



Town of Dunstable

Financial Management Review

Division of Local Services / Technical Assistance Section

November 2011



November 14, 2011

Board of Selectmen
Town Hall
511 Main Street
Dunstable, MA 01827

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 Dunstable. 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,

Robert G. Nunes
Deputy Commissioner and
Director of Municipal Affairs

RGN:mjo
Enclosure

cc: Senator Eileen Donoghue
Representative Sheila C. Harrington

INTRODUCTION

At the request of the Dunstable 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) and Bureau of Accounts (BOA) members and consultations with Bureau of Local Assessment (BLA). The staff interviewed the selectmen, advisory committee members, assessors, the selectmen's secretary/assistant treasurer, town accountant, collector/treasurer, town clerk 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 Dunstable 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

Dunstable is a small town located northwest of Boston on the New Hampshire border. It occupies land area of about 16.5 square miles and has a population of 3,179 (2010 US Census) persons. When it was incorporated in 1673, the community was about 200 square miles that extended as far north as Londonderry, New Hampshire and east to Chelmsford, Massachusetts. During the 1700s, areas broke away and incorporated as fourteen other communities.

Dunstable began as a farming community and continues to maintain its rural character today. It has active agricultural businesses and a fair amount of land that is open and undeveloped. There are 115 parcels, covering three square miles of the town, that are forest, farm and recreational land, which qualify for preferential tax treatment under M.G.L. Chapters 61, 61A and 61B. In addition, roughly 2.9 square miles of the community is state-owned wildlife/environmental properties, town-owned conservation land or in non-profit land trusts. Over 160 other parcels are vacant, of which only 70 percent are deemed potential developable. The predominant use among the town's remaining parcels is single family residential.

Since 2000, single-family residential development in the town has grown from 860 (FY2000) to 1,023 (FY2011) parcels, an increase of 163 parcels or 19 percent. As a result, the town's population grew from 2,829 (2000 US Census) to 3,179 (2010 US Census) persons, an increase of 350 people or 12.4 percent.

Dunstable is member of the Groton-Dunstable Regional School District (K-12). In addition to town hall offices, there is a library, small police force, and a volunteer fire department. With the exception of about a dozen town employees, most officials and staff are part-time. To support these and other services, Dunstable's annual budget has increased from \$4.45 million (FY2000) to \$8.75 million (FY2011). This is an increase of nearly \$4.3 million or 97 percent, which is well above the average statewide increase in municipal budgets of about 45 percent over this time period. The town's largest area of expenditure is education, which totaled over \$4.7 million or about 65 percent of FY2010 general fund expenditures. Based on Dunstable's year-end Schedule A reports¹, the three largest spending increases (in terms of dollars and percentage) were in education, public safety and fixed costs (i.e., retirement, insurances, employee benefits and Medicare) between FY2000 and FY2010. Education increased from \$2,505,385 to \$4,725,335 or 88.6 percent; public safety grew from \$395,370 to \$840,298 or 112.5 percent; and fixed costs rose from \$115,258 to \$351,553 or 204.5 percent. While debt service also increased from \$105,258 to \$387,065 or 267.7 percent during this same time period, it has declined in the last couple years as issues have been paid off.

Annually, the budget is funded by four general sources of revenue—tax levy, state aid, local receipts, and reserves. The vast majority of state school aid (Chapter 70) goes directly to the regional school district while a small amount is received by the town because a student attends a vocational high school on a tuition basis. The town also receives non-education state funding (e.g., unrestricted

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

general government aid, police career incentive, property tax exemption reimbursements, state owned land, and library aid) that, when combined with its Chapter 70 aid, accounted for about 2.7 percent of its FY2011 estimated revenues. Local receipts, including motor vehicle excise, penalties and interest, departmental fees, fines, payments in-lieu of taxes, investment income and the water and the transfer station enterprise funds' revenues, combined were about 13.7 percent of the estimated revenues in FY2011. Dunstable uses reserves (i.e., stabilization funds, overlay surplus, and expendable trust funds) and free cash to balance the budget, fund one-time purposes, or replenish the stabilization funds. In the FY2011 budget, one-time revenue sources accounted for about 2.7 percent. The remaining budget, nearly 81 percent, is funded by property taxes.

Because there is little commercial and industrial development, residential property owners essentially bear the property tax burden. In FY2011, Dunstable's average single family property value was \$408,249 and the average tax bill was \$5,969, placing the town well above the state wide average of \$4,538. In addition, Dunstable adopted the provisions of M.G.L. c. 44B through a citizen petition in 2007 that established a community preservation fund financed through a three percent surcharge on real property tax bills and state matching funds.

To meet the town's ongoing budgetary and capital needs, Dunstable voters have approved Proposition 2½ general override and debt exclusion questions. The town approved overrides three times to fund its regional school and twice for general operations. Since FY1988, the town voted to authorize debt exclusions for purchasing land, building schools and a library, remodeling other buildings, closing a landfill, acquiring fire trucks and making improvements to a town field. As a result, Dunstable has \$3,031,740 in total long-term outstanding debt and \$169,560 in temporary notes as of June 30, 2011. With the payoff of three debt issues in FY2011, the town's total annual debt service will drop from \$630,953 (FY2011) to \$461,416 (FY2012), triggering some discussions on the need for and cost of a new public safety building.

In recent years, Dunstable, like many other communities has faced the challenge of providing services with a shrinking number of available dollars. As a result, the town has had to find more efficient ways of conducting business or make service and personnel cuts in order to balance its budget. The task is made more difficult by a government structure where there is no single person with authority to direct the town's financial affairs or who can collect information, prepare analyses and propose mid-course budget adjustments quickly and efficiently.

In Dunstable, this role has fallen to part-time boards and, in particular, to the advisory board, which routinely makes fiscal, operational and personnel decisions. This differs from the model we see where the selectmen, as the town's chief executive officers, play a meaningful role in the budget process and through the year to address financial issues or unanticipated fiscal events. It differs further from a preferred government structure built around a central management authority.

The lack of a professional management presence affects Dunstable in other ways. It leaves the supervision of staff to part-time boards whose members are not typically in town hall during business hours. As a result, there is little or no staff supervision or accountability. However, because of their independence, these boards can influence town spending and the town's fiscal status. They determine

salaries and wages for non-union employees that may affect hours of operation. They contract for services independently in ways that may not be the most cost effective, follow best business practice and/or protect town interests. Consequently, the town's decentralized organization has impeded cohesive, coordinated financial oversight, and has put the town in a position where its financial management capacity is weak.

