

TOWN OF FRAMINGHAM

FINANCIAL MANAGEMENT REVIEW

AUGUST 2026



DLS
DIVISION OF LOCAL SERVICES
MA DEPARTMENT OF REVENUE

PREPARED BY:

DLS | Financial Management Resource Bureau

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DLS

DIVISION OF LOCAL SERVICES
MA DEPARTMENT OF REVENUE

Geoffrey E. Snyder
Commissioner of Revenue

Sean R. Cronin
Senior Deputy Commissioner

August 31, 2026

The Honorable Charles Sisitsky
150 Concord Street
Framingham, MA 01702

Dear Mayor Sisitsky:

I am pleased to present the enclosed financial management review for the City of Framingham. It is my hope that our guidance provides direction and serves as a resource for local officials as we work together to build better government for our citizens.

If you have any questions regarding the report, please contact Zack Blake, Financial Management Resource Bureau Chief, at blakez@dor.state.ma.us.

Sincerely,

A handwritten signature in black ink, appearing to read "Sean R. Cronin".

Sean R. Cronin
Senior Deputy Commissioner

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INTRODUCTION

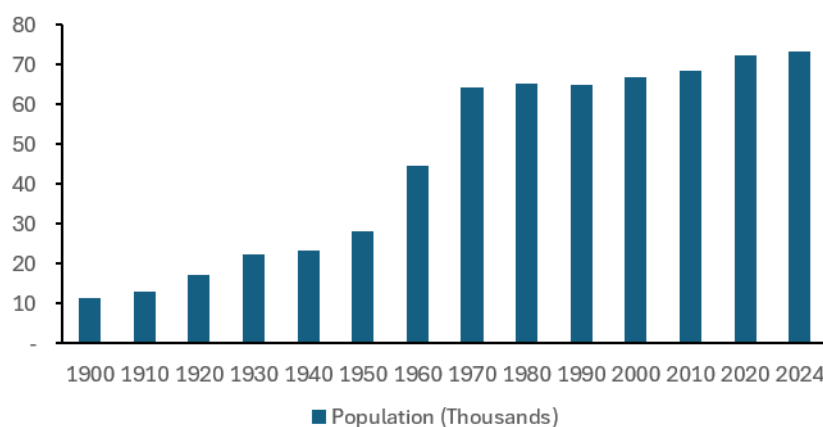
At the request of Framingham's Mayor Sisitsky, the Financial Management Resource Bureau (FMRB) at the Division of Local Services (DLS) completed this financial management review of the city. Framingham has undergone charter changes over the last decade and felt an independent review would be useful given the transition from a town to a city form of government.

The recommendations contained within this report are based on site visits by members of FMRB and in consultation with DLS' Bureau of Accounts and Bureau of Local Assessment. The review examined Framingham's government structure, fiscal planning, financial policies, information technology, and the operations of the city's financial offices. The observations and recommendations in the report are based on interviews with elected and appointed officials, department heads, and municipal office staff. We also reviewed city documents and financial data, including the charter and ordinances, locally accepted statutes, special acts, annual budgets, council measures, tax recapitulations, balance sheets, receivable reports, revenues and expenditures, and independent audit reports.

COMMUNITY PROFILE

Located roughly 20 miles west of Boston, Framingham has a population of 73,361 and a land area of over 25 square miles. It began as an agricultural community with saw and grist mills on the Sudbury River. Accessible by the Worcester Turnpike and Connecticut Path roadways, Framingham became the center of an evolving transportation network, connecting Worcester, Fitchburg, Lowell, Boston, Providence and Woonsocket. With improved access to markets, the town was transformed into a significant textile, carpet, paper manufacturing and industrial center, contributing to significant population growth during the 1900s.

