¹ These are general fund expenditures only and exclude capital outlay and construction expenditures.

selectmen promoted the assistant treasurer/collector to collector and hired a new treasurer. Both are part-time and serve as assistants to each other to ensure cross-training and coverage for these offices.

Because the community does not receive over \$500,000 in federal funding, it is not required to have annual audits. However, Conway has a bylaw that calls for biannual (or annual) audits. Dating back to at least 1983, Conway contracted with one auditor to perform the audits. During the last two engagements (FY2005 and FY2007) with this auditor, both audits were completed more than a year after the fiscal year ended (8/14/06 and 12/5/2008). The selectmen were concerned about the lateness of the audits because findings were disclosed well after the fact. In an effort to get a fresh perspective and timely completion of the audit, the town bid out its audit services for FY2009. It entered into a one-year contract with a new firm, which quoted a cost of \$12,000-\$14,000, depending on the town's preparedness. This was greater than the \$3,000 charged by the prior firm. Unfortunately, the audit was again late. It was completed in November 2010 due to turn over in the accountant's position and incomplete financial records.

Conway again went out to bid and hired a third firm, which completed the FY2011 audit in December 2011. The draft management letter has cited findings that the town plans on addressing in management responses. Some of the issues were inherited and the financial officers are actively chiseling away at these. In the FY2009 audit, Conway was cited for material weaknesses in internal control because there were no procedures to reconcile cash and receivables. As of 6/30/2008, the town has a cash variance of \$291,791 and accounts receivables variance of \$24,392, both of which were reductions to the town's free cash certification. As of 6/30/2011, there is a cash variance of only \$535.

With the new staff and improvements to date, the Conway Board of Selectmen requested that the Division of Local Services conduct a review of the town financial offices and make recommendations to help further improve municipal operations. In doing so, we found that the town is in transition. New accounting and cash book systems have been installed and the financial officers are working on implementing procedures to improve timely and informative financial reporting. However, the financial systems are standalone systems that do not allow the electronic transfer of some information so data must be manually entered.

At DOR's suggestion, the financial officers have begun meeting as a team to improve communication and cooperation by discussing operational needs and identifying issues as they come up. The role of this team should be expanded to include, for example, preparation of revenue estimates in advance of the annual process. In addition, DOR recommends that the town formalize its budget process, develop written financial policies, and review its bylaws.

While the selectmen are a hardworking board, they are part-time. In addition to their "day jobs" elsewhere, they meet weekly at night, overseeing operations, discussing issues, and setting policies. Virtually all non-school departments and employees report to them. There is no professional position responsible for coordinating financial management activities and to hold the staff accountable during normal business hours. To address this, we recommend that Conway establish a town administrator position.

OVERALL MANAGEMENT AND FINANCIAL PRACTICES

During the course of our review, we looked at the town's overall management, including its governmental structure, bylaws, budget and fiscal practices, personnel functions, as well as financial department operations. What follows is a summary of our observations and recommendations.

Conway does not have a charter. It has a selectmen-open town meeting form of government that is organized under a combination of state statutes, special acts and local bylaws. State statutes generally provide allowable methods of governance and often offer guidance on minimum requirements, while special acts and bylaws enable a community to establish specific authority and procedures by which it operates.

The three-member board of selectmen fulfills the chief executive function. They appoint all non-school staff and are responsible for the daily management of town government. A selectman sits on the capital improvement planning committee as well as the personnel committee and, until recently, the entire board served on the planning board. They often sit in on other boards' meetings, attend regional meetings and handle occasional special purpose meetings or emergencies. These multiple activities can be time-consuming and strain the part-time board members, who have other jobs. To address this situation, it was proposed that the board be increased from three to five members, but the expanded number of selectmen was tabled at the annual town meeting.

The board of selectmen is assisted by an administrative aide. Originally, this position began as an administrative secretary, who organized the board's meetings, took minutes, prepared correspondence, organized budget materials and processed the weekly bill warrant for the selectmen's approval. Over the years, the position's title changed and responsibilities have grown as a result of the increasing complexities and demands of municipal government, but there is no written job description.

Currently, the administrative aide staffs the office four days a week and attends the board's weekly meetings. He monitors activities in the town offices, oversees the town's website, and communicates with staff. He keeps the selectmen informed, serves as a resource in their discussions and handles additional duties as assigned. He researches issues, drafts policies, writes proposals and grants, handles some procurement and responds to public inquiries. He attends meetings of the small town administrators of Massachusetts (STAM) and other regional meetings and training opportunities as time allows and participates in the newly formed financial team. He may counsel staff on personnel issues, but he has no supervisory authority.

A review of the current version of Conway's bylaws revealed that they are sparse, dated and incomplete. Some positions and boards are included in the bylaws, which occasionally identify appointed or elected status, the terms of office, responsibilities and the number of members. The bylaws have statements that the treasurer should have custody of contracts and publish an annual report of revenues and expenditures, which is reflective of when the position also served as the accounting officer. Also noted is that the collector is the only department directed to turn over all monies received at least weekly. In 2008, town meeting accepted M.G.L. c. 8, §81A, establishing a planning board, which has not

been codified in the bylaws. Furthermore, Conway does not publish a compilation of special acts or local acceptance statutes voted by town meeting.

To assist the selectmen on human resource issues, town meeting adopted a personnel bylaw in 2009. It establishes a five-member personnel committee, which advises the selectmen and proposes protocols for human resource matters. The committee has drafted a formal personnel handbook that outlines workplace policies and guidelines on hiring, attendance, conduct, benefits, leave, performance evaluations, grievances and dismissals. The committee has surveyed staff on their duties and responsibilities in order to write job descriptions for all non-school positions. They also plan on developing the performance evaluation procedures and establishing standards for employee files. In the bylaw, there are references to classification and compensation/salary ranges. Typically, these are written documents that group similar positions based on skills and knowledge required, and establish wage schedules that set minimum and maximum steps for each classified group of positions. However, there are no plans at this time to prepare classification and compensation plans.