These limitations play a part in a below average A1 rating assigned to the town by Moody's credit rating agency. There are other contributing factors, as well, including the town's small tax base, poor prospects for future growth, only fair reserve levels and low debt burden, which suggests inadequate investment to meet capital needs. Credit rating agencies also look to a municipality's management capacity. In Dunstable, despite income levels and property values that exceed state medians (Appendix A), the lack of a central, coordinating management position and the relative inability of the town to respond quickly to fiscal issues may be negative factors in its rating.

In this context, the Dunstable Board of Selectmen requested that the Division of Local Services conduct a review of the town financial offices and make recommendations to help improve municipal operations. In doing so, we have found that the individual finance officers are dedicated and hardworking. Procedures are adequate to ensure that money due the town is collected and obligations of the town are paid. The annual budget is prepared and presented to town meeting. The town is timely in the submission to DOR of its Tax Recap Sheet (for tax rate approval), its balance sheet (for free cash certification) and its Schedule A (a required year-end report of revenues, expenditures and fund balances).

At the same time, we view the decentralized organizational structure of the town as not conducive to an efficient and effective present day government. The lack of central coordination, overall communication and accountability in town hall are concerns. Therefore, to address these shortcomings, we recommend that the town create an administrative position. In other areas of government, we recommend the town develop formal financial policies and adopt changes in the budget and capital planning process that give the selectmen and financial officers more meaningful roles. We recommend that the town review and recodify its bylaws, and make changes in its personnel policies. We also make recommendations that directly involve finance departments. Finally, we encourage the town to seek out opportunities to regionalize or consolidate services or functions.

The Town of Dunstable is overdue in efforts to raise the performance levels of municipal government to match the sophistication level of its residents. The recommendations we offer reflect many of the practices implemented in communities regarded as well run. Not all need to be adopted simultaneously or quickly. However, the town would benefit significantly by a thoughtful plan to move forward.

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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.

GOVERNMENT STRUCTURE AND BYLAWS

Dunstable does not have a charter. It has a selectmen-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. Because they are a part-time board, the selectmen have a full-time secretary that staffs the town hall office five days a week and attends their weekly Monday meetings. The selectmen's secretary was hired in 1987 to provide clerical support to the board and the then circuit rider, a professional position serving three communities (Bolton, Carlisle and Dunstable). However the circuit rider left shortly after the secretary was hired and the position was not refilled. Instead, the secretary assumed additional duties, following up on matters requested by the selectmen, acting as liaison with other elected and appointed officials, and responding to public inquiries. To keep abreast of activities, a selectman may feel compelled to attend another board's meeting. However, because many of the town's boards meet simultaneously on Mondays, a selectman would have to leave the selectmen's meeting, potentially missing something presented or discussed.

Because of the limited resources and staffing in town hall, the selectmen's secretary also assists the building inspector and the treasurer. For the building inspector, she prepares correspondence, occupancy and building permits and provides support upon request. For the treasurer, she serves as the assistant treasurer, prepares the monthly receipts reports and cash reconciliations, and accepts payments and receipts in the treasurer's absence, but does not post to the computerized systems.

In reviewing the content of Dunstable's bylaws, we found that they contain some boards and committee's duties and responsibilities (e.g., affordable housing trust board and community preservation committee) and provide detailed codes and procedures (e.g., demolition delay, excavation of streets and wetlands protection) in some areas. There also are a number of elected commissions created through local adoption of state general laws that oversee independent town operations, but little about the basic duties, membership and terms were included in the town's bylaws.

According to the 2010 town report, there are 21 separately elected officials, boards and commissions which oversee or operate independent municipal functions, resulting in a decentralized structure. For example, the tax collector and treasurer are two separately elected positions that are currently filled by one individual. While she works with the selectmen, who are the chief executives

of the town, there is no reporting relationship or accountability to them. In another example, Dunstable has road, water, cemetery, and parks commissions that share some staff and equipment under particular circumstances, but otherwise operate independently. Similarly, because there is no one person in charge or coordinating activities, we were informed that mowing the lawns for various town properties is contracted for individually by the selectmen, library, highway and police departments. In contrast, communities increasingly have moved toward a consolidated public works department to more efficiently and effectively use staff, equipment and other resources. In 2007, town meeting adopted M.G.L. c. 41, §23A, authorizing the selectmen to appoint an administrative position, but it was only recently that the selectmen placed a government review proposal among its top five initiatives for FY2012.

In other bylaws, we found conflicting information. For example, the advisory board bylaw was amended in 1962, changing the selection of members from appointed to elected. However, the text of the original bylaw was never revised, leading to confusion for uninformed readers or new residents on the correct practice.

RECOMMENDATION 1: CREATE A CENTRAL ADMINISTRATIVE POSITION

We recommend that the town consider establishing a central administrative position to oversee daily activities with the goal of streamlining operations for efficiencies and holding departments accountable. 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 part-time boards. Town resources are already spread thin and the lack of line authority and accountability in the structure of government makes it difficult to marshal those resources in an effective and efficient way.

In 2007, town meeting adopted M.G.L. c. 41, §23A authorizing the selectmen to appoint an executive secretary or town administrator. And, more recently, the board placed a proposal to create a government review committee among its top five initiatives for FY2012. We support the creation of a government study committee, but encourage the selectmen to act sooner on bringing a central management presence to town government.

One option would be to engage the services of an interim town administrator, who can work with the selectmen over the short-term to lay a foundation for a permanent position. A candidate for this role would likely come from a pool of former town administrators, who are now retired and available for brief assignments. Very often, they are hired to fill transition periods in communities where a vacancy has occurred. Even on a part-time basis, they have the experience to manage daily activities, supervise staff and coordinate the budget process. If so directed, or encouraged, the interim administrator can recommend or make changes to improve procurement, staffing or general operations. They can assist in setting up a screening process for a permanent replacement. A typical arrangement would involve a contract with terms specifying an agreed upon number of hours and job responsibilities, an hourly wage, mileage and expenses. We would expect a potential total expenditure to be in the \$40,000-to-\$50,000 range.

A second option for the town would be to explore the prospects of entering into an inter-municipal agreement to share an administrator with another community. Currently, there are two such agreements statewide: a nearly two-decade old agreement between the towns of New Salem and Wendell; and a recent agreement between the towns of Ashby and Ashburnham. In these arrangements, one professional administrator provides oversight and coordination for both communities. The New Salem-Wendell shared position began as a circuit rider and developed into a professional administrator, while the Ashby-Ashburnham position met the management needs of two communities with economic challenges. Again subject to negotiations, this option will cost roughly the same as the first option.