Framingham Population Growth



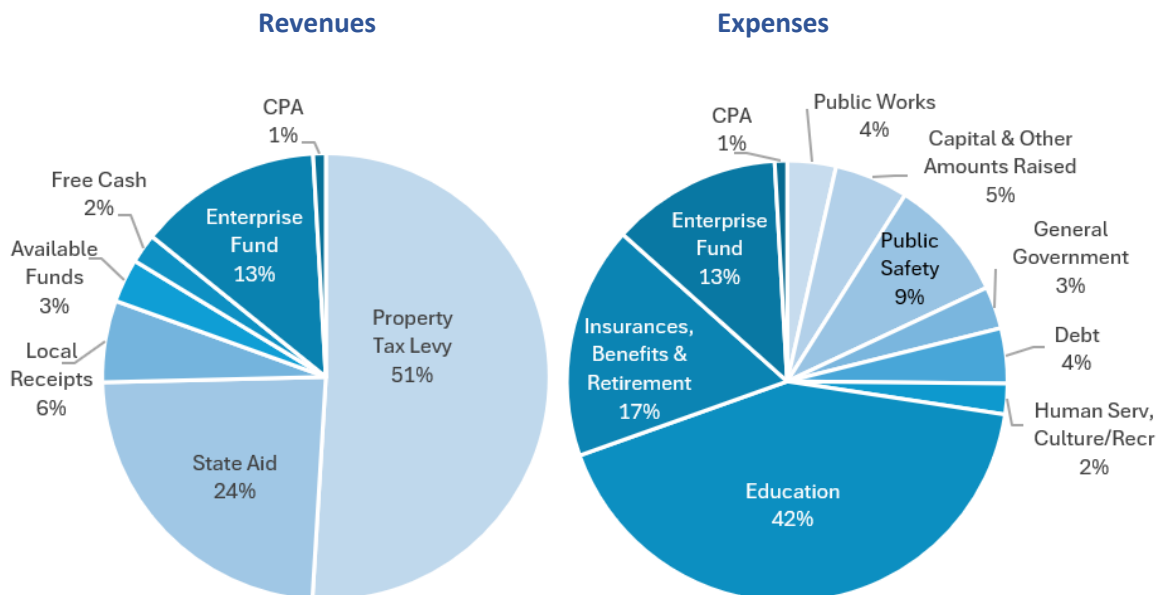
Following WWII, expanded state highways and construction of the Massachusetts Turnpike made Framingham an increasingly attractive location to live and work. With former farmland and open space, there was a residential building boom constructing affordable single-family homes and, in later years, large-scale multi-unit developments. Framingham's economy also evolved, as the General Motors assembly plant, Shoppers World, and technology and research companies helped drive the community's rapid growth.

Today, Framingham is a suburban community that flourishes as a center for shopping, large life science and biotechnology development, and significant corporate and retail headquarters. Framingham is also home to two colleges, Bay State Community College and Framingham State University, as well as several major state facilities. In addition, there are a variety of passive recreation areas and trails, including the Callahan State Park, Cushing Memorial Park, Cochituate Brook Reservation, Nobscot Scout Reservation, and Cochituate Rail Trail. As such, it's a vibrant community that offers a blend of urban energy and suburban charm.

Framingham's \$458.6M FY26 operating budget supports a wide range of municipal services. These include a full-time police force, fire department with five active stations, a public works department, a main library and McAuliffe Branch, and senior services at the Callahan Center. The parks and recreation department offers programs and youth sports, athletic facilities, playgrounds, fields, three beaches, and a skating arena. Framingham has a PK-12 school district with an enrollment of 8,948 and fourteen buildings including a preschool, two preschool/elementary schools, seven kindergarten/elementary schools, three middle schools, and a high school. While some outlying and rural parcels rely on private wells and septic systems, most residences and businesses have public water and sewer service.

Framingham currently has three major projects underway. First, is the state grant funded Middlesex Regional Emergency Communications Center (MRECC) scheduled to open in FY27, which consolidates public safety and 911 dispatch services across Framingham, Natick and Wayland. The city is also remediating environmental contamination and making enhancements at the Mary Dennison Park, the former Dennison Manufacturing industrial and municipal waste landfill, through a combination of state grants, city funds and a cost-sharing agreement with Avery Dennison. Lastly, the city is converting the former Marian High School into a multi-generational community center with federal funding.

Operating Budget

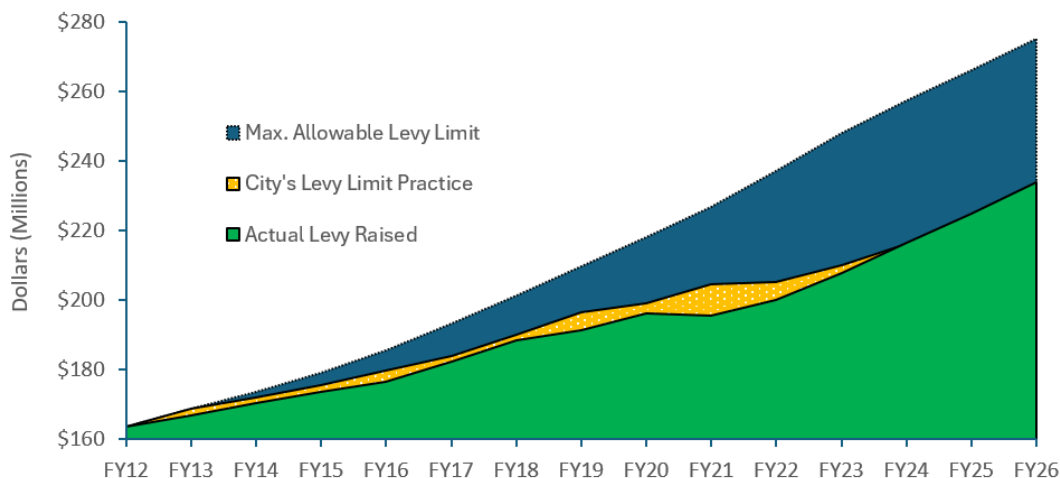


Framingham's budget is funded primarily through six major revenues sources that include the property tax levy, state aid, local receipts, enterprise funds, community preservation act (CPA) fund, and other available funds. The largest revenue source, the property tax levy, has grown annually through automatic increases associated with Proposition 2½ and new growth from development and construction. In addition, voters approved three overrides (\$0.13M in FY91, \$4.35M in FY92 and \$7.2M in FY03) that are permanent increases to the levy and two debt exclusions for school buildings, which temporarily increase the tax levy to fund the associated debt service.