The town offers health insurance to regular employees (working more than 20 hours) and qualifying retirees. This includes the town clerk, who is paid as an elected department head (nine hours/week) and as an employee of another town department (15 hours/week). By vote of the selectmen in 2009, three part-time, elected boards are eligible to participate as individuals in the town's health insurance program (regardless of the number of hours of service). Based on the current rates for individual health insurance plans, the town's current cost is about \$4,200 per individual plan.

Conway has a six-member finance committee appointed by the moderator. By bylaw, the committee is responsible for reviewing and making recommendations on town meeting appropriations and other articles as well as authorizing all transfers from the reserve fund. While this committee approves reserve transfers, it has not exercised a strong advisory role in the budget process or through recommendations to town meeting for a number of years. The budget process has been a joint activity with the selectmen, who have taken the lead.

One of the selectmen, who served for many years, reportedly knew the budget inside and out. He understood each of the departments' operations and monitored the revenues and expenditures of the town on his own, so he was able to keep tabs on the town's fiscal position even when there was turn over in the accountant's position. As such, he had a tremendous influence and was a driving figure in the budget process. When he left office, there really was not enough knowledge or experience on the finance committee to provide advice or manage the process. Consequently, last year's budget process has been described as somewhat chaotic with little advanced planning, contributing to difficulty completing final budget recommendations before the April annual town meeting.

To address last year's issues and with the hopes of reestablishing the finance committee as an independent advisory board, Conway has implemented some changes prior to the FY2013 budget process. The finance committee has held advanced planning meetings and has assigned members as liaisons to particular departments. As liaison, the committee member meets with a department/board in advance of the budget hearings so as to better understand the content of the request and aspects of the operation(s) supported. Last year's town meeting moved the annual meeting to May, providing

more time to craft the subsequent year's budget and take corrective action on any current year issues. The accountant also has worked with the administrative aide to develop budget sheets for each department in Excel. Hardcopies of these budget sheets were distributed to departments and boards to be completed and these will be put into a budget binder as the selectmen and finance committee vote their recommendations.

By January, departments were given the budget forms to complete. Many of the preliminary meetings occurred and the budget hearings with both the selectmen and finance committee present began in early February. After the hearings, the agreed upon figures will be compiled by the administrative aide, who keeps a master budget binder and shares it with both boards. He may follow-up on requests for additional information, but he does not prepare analyses or provide coordination.

To date, the only revenue estimate made available is the new growth in the property tax levy, which the assessors provided during their budget hearing. Historically, revenue estimates are prepared toward the end of the process, which is contrary to recommended revenue-driven budgeting practices in Massachusetts since the implementation of Proposition 2½.

At DOR's suggestion, Conway officials have established a financial team that is comprised of the administrative aide, accountant, administrative assessor, collector and treasurer. This group began meeting in January 2012. According to officials, the opportunity to sit down with everyone has been informative and helpful. The team meetings enable the participants to communicate and work in a collaborative environment. They plan to meet monthly.

Generally, Conway's budget planning is done on a one-year basis. The town does not have a multi-year revenue and expenditure forecast. While the selectmen have adopted general government policies and procedures as reported in their meeting minutes, very little exists in a formal, written format and there are no financial policies. Historically, free cash has been certified late in the year and generally used for capital and one-time expenditures in the ensuing year. However, it has been suggested that free cash be used to reduce the tax rate, which would use non-recurring funds to support ongoing operating expenses, which is generally viewed as not being a sound financial practice. Similarly, the assessors have declared surplus overlay funds that the town has used for both operating and one-time purposes. The town has a general stabilization fund and established specialized stabilization funds for capital, ambulance and the town garage, which have a collective balance of about \$660,000 (as of 6/30/2011). The town does not have a policy to make annual contributions or an analysis of the amount of reserves that it should have on hand at all times.

In 2008, town meeting established a capital improvement planning committee (CIPC) to assess current and future capital needs. The committee focused on setting up a process, defining a capital item, establishing procedures and outlining a timeline. With input from departments, fleet and computer/technology inventories and proposed replacement schedules were developed. However, the committee got bogged down with an asset tagging program and a vehicle maintenance program for the highway department, which contributed to some members losing interest and the CIPC became defunct. Consequently, the capital needs are again considered on an ad hoc basis during the budget process. The town has advertised for volunteers in the hopes of reactivating this committee.

Currently, Conway has very little debt. The town paid off one school bond in FY11 and issued about \$305,500 (after receiving a \$594,000 Massachusetts School Building Authority grant) in bond anticipation notes to remodel the local school building. Based on discussions with local officials, there are other large projects that the town has been studying for a few years. These include a new highway garage, renovating town hall so all the town offices can be centrally located and constructing a public safety building.

Conway has had a biannual audit, but plans on having annual audits to help straighten out past issues and implement sound practices. The accountant inherited an inventory of fixed assets and infrastructure that she was able to manually update for the FY2011 audit process, complying with the Government Accounting Standards Board (GASB) Statements 34. Going forward, she will be developing a process to update it annually. Conway also has an analysis of its other post employment benefits (OPEB), which complies with GASB Statement 45. Conway has an accrued insurance liability of over \$2 million. Currently, there is no requirement to fund this in Massachusetts and the town has not established an OPEB Trust Fund through the local adoption of M.G.L. c. 32B, §20. Consequently, the obligation is paid as it arises each year, commonly referred to as pay-as-you-go.