The third option would be to expand the accounting position to include administrative responsibilities. This new chief financial and administrative officer (CAFO) or a chief operating officer (COO) would handle daily activities, supervision of staff, and budget coordination as well as serve as the finance director/accountant. Two communities, Lunenburg and West Newbury, have similar organizational models built around a full-time professional position. Given Dunstable's size, the combined position could be between 25 and 30 hours per week. Subject to negotiations, the CAFO position would require additional compensation over the current accountant's budgeted salary of \$19,478 and would probably require keeping the part-time clerk's position funded at about \$6,500. This type of model could be adopted through a charter, special act or acceptance of M.G.L. c. 43C.

RECOMMENDATION 2: COMBINE AND APPOINT THE TREASURER AND COLLECTOR POSITIONS

We recommend that the collector and treasurer positions be combined and appointed. While these positions function as a combined office currently, they could be filled by two persons by ballot. Because there are parallel responsibilities (e.g., collecting, counting, posting, depositing, and reconciling receipts), many communities have formally and officially combined the collector's and treasurer's operations to ensure efficiencies and sound cash management practices. As an appointed position, the town also can establish minimum qualifications for the job and select the applicant that best suits the demands of the office. To combine and appoint these offices would require a special act of the legislature or the adoption of a charter.

RECOMMENDATION 3: CONSIDER CREATING A DEPARTMENT OF PUBLIC WORKS

We encourage Dunstable to consider unifying the public works related functions into one department under the oversight of a director. The management model of separately elected boards overseeing independent yet related functions is not very efficient. Because legal, administrative oversight and liability issues have become complicated and time-consuming, it may be more effective to coordinate or combine the public works related activities, including highways, engineering, cemeteries, water, parks and solid waste disposal under the direction of one department head.

RECOMMENDATION 4: CONDUCT A FULL REVIEW OF THE BYLAWS

We recommend that Dunstable 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, role 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, more comprehensive and informative than they currently are in Dunstable.

BUDGET AND FINANCIAL PRACTICES

In accordance with M.G.L. c. 39, §16, Dunstable has an advisory board. The six-member board is elected at-large. By bylaw, the board is responsible for reviewing and making recommendations on all town meeting articles forwarded by the selectmen. However, this board has taken the lead in coordinating the budget process over the last few years, issuing instructions and forms, putting the budget proposal together, and making policy decisions (e.g., personnel and capital) with little input from the selectmen.

The annual budget process begins in the fall when the advisory board reviews preliminary revenue projections developed by the accountant with input from other financial officers. There is no financial team. As a result, the accountant, tax collector, treasurer, and assistant assessor do not meet to discuss fiscal issues or collectively prepare information during the budget process. The advisory board issues an email to departments with budget forms, instructions and a calendar. The accountant is available to assist departments when putting their requests together. For departments under the selectmen's oversight, these budgets are reviewed and approved by the selectmen before submission to the advisory board. All other requests are submitted to the advisory board by the end of January. The data is entered into a working spreadsheet kept by one of the board members and updated as new information becomes available during the budget hearings and from the accountant, who attends the meetings.

After hearings are held and revenue projections are updated, the advisory board deliberates on the budget with the goal of bringing estimated revenue and expenditures into balance. These deliberations include the use of one-time reserves to fund capital articles and operating expenses or, if necessary, consideration of a Proposition 2½ override or debt exclusion. Prior to town meeting, the advisory board holds a public hearing on its detailed budget and other warrant article recommendations. Absent is a separate article that fixes the salary of each elected official as required by M.G.L. c. 41, §108.

Generally, budget planning is done on a one-year basis. The advisory board completed a five-year revenue and expenditure forecast a couple years ago, but it was not maintained. While the

selectmen have adopted a number of general government policies and procedures, there are no financial policies. Some free cash and stabilization funds have been spent on capital items or one-time expenditures. However, the town has used free cash, a non-recurring revenue source, more often to reduce its tax rate or support recurring costs. Over the last ten years, Dunstable has used free cash to reduce the tax rate in all but one year, using as little as \$68,000 (for FY2011) and as much as \$342,000 (for FY2005).

The town does not have a capital planning committee. Requests are submitted on an ad-hoc basis to the advisory board, which makes recommendations to town meeting, including advising when to use available funds or issue debt. Over the last couple of years, the town paid off debt issues for library and police improvements, a land purchase and a fire truck. There has been some discussion of a new combined public safety building and bringing dispatch back in from Groton (police) and Pepperell (fire), but some officials are concerned about the increased recurring costs for the town as a result of this early proposal.

While one of the selectmen serves as the town's procurement officer, departments generally make purchases independently, though they appear to follow the state's guidelines. During the course of our review, we were informed about the engineering services for a proposed reconstruction project for a section of Route 113. While many of the town officials thought the project would be put out to bid, it was not per the advice of town counsel because it is an exempt service under M.G.L. c. 30B, §2. In addition to not being bid, there was no formal contract executed dictating the price and any potential changes for which either party would be responsible. When the project ran into additional costs beyond the original quote, officials questioned whether the town was obligated to appropriate additional funding.

To comply with Government Accounting Standards Board Statement 34, the town inventoried and valued its fixed assets. This information is updated annually to reflect new purchases, dispositions and depreciation. Because the town has not adopted M.G.L. c. 32B, §9A, it does not contribute toward the cost of health insurance benefits for retirees. Therefore, it has no liability for other post employment benefits (OPEB) and is free from the requirements of GASB 45 to account for them.

Since FY2004, biannual audits completed by R. E. Brown CPA have involved an examination of the community's financial systems, procedures, and data, a report on the fairness of financial statements and comments on local compliance with statutes and regulations. While the town's books were closed and the balance sheet was completed for FY2010 by September 2010, the audit engagement was not initiated until July 2011. Similarly for the FY2008 audit, the closing was timely but the audit transmittal letter was dated November 13, 2009. An audit serves as a useful management tool for evaluating the fiscal performance of a community. However, sound business practices suggest that the audit should be completed prior to the close of the subsequent year. Otherwise, it loses value as issues identified cannot be addressed through prompt corrective action.

RECOMMENDATION 5: ESTABLISH A FINANCIAL MANAGEMENT TEAM

We recommend that the town form a financial management team and codify it through the adoption of a bylaw. Chaired by the accountant, or the administrative officer recommended previously, the financial management team should include at least the collector/treasurer, the assistant assessor, a member of the technology advisory committee and a representative from the Groton-Dunstable School District. This group should meet at least quarterly or more frequently as required.