RECOMMENDATION 1: ESTABLISH A TOWN ADMINISTRATOR POSITION

We recommend that the town consider changing the administrative aide to a town administrator position and assigning the position supervisory and financial management coordinating responsibilities. On more than one occasion during our visits, it was apparent that town officials recognized the challenges of managing the operation of town government with a part-time board of selectmen. While the current organizational model may have been sufficient years ago, municipal and financial management have grown more complex. The current government structure is not well-suited to respond quickly to legal, personnel and emergency issues that crop up.

Increasingly, communities have been moving from a clerical or assistant position to a stronger administrative position. This includes communities with populations of less than 2,500 persons. We reviewed comparable communities to Conway based on factors such as population, income per capital and operating budget (Appendix B). We found that more than half of these communities have a town administrator or a town coordinator and two communities have administrative assistants with operational oversight and some staff supervision responsibilities.

Having an administrative position responsible for overseeing daily operations and supervising staff will help ensure that the town is functioning efficiently and effectively. Employees will be held accountable. The town administrator also would coordinate financial management through chairing the financial team and taking on coordination of the budget process. In addition to developing a job description, we further advise that the position and its responsibilities be codified in a bylaw to ensure the continuity of this administrative post. The personnel committee also should review the added management duties and supervisory role over existing staff and propose a salary that is commensurate with these responsibilities.

RECOMMENDATION 2: EXPAND AND CODIFY THE FINANCIAL TEAM'S ROLE

We recommend that the town expand the financial team's role and codify it through the adoption of a bylaw. The membership of the financial team should include at least the town administrator as chair, the accountant, the collector, the treasurer, and the administrative assessor. This group should meet at least monthly as planned or more frequently.

Currently, the team meetings have provided a useful forum for improving communication among the officers and addressing backlogs in work. Going forward, the financial team also should participate in the budget planning process. Because of the limitations of Proposition 2½, the budget process should begin with initial projections of revenues. The financial team members would collectively develop preliminary revenue estimates, which would be the basis of the budgetary guidelines drafted jointly by the selectmen and finance committee for departments and boards. The financial team would revise the revenue estimates as new information becomes available. The team also should discuss contingency plans (e.g., revised spending proposals and scheduling override/debt exclusion votes) and ensure necessary actions are completed timely.

The financial team is not intended to function as a policy-making body or to encroach on the duties or decision-making responsibilities of the selectmen or finance committee. The team's participation in general financial and budget activities helps ensure that more than one person knows all facets that need to be gathered, analyzed, and monitored and provides institutional continuity if someone leaves town service.

RECOMMENDATION 3: CONDUCT A FULL REVIEW OF THE BYLAWS

We recommend that Conway consider conducting a full review of its bylaws to ensure that they are up-to-date and include the codification of all officials, boards, committees and departments. A strong set of bylaws establishes a formal framework of codes, policies, and procedures under which town government operates. These bylaws should identify and describe the membership, terms, roles and responsibilities of appointed and elected officials, departments and committees. When a community has a charter, it is complemented by a series of bylaws that fill in the details and are revised as circumstances warrant. If however, a community does not have a charter, the bylaws should be better developed, comprehensive and more informative than they currently are in Conway.

We recommend that the town meeting adopt a bylaw instructing all offices, departments and boards to turn over all revenues received through the conduct of town business at least weekly. Many municipalities have established a bylaw to help ensure that all monies taken in are accounted for, turned over to the treasurer timely and deposited safely in the bank. Directing that all income be deposited to the town's general fund account also represents a strong financial policy. If implemented, the town clerk would have to discontinue retaining her statutory fees (M.G.L. c. 262, §34), which has

become a rare practice. In fairness, the town should increase her annual salary by an equivalent amount.

RECOMMENDATION 4: ADOPT A FORMAL BUDGET PROCESS

We recommend that the town adopt a formal budget process through a bylaw that documents the recent changes implemented and provides guidance to future town officials. We commend the community for its initiatives to reinstate the finance committee as an independent advisory board to town meeting and offer a few additional recommendations to ensure a sound budget process going forward.

- **Revenue Projections and Budget Guidelines:** The budget process should begin with revenue projections developed by the financial team. These should be presented at a joint meeting of the selectmen and finance committee, so all are provided the preliminary figures at the same time. Based on revenue projections, the selectmen and finance committee would jointly develop and agree upon budget guidelines to be distributed to departments so they can begin to prepare their appropriation requests.
- **Electronic Budget Submissions:** New forms have been created in an Excel format. These forms should be distributed to departments so each may enter their budget requests. A copy would be returned to the town administrator, who would assemble the requests along with the preliminary revenue estimates in a draft budget. Using the Excel spreadsheets would simplify the process and eliminate re-keying data.
- **Central Coordination:** The town administrator would be responsible for the budget coordination. He would assist departments with budget requests, distribute the budget draft to the finance committee and selectmen for liaison meetings and budget hearings, and maintain a central budget file that is updated as new information is presented and decisions are made. The town administrator also would conduct research and analyses upon request.

RECOMMENDATION 5: ADOPT AN ALTERNATIVE TAX BILLING SYSTEM

We recommend that the town consider adopting an alternative tax billing system. With the traditional semi-annual payment system, property taxes are issued October 1 and April 1, due November 1 and May 1. However, if the setting of the property tax rate is delayed, a community may have to borrow funds, internally from other funds or externally from a financial institution. Since FY2002, Conway generally has set the property tax rate by or just after October 1. There have been a few times the rate was set later, which caused payments to be due as late as December and the community's cash flow to be tighter. Once, the property tax rate was set in April 2005, requiring the mailing of preliminary tax bills and issuance of tax anticipation notes in order to meet Conway's payroll and other authorized spending.

There are two alternative tax billing systems (MGL c. 59, §57C), quarterly taxes and the preliminary semi-annual system. Quarterly taxes are paid in four installments (preliminary bills by

July 1 and October 1 and actual bills by January 1 and April 1 that are due thirty days later). Alternatively, preliminary semi-annual tax billing enables the community to continue to make two collections annually, billed by July 1 are due October 1 and billed by March 1 are due April 1. Both systems allow the community to access its property tax revenue to help meet cash flow needs, an opportunity to increase investment income, and require advanced planning work in the assessors' office to update property records in order to generate the commitment for mailing the preliminary bills by July 1. The quarterly system would involve added costs for bill forms, envelopes and postage costs if the town mails bills four times each year as well as add to the collector's workload. A downside to preliminary semi-annual system is that if a community waits until the spring to set its tax rate and problems arise then there is little time left in the fiscal year to resolve them. The appropriate alternative tax billing system is a matter that the financial team should weigh through a cost benefit analysis.

RECOMMENDATION 6: ESTABLISH CLASSIFICATION AND COMPENSATION PLANS

We recommend that the town create employee classification and compensation plans for approval by town meeting. Based on the soon-to-be-completed written job descriptions, all town positions (other than those filled by election) doing similar work or having equal responsibilities should be arranged accordingly into grouped classifications. A classification plan generally is organized from entry level, to department head level, reflective of increasing areas of responsibility. The compensation plan should have minimum salaries or wage rates and provide periodic step increases based on length of service up to the maximum compensation allowed. These would be developed by the personnel committee or by a consultant and should be adopted by town meeting.

RECOMMENDATION 7: RECONSIDER POLICY FOR HEALTH INSURANCE FOR PART-TIME BOARDS

We recommend that the town re-evaluate the policy to cover costs of health care benefits for members of part-time boards. Generally, health care costs have rapidly escalated over the years. For some communities, insurance cost increases have been funded at the expense of other community services. It is for this reason, we comment on providing health care benefits for part-time members of volunteer boards and committees. The town should analyze whether these are benefits it wishes to continue or whether they are a possible area of cost reduction.

RECOMMENDATION 8: PREPARE A MULTI-YEAR CAPITAL PLAN AND BUDGET

We recommend that the town reactivate the capital improvements planning committee (CIPC) to create a multi-year capital plan and present the capital budget to town meeting annually. Once the CIPC is reactivated, it should begin the process of addressing the capital needs of the community by developing a coordinated strategy for the town's long-term capital needs and assisting in the

accomplishment of other important tasks. The responsibilities of a capital planning committee might include, but not be limited to, the following:

- Prepare a written description of the capital improvement planning process
- Solicit and evaluate capital project or purchase requests
- List requests in order of priority based on objective criteria
- Assess financial capacity (e.g., available reserves, budget dollars and borrowing limits)
- Develop a financing plan and adopt a long-term capital improvement program
- Monitor approved projects and update the capital improvement plan annually
- Create a comprehensive capital plan
- Submit an annual capital budget to town meeting

To help municipalities, DOR has developed and made available on its website a capital improvement program planning manual (see Publications and Forms at www.mass.gov/dls).

RECOMMENDATION 9: DEVELOP A MULTI-YEAR FORECAST

We recommend that the town administrator develop a multi-year revenue and expenditure forecast. The town administrator with input from the financial team should prepare the multi-year forecast, updating it as new information becomes available. Forecasting used in conjunction with the town's capital plan will enable officials to evaluate long-term impacts of budget requests. It will help identify programs that may not be funded, highlight capital requests that will be deferred, and assist in the development of long-range financial plans.

To help municipalities, DOR has developed and made available on its website a revenue and expenditure forecasting software tool (see Financial Calculators and Sample Forms under Financial Management Assistance at www.mass.gov/dls).

RECOMMENDATION 10: ADOPT FORMAL FINANCIAL PRACTICES

We recommend that the town adopt formal financial policies. The Government Finance Officers Association recommends that, at a minimum, municipalities adopt fiscal planning, revenue, and expenditure policies. These should be developed with input from the financial team, adopted by the selectmen and made available on the town's website.

1. Fiscal Planning Policies – These policies should guide budget development and long-term planning.
 - Budget Process – This policy should identify the participants' roles and responsibilities, the budget process and timeframe/calendar of events, and provide for the disclosure of unique fiscal issues in the budget message.
 - Long-Range Financial Planning – The town should adopt a policy that looks toward the future because today's decisions have long-term impacts. The policy should include multi-year revenue and expenditure forecasting and capital outlay planning.

2. Revenue Policies – Because budgeting is revenue-driven, it is essential that all revenue sources be identified and properly administered.
 - Fees and Charges – These policies should identify the legal basis for assessing a fee or charge, the method by which they are set, and the extent to which costs are recovered. As a part of the budget process, these fees and charges should be reviewed every couple years through a costing study (see Publications and Other Useful Links under Financial Management Assistance at www.mass.gov/dls).
 - Use of One-Time Revenues – This policy should discourage the use of non-recurring revenue sources to fund recurring expenditures.
3. Expenditure Policies – Given limited resources versus the potential needs of a community, prudent expenditure planning will help fiscal stability.
 - Debt Capacity, Issuance, and Management – This policy should specify appropriate uses for debt, the role of a financial advisor, the amount or percentage of debt outstanding at any time and debt service payable in any fiscal year.
 - Reserves and Stabilization Funds – A formal reserve policy should establish a practice of appropriating money annually to reserves for future needs, identify prudent levels of financial resources to protect against the need to reduce service levels or raise taxes and fees due to temporary revenue shortfalls or unforeseen one-time expenditures, and identify extenuating circumstances where reserves may be used.