Financial team meetings are a useful forum for reviewing responsibilities and deadlines related to town meetings, the annual budget, the Schedule A, the Tax Recapitulation Sheet and Free Cash certification. They are an occasion to analyze financial problems, spur creative thinking as well as develop and incubate new ideas. Meetings present opportunities to identify critical junctures for the town and to formulate strategies to avert potential fiscal problems. The group can be a sounding board for proposed procedures or policies. 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 continually and provides institutional continuity if someone leaves town service.

In addition, meetings enhance lines of communication ensuring that all involved receive the same message or new information at the same time. They provide a forum to raise and resolve interdepartmental issues. The financial management team is not intended, however, to function as a policy making body, nor as one that would encroach on the duties or decision making responsibilities of the selectmen or advisory board.

RECOMMENDATION 6: ADOPT A FORMAL BUDGET PROCESS

We recommend that the town adopt a formal budget process that emphasizes consensus building and involvement of the selectmen, advisory board and financial team. We offer the following that can serve as the basis for establishing a sound budget policy that can be incorporated into a town bylaw:

1. **Budget Calendar:** As a first step, the chair of the board of selectmen and the chair of the advisory board should meet to plot out and agree upon a defined budget calendar. Working back from town meeting, dates should be established for the milestones described below.
2. **Revenue Projections and Budget Guidelines:** The budget process should begin with revenue projections developed by the financial management team. Based on revenue projections, the selectmen and advisory board would jointly develop and agree upon budget guidelines to be distributed to departments so they can begin to prepare their appropriation requests. In addition, the board of selectmen and advisory board should meet together with their counterparts in Groton in order to establish budget expectations for the regional school district.
3. **Departmental Appropriation Requests:** Based on the distributed budget guidelines, department heads would submit their appropriation requests that would be assembled by the accountant, or administrative professional as previously recommended, into a draft budget along with revenue assumptions.

4. **Adjustment to Revenue Projections:** After the Governor's proposed state aid distributions are submitted to the House in late January, an adjustment can be made to revenue projections. The change should be agreed to by the selectmen and advisory board.
5. **Selectmen and Advisory Board Budget Reconciliation:** Once the selectmen and advisory board have held hearings and reviewed their respective budget recommendations, a joint meeting should be held to reconcile the two.
6. **Second Adjustment to Revenue projections:** In early April, revenue projections can be adjusted again based on House/Senate joint local aid resolution, if adopted, or on state aid recommended by the House Ways and Means Committee issued in mid-April.
7. **Budget Recommendation:** Once final consensus has been reached by the board of selectmen and advisory board, a final budget recommendation should be prepared for presentation at the annual town meeting.

Throughout the development of the budget, it is necessary that officials maintain a strong commitment to the process, to a high level of communication and to reaching consensus. The exchange of information should be on-going among officials and finance officers, particularly as they get deeper into the process.

RECOMMENDATION 7: FIX SALARIES OF ELECTED OFFICERS ANNUALLY

We recommend that the town annually fix the salaries of elected officers. In order to comply with M.G.L. c. 41 §108, town meeting should vote to fix the salary of each elected position (including any chairmanship that is paid differently from the other members). Typically this is done in a separate article from the budget, which appropriates the funding for each position.

RECOMMENDATION 8: ESTABLISH A CAPITAL PLANNING COMMITTEE

We recommend that the town create a capital planning committee by adopting M.G.L. c. 41, §106B and codify it in the town's bylaws. Generally, we find that a capital planning committee works best when the members include a mix of town department heads/representative and knowledgeable residents in the areas of construction and/or finance, who do not serve in another capacity in town. A committee can help define the capital outlay program, develop a coordinated strategy for the town's long term capital needs, and assist in the accomplishment of other important tasks.

The responsibilities of a capital planning committee might include, but not be limited to, the following:

- Define a capital item
- Solicit and evaluate capital project or purchase requests
- List requests in order of priority
- Assess the town's 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; update the capital improvement plan annually
- Create a comprehensive capital plan and 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 Other Useful Links under Financial Management Assistance at www.mass.gov/dls)

RECOMMENDATION 9: DEVELOP A MULTI-YEAR FORECAST

We recommend that the accountant develop a multi-year revenue and expenditure forecast. The accountant, or the administrative officer recommended previously, 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 would 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.

RECOMMENDATION 10: CENTRALIZE PROCUREMENT

We recommend that the community centralize procurement through the adoption of a bylaw. While a selectman may have traditionally served in this role, not all departments and boards consult with the selectmen's office. Procurement and construction laws are very complicated and require training from the Inspector General's Office to manage these processes effectively and to ensure compliance. Since the town accounting officer should have all contracts and grants on file and generally is familiar with the legal requirements, this position would be best suited to serve as procurement officer for all departments. By establishing this appointment through a bylaw, it will help to centralize the function and ensure compliance. The bylaw should also establish the procedures and process that mirrors the state statute or may strengthen them by setting lower amounts for verbal and written quotes and when to initiate an advertised, competitive bidding process.

We further recommend that the town consider procurement procedures for exempt services. While some services (e.g., architects, engineers and related professionals) may be exempt from the procurement/bidding laws, we believe that the community should conduct an open process that will help foster competition for quality services at a favorable price. This view is shared by the Massachusetts Office of the Inspector General in training and other literature on its website. Therefore, procurement/bidding guidelines should be applied to the solicitation of all services, including those that are statutorily exempt. Further, it is recommended that the community enter into formal contracts for services that clearly structure the business relationship. It should identify the price, timeline, responsibilities of the parties, conditions for satisfactory completion of the task and

when payment is to be received. Specifying the terms in a formal contract also serve to protect the community's interests.

RECOMMENDATION 11: 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 by the selectmen, with input from the financial officers, and adopted by the selectmen.

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 a non-recurring revenue source 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 12: RE-ADVERTISE FOR AUDITING SERVICES PERIODICALLY

We recommend that the town re-advertise for auditing services every five to eight years. As a routine practice, we comment on the number of years that a municipality might contract with or rely on 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.

We also recommend that the community stipulate in its auditing service agreement that the engagement and final written report be completed within six months after the close of the fiscal year being audited. In order for an audit to serve as a management tool, town officials need access to the final report timely so as to take corrective action immediately.

PERSONNEL PROCEDURES AND POLICIES

Town employees are paid biweekly. Based on timesheets submitted to the treasurer, we found that some timesheets had a photocopied department head signature or none at all. According to officials, because many part-time boards meet monthly, some have voted to allow staff to submit payroll to be paid timely and it will be approved by the board at the next meeting.

Using Harpers Payroll Services, the treasurer enters personal leave (e.g., vacation, personal and sick) use and regular time on an exception basis, which is then reviewed by the accountant. The accountant's review process is a safeguard for the community, preventing the payment of illegal or inaccurate amounts. About half of the employees have direct deposit and the rest receive paper checks.