We encourage the town to seek guidance or sample products from other communities. Town officials should review each policy received to determine what would work best.

RECOMMENDATION 11: AMEND AUDIT BYLAW

We recommend that the town amend its audit bylaw. As a routine practice, we comment on the number of years that a municipality might contract with the same auditor. The Government Finance Officers Association (GFOA) recommends that communities enter into multi-year agreements with auditors, or a series of one-year contracts, for a term of at least five years. A multi-year agreement allows for greater continuity and enables a new auditor to spread initial start-up costs over multiple years, potentially reducing costs in the initial years. However, after this term, GFOA recommends a full competitive selection process and a rotation of auditors after each multi-year agreement. Contracting with a new audit firm can not only bring a fresh perspective but reflects good practice. GFOA also acknowledges circumstances or locations where there is a lack of competition among fully qualified auditors. In such cases, the continued participation of the then current auditor is acceptable, assuming their past performance has been satisfactory and has conformed to industry standards.

RECOMMENDATION 12: ESTABLISH AND FUND AN OPEB RESERVE

We recommend that Conway consider establishing and annually appropriating funds into an OPEB liability reserve (M.G.L. c. 32B, §20). While there currently is no state mandate to fund an OPEB reserve, some communities have begun doing it. For additional information regarding OPEB, and steps to reduce the size of the liability, see resources available on the Division of Local Services' (www.mass.gov/dls) and the Government Finance Officers Association's (www.gfoa.org) websites.

FINANCIAL OFFICES

Information Technology

Conway does not have an information technology (IT) department. IT is overseen by the administrative aide and two external vendors (one monitors the network and does the nightly backups for storage offsite while the other assists with hardware and local issues). The town uses a voice over Internet protocol (VoIP) system for telephone service and networking office computers, enabling communication and a secure means of sharing of other information. All offices have Microsoft Office applications, virus protection installed and access to email and the internet.

Conway's financial offices use a varied collection of computerized applications. The accountant uses the FundWare accounting system while the treasurer uses SoftRight for tax title accounts and Excel for the cash book. The collector/payroll coordinator uses Community Software Consortium (CSC) for billing and collecting and SoftRight for payroll. The assessing office uses the CSC computer assisted mass appraisal (CAMA) system. Some information can be transferred electronically between systems (e.g., assessment data to the collector's billing/collection application), but most needs to be re-keyed (e.g., payroll and departmental receipts into the general ledger), which is not necessarily time consuming but potentially subject to human error.

The town has a website (<http://townofconway.com>). There is a calendar of events, news and announcements, an on-line bill payment option, town bylaws, town meeting warrants, some frequently asked questions, and links for the regional school district and other community resources. It was originally designed and created by a volunteer, who supported and maintained it. Unfortunately, the volunteer did not have the time to manage it, so it is now the town's responsibility.

It is each department's responsibility to manage its own webpage on the site, keeping the content current and providing useful information. In reality, the management and content of the website has become a duty primarily of the administrative aide. He posts news, information and other content provided to him. On some of the webpages, postings include contact information, membership, statement of responsibilities, hours of operation, meeting times, materials, and forms. Only the selectmen's office has consistently posted its minutes. Other pages have very basic contact information or have no content. Consequently, town staff has to field questions and respond to inquiries by telephone and at the counter.

RECOMMENDATION 13: CONSIDER WAYS TO STREAMLINE TRANSFER OF DATA

We recommend that the town explore a means to electronically transfer information between the current software applications and systems for the accounting, treasury and collection functions. This may be accomplished through the development of a bridge to link different applications, acquiring compatible applications that allow the transfer of data or moving toward a fully integrated financial system.

RECOMMENDATION 14: EXPAND THE CONTENT ON THE TOWN WEBSITE

We recommend that all departments and committees populate their web pages with current and useful content. We encourage departments and committees to provide information that will assist residents and other users of the town's website. Financial and other helpful information often posted on a municipal website includes, but is not limited to, financial reports, audit results and all board meeting minutes. Overall, a comprehensive and up-to-date website would help generate public awareness and confidence in government. In other communities, user-friendly and informative websites have proven successful in reducing the amount of time that town employees spend fielding questions in person or on the telephone.

RECOMMENDATION 15: CREATE A TECHNOLOGY ADVISORY COMMITTEE

We recommend that the town create a technology advisory committee made up of users from within town offices and expert volunteers from the community. It would be the role of this committee to evaluate the performance of hardware and software, to identify and prioritize the need for upgrades, to investigate ways to streamline the transfer of data, and to recommend the adoption of new technologies, helping the community to keep pace with changing technology. This committee would work with offices and departments on planning hardware replacement schedules, upgrading/purchasing systems and software, and overseeing training. The committee also would provide assistance and develop standards for keeping the town's website current and informative.

Accountant's Office

Conway contracts with the Franklin Regional Council of Governments (FRCOG) for accounting services. A member of the FRCOG accounting program has been appointed as the accountant and a second member of the FRCOG team assists her. She works in the town office on Wednesdays and her assistant works there on Mondays. The FRCOG accountant prepares biweekly payroll, biweekly town vendor and monthly school vendor warrants. She oversees financial activities, journal entries, reconciliation of cash and receivables, year-end closing entries, free cash certification and Schedule A preparation. The accountant uses the FundWare accounting program. Data are centrally managed and stored on the FRCOG server and accessible at the town office remotely via a secure Internet connection. Monthly expenditure reports are exported from FundWare into Excel for distribution by email to departments, selectmen and the finance committee. Due to Internet connectivity issues in western Massachusetts, some officials have had trouble getting the monthly expenditure reports.