Dunstable does not have a personnel bylaw. The selectmen have a set of personnel policies that are intended to apply to all employees except those who are elected, covered by a collective bargaining agreement or have an individual employment contract. These policies were developed with the assistance of a consultant and periodically updated by a five-member personnel board that is currently defunct. The policies define types of employment (e.g., full-time, regular, part-time and temporary), establish standards of conduct (e.g., harassment, drug-free workplace, conflict of interest and use of town property) and recognize that independently elected boards appoint their own employees. The policies have sections on employment practices (e.g., requires minimum qualifications and establishes a discipline process), compensation, holiday and other leave as well as

employees eligible for benefits. Although these policies are intended to serve as a resource for employees, they are only found in the selectmen's office.

The compensation section is particularly problematic. It states that an employee will be compensated at the minimum starting rate for a position and that a higher rate may be set by an appointing authority subject to the availability of funds. However, there is no classification or compensation plan that groups similar jobs together and sets forth minimum and maximum salaries/wage rates. Without set plans adopted by town meeting, the independent appointing authorities may set their own pay rates or adjust the hours of a position to live within the appropriation set by town meeting. Similarly, performance evaluations are encouraged, but there is no direction or guidance, so these are generally informal or not conducted.

Most town positions, both appointed and elected, have a job description that was developed by the personnel board. Each job description lists duties and responsibilities, requires skills and abilities, and minimum education and training. Each also provides a section for the incumbent to sign, acknowledging that they have read and agree to the position requirements.

The town participated in the regional school's health plan program until the district proposed an administrative fee at which point Dunstable moved to the Massachusetts Interlocal Insurance Association (MIIA) for coverage. Dunstable independently contracts with MIIA, paying 75 percent of the health and life insurance premiums for full and regular part-time employees who work at least 20 hours per week. Despite not contributing to retirees' insurance costs, town meeting has adopted M.G.L. c. 32B, §18 that would require retired employees and their spouses, who are eligible for Medicare, to join at age 65.

Dunstable has a small pool of about a dozen employees on the health plan. While the treasurer has bid out the health care coverage to get the best rates and has had discussions with MIIA on options (e.g., service plan and co-payment changes) to minimize premium increases, costs continue to climb as new employees take advantage of the benefit and premiums increase. The town spent \$103,596 on FY2010 health insurance, \$120,593 in FY2011 and budgeted \$135,230 for FY2012.

RECOMMENDATION 13: REQUIRE AN AUTHORIZING SIGNATURE ON ALL PAYROLL SUBMISSIONS

We recommend that the treasurer notify all those who supervise town employees of state requirements on the approval of payroll and that she is required to return any payroll submissions which fail to comply. State law (M.G.L. c. 41, §41) requires a department head or the members of a board, committee or commission to verify an employee's time by way of a signature, or signatures, not a stamp or photocopy on payroll information submitted to the treasurer. Otherwise, the treasurer is not permitted to accept, process and approve the payroll for the warrant. This responsibility cannot be assigned or left to a staff member. However, a board, committee or commission is permitted to delegate this approval authority, by a vote, to one of its members.

RECOMMENDATION 14: CONSIDER CHANGES TO THE PERSONNEL SYSTEM

We recommend that the town adopt a personnel bylaw by town meeting vote. The current personnel policies include much of which is typically found in a personnel bylaw. It defines different types of positions; it outlines the recruitment, hiring, discipline and termination processes; it provides the amount, duration and uses of benefits and available leave from service; and identifies standards of conduct and consequences of violations.

The town should adopt and include classification and compensation plans in the bylaw. All town positions, other than those filled by election, doing similar work or having equivalent responsibilities should be grouped into separate classifications, which are often ranked by an assigned compensation range. The compensation table should include minimum salaries or wage rates, provide periodic step increases based on length of service, and set the maximum compensation allowed.

To complement the bylaw, we recommend that the town develop an employee handbook. An employee handbook describes employee rights and obligations. It provides detailed information on benefits, town policies, various procedures and available resources. Each employee should be given the handbook upon being hired and acknowledge receipt of it by signature. Annually, continued recognition of the town's policies and procedures should be acknowledged by all employees. These policies should include, but not be limited to, matters relating to sexual harassment, Whistleblower Act, conflict of interest, ethics, and acceptable Internet and e-mail use.

We recommend that the town develop a detailed personnel evaluation program and conduct annual performance reviews for all employees. Increasingly, municipalities are placing greater attention on written job descriptions with goals, performance expectations, and provisions for annual employee evaluations. The town should develop evaluation criteria that will provide uniform standards and guidance as well as benchmarks by which each employee's job performance may be measured.

At the start of the fiscal year supervisors meet with staff to confirm job responsibilities and document expectations (goals and objectives) for the ensuing year. Then, sometime in January, supervisors would meet with employees to review their performance to date and, if necessary, discuss any necessary steps for improvement for individuals determined to be underperforming. At the close of the fiscal year, supervisors meet with all staff to conclude the evaluation process. At this final stage, supervisors evaluate progress over the previous twelve months, rank the employee's performance (e.g., meets, exceeds or below expectations), and agree upon the ensuing year's goals and objectives.

If there are funds available, an employee may be granted an annual salary step increase for a job well done. If the employee fails to meet expectations, a salary increase can be withheld. If an employee receives a below expectations rating, the supervisor should create a remedial plan so that the employee has the opportunity to improve his/her rating. If the employee continues to fall below acceptable standards, he or she could be subject to progressive disciplinary action. As a way to

strengthen accountability, the employee's performance should be the focus of this process not the potential reward.

While the implementation of performance evaluations would be subject to labor negotiations for employees in the union, an evaluation program could be developed for those employees covered under the town personnel policies.

RECOMMENDATION 15: EVALUATE HEALTH INSURANCE PROGRAM OPTIONS

We recommend that town officials continue to evaluate Dunstable's options regarding employee health insurance programs annually. The town should continue to explore and discuss healthcare alternatives and other cost saving options. Under the new health insurance reform, the town could consider increasing co-pays and deductibles as a means to control health insurance costs. Another suggestion would be to contact other communities that do not contribute to retirees' insurance regarding the cost effectiveness of establishing a joint or regional program. If the town were to vote to contribute to retirees' insurance, then Dunstable could consider joining the state's Group Insurance Commission (GIC).

FINANCIAL OFFICES

ACCOUNTANT'S OFFICE

Since 2006, Dunstable has had three accountants serve the community. The current town accountant was appointed by the selectmen in 2009 to work about ten hours a week. She also served as accountant in neighboring Townsend.

The accountant oversees financial activity of the municipality and maintains the town's general ledger. The accountant reviews invoices and biweekly payroll; prepares warrants; produces trial balances; and maintains information on town debt. She distributes expenditure and revenue reports at least monthly and reconciles cash and receivables with the collector/treasurer monthly. Written grants and contracts are on file and verbal/written quotes are provided with the vendor bills. At the close of each fiscal year, the accountant prepares and submits the balance sheet and year-end report of revenues, expenditures and fund balances (commonly referred to as the Schedule A) to DOR. The accountant also prepares schedules for the town's outside audit firm. Up until the end of FY2011, she had a clerk, who worked one day a week reviewing invoices, timesheets and departmental receipts in advance for the accountant. After many years of service, the clerk retired.

During the budget process, she presents a brief on state aid, develops a one-year projection of revenues, and prepares a mini-recap sheet. She attends advisory board meetings, assists departments on their budget requests and prepares analyses.

When the accountant's clerk retired, the accountant assumed the additional workload, recommending that the town wait for DOR's report to be released before acting on any changes to this office. However, the accountant also resigned from her position in September. Prior to her departure, she closed the FY2011 books, completed most year-end reports, including a draft of the balance sheet, and began entering data into DOR's online Gateway system. The selectmen have appointed a former accountant, who served the community for many years, to a short-term interim position until the board determines a course of action.

RECOMMENDATION 16: FILL THE ACCOUNTING OFFICER'S POSITION

Whether the selectmen choose to pursue the option of a combined administrative and accounting officer or filling just an accounting position, we recommend that they act sooner than later to fill the post for the long-term. The accountant is an important position in town government with responsibilities to maintain the official financial records of the community. He or she is central to many of the financial procedures that are critical to accurate and up-to-date records. It is essential to maintain stability and continuity in this position, which the town has not been able to do in the recent years. Before moving forward, the selectmen should evaluate each option and the value it would bring to the community.

If the selectmen choose only to replace the accountant's position, the town should consider combining the accountant's and clerk's salaries, raising the compensation to help attract a knowledgeable neighboring accountant, as has been the practice, or seek the consulting services of an individual familiar with Massachusetts municipal accounting practices. The selectmen should make sure that the individual will serve at least a day or two a week in the town office and be available by email and/or telephone to answer questions from staff and boards.

ASSESSOR'S OFFICE

The assessing office is responsible for determining full and fair cash valuations, classifying all property, assigning tax payments to owners, and generating the commitment authorizing the collector to collect property taxes and excise. The town's assessing office maintains assessment data on approximately 1,390 real property parcels and personal property accounts and 4,000 motor vehicle excise accounts. In addition, the office processes approximately 60 building permits, 40 exemptions and abatements and 30 deed transfers (half of which are property sales) annually. Dunstable's real and personal property assessment records are maintained on the Patriot Properties AssessPro computer assisted mass appraisal (CAMA) system, which is used to compile analytical reports and property tax commitments.

Reporting to an elected board of assessors, a part-time assistant assessor and a part-time secretary staff the office. The assistant assessor began working for the town in 2010. She oversees the daily office operations, supervises the secretary, performs fieldwork (e.g., measuring and listing new and improved properties where a building permit has been issued), inspects sale properties generally after they transfer ownership and maintains the town's assessment records. She reviews abatement and exemption requests and provides recommendations to the board for their approval. While the office contracts with Patriot Property to assist in collecting, valuing, and updating commercial and industrial properties, all other valuation is completed by the assistant assessor for triennial revaluation and interim year adjustments. Beginning in FY2012, the town hired a contractor to conduct cyclical re-inspections. She is on a schedule to inspect about one-quarter of the town each year in order to complete this program by FY2016.

The secretary maintains all records and the assessors' maps, enters property information and sketches into the CAMA system, processes deed transfers, and coordinates exemption and abatement applications. The secretary also manages the motor vehicle excise accounts, and responds to public inquiries by telephone and at the service counter.

RECOMMENDATION 17: COORDINATE INSPECTIONAL DEPARTMENT VISITS

We recommend that the assistant assessor 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 building inspector to be present at the final scheduled inspection for occupancy also will help ensure timely review of improvements. Furthermore, as a courtesy to residents, combining visits with another department 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 18: PLACE ASSESSORS' PROPERTY RECORDS ON WEBSITE

We recommend that the town consider placing the property record cards on-line. Placing the property record card on-line provides complete information relating to each parcel and generally reduces the counter traffic and telephone calls that interrupt the staff. According to Dunstable's vendor, Patriot Properties provides this service for an annual support fee of \$2,000.

COLLECTOR'S AND TREASURER'S OFFICES

The tax collector and treasurer positions are separately elected offices that are currently filled by one individual. She was elected as the tax collector in 1987 and as the treasurer in 1993. Both positions are budgeted as part-time, but together she works 24.5 hours with posted hours Monday evenings and during the day on Tuesday through Friday.

The tax collector's office maintains resident accounts in Point Software. She processes property tax bills quarterly and motor vehicle and farm excise annually. The collector also prepares about 60 municipal lien certificates each year. Using Point Software, the collector prints and mails the property tax and excise bills. All payments are taken in by mail, in the office, from escrow (real estate taxes via mortgage companies) collection services and on-line through the town's website, entered into Point Software and then deposited. The collector also is pursuing e-billing via Point Software Inc, which will enable her to send email notices when bills are issued and to encourage greater use of the on-line payment service. Monthly, the collector reconciles the tax and excise receivables with the accountant.

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. However, there are times when she has to send a notification that she will be initiating tax taking proceedings, which she has recently done. She has one account outstanding from FY2009 and a few from FY2010 that she plans on advertising for tax taking in November 2011, if not paid in full.

The collector also contracts with Point Software to serve as the deputy collector to pursue delinquent motor vehicle excise accounts and to mark licenses and registrations. Delinquent collections are deposited into a town bank account and the deputy collector's fees are paid through the vendor warrant.

Dunstable's water department is managed by a water commission. Through a working agreement with the highway board, the highway supervisor reads the meters semiannually. Using the Jayhawk Software utility billing application, the water secretary inputs the readings from a manual log book for 102 accounts, prints the bills, receives payments and posts collections to the water user accounts. The tax collector is not involved with the water billing and collection system.

As treasurer, she is responsible for cash management (including the investment, disbursement and borrowing of cash), preparation of the town's biweekly payroll, and administration of employee benefits. She has an assistant treasurer, who also is the selectmen's secretary. She accepts payments and receipts in the treasurer's absence and assists the treasurer in preparing the monthly receipts reports.