The accountant was receiving monthly copies of the treasurer's cash book and bank deposit sheets (which detail the receipts taken in by revenue account code). These were difficult to understand and did not include all revenues. The accountant met with the treasurer to discuss the situation and proposed a different model for keeping receipts, maintaining the cash book, and reporting all activity

to the accountant for entry into the FundWare system. The treasurer agreed to the new model because it would simplify the process and account for all revenues. In February 2012, the treasurer implemented the new cash book and revenue deposit system. She has reported all revenues to date to the accountant and they have reconciled cash through January 2012. With all revenues posted to date, the accountant also is reconciling receivables with the collector. Going forward, the accountant, treasurer and collector plan on making cash (monthly) and receivable (quarterly) reconciliations a priority.

Within the annual balance sheet submissions, Conway provides detailed special revenue, grant, capital project, trust and agency account fund balances. Most accounts reflect activity from year to year, while others are unchanged. Some accounts reflect deficit balances, which have a negative impact on the town's certification of free cash. In reviewing the financial statements, we found that some deficits have been unchanged for a couple of years. These include accounts listed for the Massachusetts Water Pollution Abatement Trust (MWPAT); fire equipment, fire donations, a fire grant, the historic commission, and dispatch maps, totaling over \$26,000.

RECOMMENDATION 16: REQUIRE CONFIRMATION OF MONTHLY REPORTS

We recommend that the selectmen require written/email confirmations that all departments, including the schools and committees/boards, have received their monthly expenditure reports and have reviewed them. This helps the accountant verify departments are receiving monthly reports and are reconciling them to internal records. If a department/board does not agree with the accountant's monthly reports, the department would be instructed to meet with the accountant to determine the source of the variance.

RECOMMENDATION 17: REVIEW INTERNAL RECORDS WITH DEPARTMENTS

We recommend that the accountant meet with departments to review internal expenditure and revenue records that are being maintained. Seeing that a new computerized system is in place and that the chart of accounts may be something that was inherited, it is advisable to have the accountant meet with all departments. Making sure that each department keeps an internal accounting of budget to actual spending will provide a basis to which the accountant's monthly expenditure reports would be compared and variances, if any, would be identified. Similarly, each department should have a record of all revenue transactions, identifying the source/purpose and using a pre-numbered receipting system to account for all collections turned over to the treasurer and for any voided slips. This is a good financial practice that the selectmen should discuss with the accountant to determine whether she has the time available and if the FRCOG contract would provide for this activity.

RECOMMENDATION 18: REVIEW SPECIAL ACCOUNT BALANCES

We recommend that the accountant review all special revenue, grant, capital and agency accounts. For any account that appears to be inactive and has a credit balance, the accountant should research it and work with the department responsible for the funding to use it or, by whatever legal means, clear it from the town's ledger. For any account balances in deficit positions, the accountant also would research them and determine if any will require town meeting to take actions to resolve them.

Assessing Offices

The assessing office is responsible for determining full and fair cash valuations, classifying all property, assigning tax payments to owners, and generating the commitments authorizing the collector to collect property taxes and excise. The town's assessing office is open three days a week. It maintains assessment data on approximately 1,200 real property parcels and personal property accounts and 2,500 motor vehicle excise accounts. In addition, the office processes approximately 60 building permits, 30 deed transfers, and 20 exemptions and abatements annually. Conway's real and personal property assessment records are maintained on the CSC CAMA system, which is used to compile analytical reports and property tax commitments.

The three-member, part-time board of assessors is elected, meets weekly and receives a \$1,800 annual stipend. As a board, they perform fieldwork (e.g., measuring and listing new and improved properties where a building permit has been issued), review and act on abatement and exemption requests, determine changes in property conditions and set values. One of the board members conducts cyclical inspections for which he is compensated separately. Visiting about one-sixth of the parcels each year, he measures, lists and updates the data on all properties. In addition, the board oversees the work of a consultant, Kitchell Lee, who performed the FY2011 appraisal of the hydroelectric plant in town.

Another board member also serves as the part-time administrative assessor, who is appointed by the selectmen. The administrative assessor oversees the daily office operations and supervises the assessing clerk. She processes deed transfers, sends sales surveys to new owners and schedules site visits if warranted. She enters property information and sketches into the CAMA system, oversees forest, farm and recreational lands that qualify for preferential tax treatment under M.G.L. Chapters 61, 61A and 61B, and prepares triennial and interim year value adjustment analyses for the full board's approval. She maintains the assessors' maps, which were recently digitized, and will be taking the lead in setting and running the town's geographic information systems (GIS) program.

The assessing clerk prepares materials for weekly meetings and coordinates exemption and abatement applications. She manages the motor vehicle excise accounts, data enters building permit information into the CAMA system and responds to public inquiries by telephone and at the service counter.

In 2008, the Bureau of Local Assessment (BLA) changed the statewide property classification codes to comply with the Government Accounting Standards Board Statement 34. Specifically, the codes for municipally owned parcel (903), private college and school (904), charitable organization (905) and Church, Synagogue and Temple (906) were replaced with 31 more specific codes. In reviewing the town's database, the assessors have not updated the class codes as of this writing.

RECOMMENDATION 19: RECODE EXEMPT PARCELS

We recommend that the assessors review all tax exempt parcels to make sure each property type classification code is in compliance with BLA guidelines. The assessors should refer to BLA's booklet, *Property Type Classification Codes Property Sales Report: Non-Arms Length Codes and Sales Report Spreadsheet Specifications*, for coding instructions, which is found on DOR's website (see General Info under Local Assessment at www.mass.gov/dls). This will be a required correction for the FY2014 revaluation.

RECOMMENDATION 20: COORDINATE INSPECTIONAL DEPARTMENT VISITS

We recommend that the assessors work with the fire department and the building inspector to accompany them on their respective inspections. Teaming up with the fire department when it schedules a smoke/CO2 inspection because of a pending sale would ensure timely, interior information for the assessing database as well as for analyzing sales. Similarly, working separately with the Franklin Regional Council of Governments' building inspector to be present at the final scheduled inspection for occupancy also will help ensure timely review of improvements. Sale surveys are helpful. However, recording accurate physical information as well as the condition of the property should be determined by an assessor. Furthermore, as a courtesy to residents, combining visits with other departments would reduce the number of scheduled town trips to the same properties. These inspections would assist the assessors in fulfilling their cyclical inspection program as well.

RECOMMENDATION 21: PLACE ASSESSORS' PROPERTY RECORDS ON WEBSITE

We recommend that the town consider placing property record cards on-line. Placing the property record card on-line provides residents and real estate professionals with complete information relating to each parcel. On-line access also would reduce the counter traffic and telephone calls that interrupt the staff. According to Conway's vendor, CSC, this service is included in the annual fee. The property record cards may even have the owner's name removed if privacy is an issue.

Collector's Office

The collector has worked for the town since 2004. Until 2011, she was the assistant to the prior individual who served as both the treasurer and collector and now has been appointed as the collector. While the collector's and treasurer's offices are separate, she is appointed as the assistant treasurer and she retained her prior payroll coordinator responsibilities. She attends the Massachusetts Collectors and Treasurers Association's annual school and will be getting her certification.

The collector works three days/week. She processes property tax bills semiannually and motor vehicle excise bills annually and prepares about 200 municipal lien certificates each year. Using the Community Software Consortium (CSC) software, the collector prints and mails the property tax bills and maintains property tax and excise accounts. She receives payments by mail, in the office, from escrow (real estate taxes via mortgage companies) collection services and on-line through the town's website. She posts payments to the CSC software, deposits receipts and prepares a weekly turnover sheet for the treasurer.

Once a real estate tax bill becomes past due, the collector issues a demand notice. If the demand notice does not result in payment, the collector makes contact by telephone and mail, which often results in payments. In the last year, the collector has been asked by some property owners to set up a payment plan contract. Typically one year in duration, the failure to pay the installments will result in the immediate action to pursue a tax taking. Once a parcel is in tax title, the collector turns the accounts over to the treasurer, who then uses the services of an attorney to pursue foreclosure options.

The collector uses a deputy collector to pursue delinquent motor vehicle as well as real and personal property accounts. The deputy collector also prints the motor vehicle excise bills, which are delivered to the town office for the collector to stuff and mail. All delinquent collections are deposited into the town bank account and weekly turnover reports are provided. Fees for the outside services are then paid through the town vendor warrant.

Historically, the collector's property tax and excise receivable balances were reconciled with the accountant's general ledger only at the end of fiscal year. With the change in the accountant, the collector reconciled FY2011 without variances and they have begun reconciling quarterly.

Serving as the assistant treasurer, she provides backup to the treasurer. She may accept payments, handle tax title accounts, answer benefit questions and sign checks in the treasurer's absence. Because the cash book and deposit reporting system are new, the collector is not familiar with them and, in fact, does not have access at the present time.

As the payroll coordinator, she is responsible for preparation of the town and elementary school biweekly payrolls. She receives payroll sheets, which had varied in design by department, that she has since standardized based on template examples DOR provided. She enters payroll into the SoftRight system on an exception basis. The SoftRight system has the option to accumulate personal, vacation and sick time and print the available balances on paystubs. It had never been used because departments had always managed this information independently. At DOR's suggestion, the collector

received training on this application and will be managing personal, vacation and sick time centrally. Balances will then be printed on town and school employees' paystubs.

RECOMMENDATION 22: RECEIVE TRAINING ON THE CASH BOOK

As the assistant treasurer, we recommend that the collector receive training on the new cash book system. This would include getting instruction on preparing deposit slips, transferring depository information into the cash book and submitting periodic reports summarizing the revenues received to the accountant. Making sure the assistant is fully versed on the various activities of the office will ensure that functions are performed without delay if the department head is unavailable for a brief or extended period of time.

Treasurer's Office

Appointed in June 2011, the treasurer works three days per week in the town office. She has experience working as a treasurer for a regional school and a sewer district, but this is her first appointment as a municipal treasurer. To assist her in learning the municipal facets of the job, she attended the Massachusetts Collectors and Treasurers annual school last summer and plans on participating the next two years with the goal of getting her certification. As treasurer, she is responsible for cash management (including the investment, disbursement and borrowing of cash), tax title account oversight and administration of employee benefits. She also serves as the assistant collector, providing backup for the collection of property taxes and excise, and the payroll system. She has received training on the former but not yet on the latter.

Generally, departments turn over receipts to the treasurer each week. However, the elementary school department does it biweekly. In a practice that is no longer common, the town clerk retains her statutory fees instead of turning them over as general receipts. The formats for turnover sheets vary. Some are in Word documents and others are handwritten. Descriptions and revenue account codes are provided and there are blank lines, providing opportunities for departments to add new receipt types. The treasurer counts the turnovers and makes bank deposits.