Generally, departments turnover receipts to the treasurer each week. She counts the turnovers and makes bank deposits. These deposits, as well as disbursements by warrants and transfers, are recorded in manual checking deposit and payment registers. She uses the registers to manage each account's balance. She reconciles them against bank statements and then with the accountant shortly after the close of each month.

Using a 13-column sheet, the treasurer keeps a simple summary accounting of all bank accounts over a three month period of time. While the sheet reflects each bank account's beginning balance, total receipts, total disbursements, transfers, and ending balance for each month, it is not kept current. Instead, after reconciling the bank statements, she updates the spreadsheet to reflect monthly activity by account. To determine the town's total cash position at any time requires preparing a manual calculation with the assistance of an adding machine.

The treasurer posts the turnovers weekly by batch into the Vadar System. Using that information, she manually prepares in Excel a monthly receipts report, which is organized by date, department and type of receipt. At the end of each month, the turnovers are re-summarized in a separate Excel template report, which shows the total by receipt type and includes the general ledger account codes. The assistant treasurer reviews the monthly reports, reconciles the accounts to the bank statements and posts the interest earned into the monthly treasurer's receipts report.

RECOMMENDATION 19: ESTABLISH A TOWN COLLECTOR POSITION

We recommend that the town accept M.G.L. c. 41, §38A. Acceptance of this statute will change the office to a town collector and authorize the office to collect all accounts due the town, including water charges. If the town seeks legislation to combine the collector and treasurer positions, conversion to a town collector can be accomplished there instead. It is a sound management practice to have the water department collecting readings, reviewing data for accuracy, mailing bills and committing the charges over to the collector's office for collecting all payments. When the water department assesses, commits and collects payments, the community loses an important check and balance that could compromise financial controls.

RECOMMENDATION 20: AUTOMATE THE CASH BOOK AND USE VADAR MANAGEMENT REPORTS

We recommend that the treasurer create and maintain a comprehensive cash book in an automated application (e.g., electronic spreadsheet, Quicken, or Quick Books). The town's current cash book is hand written and does not summarize the total cash position without the use of an adding machine. Creating an automated cash book, which has subsidiary ledgers to record activity in all town bank accounts, will provide useful management information and free up the time of the treasurer.

Examples of electronic cash book templates may be found on our website under the [Financial Calculators and Sample Forms](#). Each template is an Excel-based application that enables a treasurer to maintain a comprehensive cash book easily. As financial transactions occur, they would be posted into the spreadsheet by date and with a brief description or provide reference to supplemental documentation (e.g., batch processed, deposit made, warrant issued). The current activity and financial position for each account is maintained and the total cash position of the community is readily available.

We further recommend that the treasurer explore using the Vadar System management reports. Some of the data generated manually by the treasurer/collector could be extracted from the Vadar System, freeing up her time. For example, the treasurer logs into the Vadar System to mark the warrant checks that have cleared on the bank statements. As a result, the remaining outstanding checks are identified and could be printed or exported to Excel. Either result could then be compared to the bank statement's listing of outstanding checks, saving the time of manually recording and matching the check numbers and amounts for verification and reconciliation of accounts.

INFORMATION TECHNOLOGY

Dunstable's information technology is overseen by the Technology Advisory Committee. It was originally formed in 2003 and comprised of volunteers appointed by the selectmen. In the initial years, the committee worked with many of the departments to purchase and install a server and computers as well as establish security, virus protection and a backup system. They helped departments acquire/update software and update operating systems, address system issues, recover files if needed, and provide assistance upon request.

The town hall offices are connected to a server that houses Microsoft Office and specialized applications. The police, fire, and library departments have computers that are not networked to town hall. All offices have access to the Internet and e-mail services, enabling them to communicate electronically. The community has a telephone, electronic communications and computer use policy. Virus protection is installed on all devices and backups are performed nightly and stored off-site.

The accountant and treasurer use Vadar System's Accounting/Financial Suite, which includes general ledger, accounts payable, budgeting and treasurer's receipts modules. The treasurer's office

uses Harpers Payroll Service software and the collector uses Point Software. The assessing office uses the Patriot Properties AssessPro computer assisted mass appraisal (CAMA) system.

The town has a website (<http://dunstable-ma.gov>), which is overseen by the technology advisory committee. Originally, this volunteer committee designed a website for the town. Unfortunately, over the years the time required to support the site became too much and the town recently acquire the services of Virtual Town Hall a new website. Most departments and committees have posted useful information and materials, contact information, membership, a statement of responsibilities and hours of operation/ meeting time. There is a calendar of events, news and announcements, town bylaws, town meeting minutes, town reports and links for the regional school district and other community resources. Some of the committees and boards have posted minutes and brought other previously posted information from the prior site. Some of the pages have very basic contact information because they are still under construction. Others have listed reference information such as forms, rules or guidelines, frequently asked questions and other information but nothing is linked to them. Consequently, town hall staff has to field questions and respond to inquiries by telephone and at the counter.

RECOMMENDATION 21: CODIFY AND EXPAND ROLE OF TECHNOLOGY ADVISORY COMMITTEE

We recommend that technology advisory committee be codified and its purpose be expanded. The technology advisory committee is an objective contributor of information, analysis and insight for town decision-makers as they grapple with computer, communication and software issues. The committee has conducted assessments, implemented technology upgrades and assisted users through the transition. Given its effectiveness and the time freed up by the new website hosted by a contractor, the role of the committee might be expanded to oversee all technology-related services, software and equipment acquisition and support. This committee would work with offices and departments on purchasing, implementation of applications and services that are the best quality and price, and exploring future considerations and policy decisions (e.g., networking all town buildings and police/fire dispatch). The committee would also oversee training, provide periodic status reports and develop a multi-year capital plan.

RECOMMENDATION 22: EXPAND THE CONTENT ON THE TOWN WEBSITE

We recommend that Dunstable complete the construction of all pages, fill in the links listed and populate its website with additional data and useful information. We encourage departments and committees to load existing 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, monthly expenditure 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.