The prior treasurer used Quickbooks to manage the cash book while the current treasurer is using a new model recommended by the accountant based on a similar system in another of her towns. Using Excel, revenues turned over to the treasurer are posted into a deposit sheet, which is printed for the bank deposit. The deposit sheets are then transferred into the cash book via Visual Basic macro programs. The treasurer uses electronic banking services to monitor her accounts. Monthly, she prepares a receipts report for the accountant and the treasurer reconciles internally to bank statements and then externally to the accountant's general ledger.

The treasurer uses the SoftRight system to manage roughly a dozen tax title accounts. She uses the services of an attorney to set up contractual payment plans and to pursue foreclosure proceedings on accounts that date back a number of years.

The payroll warrant (about 70 direct deposit and 30 paper checks) is produced biweekly using the SoftRight system while the vendor warrant (between 50-70 payments) is prepared weekly on the FundWare accounting application. After the selectmen approve each warrant, a copy of the warrant and the checks are presented to the treasurer. She reviews and hand-signs them, matches invoices to vendor payments, stuffs and then distributes the payroll and mails vendor payments.

RECOMMENDATION 23: CUSTOMIZE DEPARTMENTAL RECEIPT TURNOVER SHEETS

We recommend that the treasurer, in cooperation with the accountant, standardize the departmental turnover sheets. For each department that collects and turns over funds, a turnover sheet should be created in a spreadsheet application that clearly lists all the revenues handled by that department or board. For each revenue source, it should include a brief description, operating fund, and the revenue account code, which have changed since moving to the accountant's FundWare accounting application. The treasurer should review the reports with each department to determine whether the current listing of receipts/revenue types is complete. Customized sheets in an electronic format will allow the treasurer to verify the total submission and enable the accountant to post the revenues efficiently.

APPENDIX A: CONWAY'S HISTORICAL POPULATION FIGURES

	<u>Population</u>	<u>Change in Population</u>	<u>Percentage Change</u>
1790	2,092		
1800	2,013	-79	-3.8%
1810	1,784	-229	-11.4%
1820	1,705	-79	-4.4%
1830	1,563	-142	-8.3%
1840	1,409	-154	-9.9%
1850	1,831	422	30.0%
1860	1,689	-142	-7.8%
1870	1,460	-229	-13.6%
1880	1,760	300	20.5%
1890	1,451	-309	-17.6%
1900	1,458	7	0.5%
1910	1,230	-228	-15.6%
1920	961	-269	-21.9%
1930	900	-61	-6.3%
1940	944	44	4.9%
1950	873	-71	-7.5%
1960	875	2	0.2%
1970	998	123	14.1%
1980	1,213	215	21.5%
1990	1,529	316	26.1%
2000	1,809	280	18.3%
2010	1,897	88	4.9%

Source: US Census

APPENDIX B: COMPARABLE COMMUNITIES TO CONWAY AND ADMINISTRATIVE STRUCTURES

Municipality	2010 US Census	Income (DOR 2008) Per Capita (US 2009)	2010 EQV/ 2009 US Census	FY2011 Operating Budget	FY2011 Total Parcels	Executive	Administration or Staff
Conway	1,897	39,557	141,551	5,650,729	1051	3 selectmen	Administrative Aide
Ashfield	1,737	21,777	132,016	4,097,553	1243	3 selectmen	Town Administrator
Becket	1,779	23,053	317,253	5,515,187	3797	3 selectmen	Town Administrator
Bernardston	2,129	23,523	100,465	4,233,785	1274	3 selectmen	Administrative Assistant
Buckland	1,902	17,792	112,509	4,285,788	1062	3 selectmen	Town Administrator
Clarksburg	1,702	19,812	78,349	3,940,291	812	3 selectmen	Town Administrator
East Brookfield	2,183	30,139	116,784	4,846,480	1254	3 selectmen	Selectmen's Secretary
Egremont	1,225	26,127	366,344	3,775,346	1143	3 selectmen	Office Administrator
Granville	1,566	27,771	132,701	4,626,640	930	3 selectmen	Administrative Assistant
Hinsdale	2,032	26,980	153,958	4,854,547	1472	3 selectmen	Administrative Assistant
Holland	2,481	25,461	138,769	6,233,071	2191	3 selectmen	Executive Secretary
Huntington	2,180	26,330	97,716	4,295,177	1347	3 selectmen	Administrative Assistant
Leverett	1,851	34,338	158,900	6,120,542	1152	3 selectmen	Town Administrator
New Marlborough	1,509	18,784	358,562	4,298,780	1762	3 selectmen	Administrative Assistant
Otis	1,612	35,607	446,471	5,236,438	2838	3 selectmen	Town Administrator
Pelham	1,321	28,282	136,787	4,943,234	671	3 selectmen	Town Administrator
Petersham	1,234	24,943	125,495	4,080,667	846	3 selectmen	Administrative Coordinator
Richmond	1,475	42,298	300,271	5,928,748	1182	3 selectmen	Town Administrator
Russell	1,775	23,554	85,109	4,900,705	771	3 selectmen	Administrative Assistant/Accountant
Shelburne	1,893	17,982	117,796	3,749,299	1031	3 selectmen	Town Administrator
Shutesbury	1,771	20,662	115,118	5,841,468	1144	3 selectmen	Town Administrator
Wales	1,838	20,644	99,400	3,878,060	1124	3 selectmen	Executive Secretary
West Stockbridge	1,306	29,360	325,968	4,956,964	1064	3 selectmen	Administrative Assistant
Westhampton	1,607	31,395	157,251	4,590,421	1219	3 selectmen	Administrative Assistant
Whately	1,496	19,767	153,425	4,817,445	1093	3 selectmen	Town Administrator

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