APPENDIX A: COMMUNITIES RATED A1 BY MOODY'S IN 2010

Municipality	Income Per		EQV Per		2011 Total		Reserves as		FY11 Ave Single	
	Capita	Rank	Capita	Rank	Budget	Reserves	% of Budget	Rank	Family Tax	Rank
DUNSTABLE	39,721	2	164,492	4	8,753,304	513,289	5.86	25	5,969	2
ABINGTON	28,077	15	119,958	17	44,697,692	68,887	0.15	51	4,513	5
ASHBURNHAM	29,787	11	110,497	23	15,159,820	699,586	4.61	29	3,747	16
ATHOL	17,475	53	65,299	53	18,866,735	1,663,952	8.82	10	2,101	55
ATTLEBORO	26,368	21	102,213	27	121,188,968	4,003,741	3.30	35	3,235	29
BARRE	21,683	37	86,976	37	9,624,813	648,125	6.73	22	2,782	46
BERKLEY	28,916	13	131,089	12	17,087,998	1,081,159	6.33	24	3,693	17
CARVER	24,978	24	106,289	25	33,237,700	1,772,580	5.33	27	3,942	12
CHARLTON	31,765	5	121,925	16	24,596,153	3,847,730	15.64	4	2,934	34
CHELSEA	13,781	59	62,540	57	152,540,163	12,740,093	8.35	14	n/a	
CLINTON	23,514	32	89,551	35	38,522,575	758,196	1.97	56	3,106	33
EAST BROOKFIELD	30,139	9	116,784	18	4,846,480	1,798,648	37.11	2	3,130	32
EASTHAMPTON	23,611	31	92,963	33	37,683,764	1,689,350	4.48	31	2,902	38
ERVING	18,846	46	406,995	1	11,405,944	5,824,244	51.06	1	1,348	57
FALL RIVER	14,874	56	70,373	49	239,791,407	2,870,099	1.20	46	2,319	53
FITCHBURG	15,994	54	63,253	56	118,998,647	5,093,608	4.28	33	2,820	42
GARDNER	18,057	49	63,843	54	54,804,230	2,334,286	4.26	34	2,729	49
GREENFIELD	19,820	43	83,088	42	49,863,767	2,168,618	4.35	32	3,361	27
HAVERHILL	23,746	29	96,564	30	157,353,502	11,119,940	7.07	18	3,648	19
HOLYOKE	14,812	57	57,594	58	142,153,079	15,190,976	10.69	6	2,915	37
LANCASTER	31,410	6	129,633	15	17,471,089	1,804,188	10.33	7	5,122	3
LANESBOROUGH	24,656	26	157,529	6	10,061,404	673,357	6.69	23	3,635	21
LEICESTER	25,558	23	92,205	34	26,979,023	1,882,026	6.98	21	2,805	44
LOWELL	18,513	47	66,746	51	311,646,472	6,084,932	1.95	43	3,205	30
LYNN	17,890	50	68,108	50	252,339,763	7,710,075	3.06	39	3,631	22
MALDEN	22,702	34	95,904	31	164,686,835	1,444,122	0.88	59	n/a	
MEDFORD	28,332	14	130,245	13	145,869,254	559,648	0.38	50	4,023	10
MEDWAY	39,051	3	136,422	11	48,800,657	4,164,173	8.53	13	5,992	1
MERRIMAC	29,099	12	114,915	20	14,674,359	1,025,060	6.99	20	4,686	4
METHUEN	26,570	20	112,720	22	132,976,265	2,020,524	1.52	55	3,370	26
MONSON	23,991	27	86,512	38	26,346,952	1,214,911	4.61	30	3,192	31
MONTAGUE	20,390	42	94,878	32	17,975,567	1,576,921	8.77	11	2,922	36
NEW BEDFORD	15,434	55	71,060	48	281,808,527	4,118,604	1.46	57	2,762	48
NORTH ADAMS	14,664	58	54,886	59	41,527,663	477,193	1.15	47	1,896	56
PALMER	21,673	38	79,862	44	33,442,526	2,354,989	7.04	19	2,924	35
PITTSFIELD	23,714	30	89,005	36	132,351,062	7,713,380	5.83	26	2,795	45
RANDOLPH	24,677	25	102,075	28	87,544,622	2,715,966	3.10	38	3,912	13
RAYNHAM	31,136	8	149,672	8	35,529,841	3,266,362	9.19	9	4,204	8
REVERE	18,272	48	83,645	41	146,269,148	2,378,315	1.63	45	3,372	25
RICHMOND	42,298	1	300,271	2	5,928,748	880,481	14.85	5	3,999	11
ROCKLAND	23,852	28	106,485	24	48,688,015	(241,703)	0.00	53	3,838	15
SAUGUS	27,143	18	143,267	9	76,202,022	104,645	0.14	54	3,446	24
SHIRLEY	20,792	41	79,208	45	16,661,234	353,754	2.12	41	3,641	20
SOUTHAMPTON	29,945	10	113,844	21	15,643,899	325,351	2.08	42	3,662	18
SOUTHBRIDGE	17,760	51	63,642	55	52,469,805	4,495,402	8.57	12	2,852	40
STOUGHTON	27,914	16	129,643	14	85,354,588	2,655,395	3.11	37	3,859	14
SWANSEA	26,882	19	136,635	10	34,633,865	1,721,830	4.97	28	2,835	41
TAUNTON	21,561	40	99,391	29	175,172,020	5,654,018	3.23	36	2,765	47
TEMPLETON	22,722	33	85,417	39	14,089,354	1,317,376	9.35	8	2,306	54
WARE	21,736	36	84,623	40	27,750,415	2,012,972	7.25	17	2,897	39
WAREHAM	21,660	39	178,397	3	59,950,977	1,753,000	2.92	40	2,333	52
WARREN	17,617	52	73,037	47	8,471,142	1,883,353	22.23	3	2,807	43
WEBSTER	27,649	17	102,421	26	39,466,596	39,745	0.10	52	2,583	51
WEST BOYLSTON	26,038	22	115,427	19	23,829,029	1,834,093	7.70	16	4,260	7
WEST BRIDGEWATER	32,714	4	162,920	5	24,869,201	262,437	1.06	48	4,192	9
WESTFIELD	22,440	35	81,227	43	127,481,099	9,854,678	7.73	15	3,565	23
WESTHAMPTON	31,395	7	157,251	7	4,590,421	78,537	1.71	44	4,479	6
WINCHENDON	19,473	44	73,742	46	28,312,196	1,663,287	5.87	58	2,621	50
WORCESTER	18,907	45	65,389	52	576,734,493	5,147,464	0.89	49	3,307	28
Statewide	33,411		155,402		21,964,747,303	1,444,609,096	6.58		4,537	

Source: Department of Revenue Data Bank

ACKNOWLEDGEMENTS

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Richard Choate, Interim Accountant
Vicki Tidman, Assistant Assessor
Terry Atwood, Assessors' & Highway Secretary
Bonnie Ricardelli, Tax Collector and Treasurer
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Cheryl Mann, Water Department Secretary
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