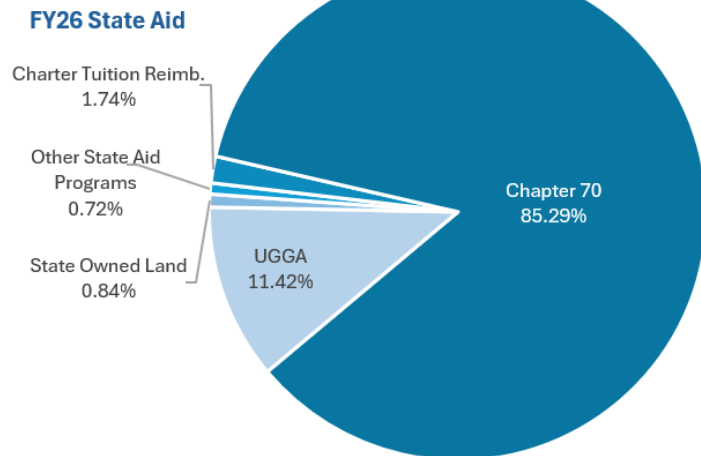
Historically, Framingham levied to its limit annually. However, through the combination of flattening local revenues and increasing costs, the community became reliant on non-recurring revenue to support the operating budget, which was exacerbated by the recession of 2008. Realizing it had a structural deficit, officials analyzed revenues, explored cost-saving alternatives (e.g., joining the state Group Insurance Commission), closely monitored spending, and established multiyear budget goals and spending limits aimed at achieving long-term fiscal stability and mitigating the impact of economic downturns.

As part of this strategy and as illustrated in the graph below, officials began limiting annual property tax growth below the amount permitted under Proposition 2½, providing taxpayer relief while preserving unused levy capacity. Since FY12, Framingham's excess levy capacity, or the difference between a community's maximum allowable levy limit by statute and the amount that it levies annually, has grown significantly. Up until FY24, Framingham levied below its self-imposed lower levy limit (yellow area). In FY26, Framingham's excess levy capacity was \$41.39M or 15% of the maximum allowable levy.

Framingham's Property Tax Levy, City Levy Limit Practice and Maximum Allowable Limit

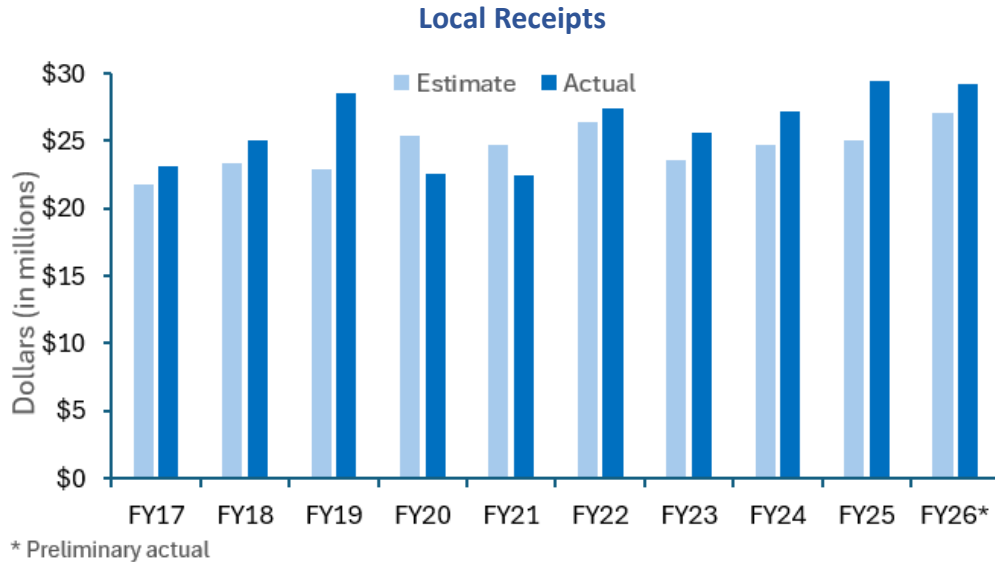


The next largest revenue source, state aid, is the combination of program revenues and reimbursements a community receives from the Commonwealth. Framingham's annual state aid is primarily derived from Chapter 70 educational aid and unrestricted general government aid (UGGA). The balance comes from reimbursements for charter school tuition, veterans' benefits, property tax exemptions for qualifying veterans, blind, surviving spouse, and elderly resident taxpayers, and state-owned land. It also receives public library funding to help maintain minimum service levels and provide for improved facilities and resources.

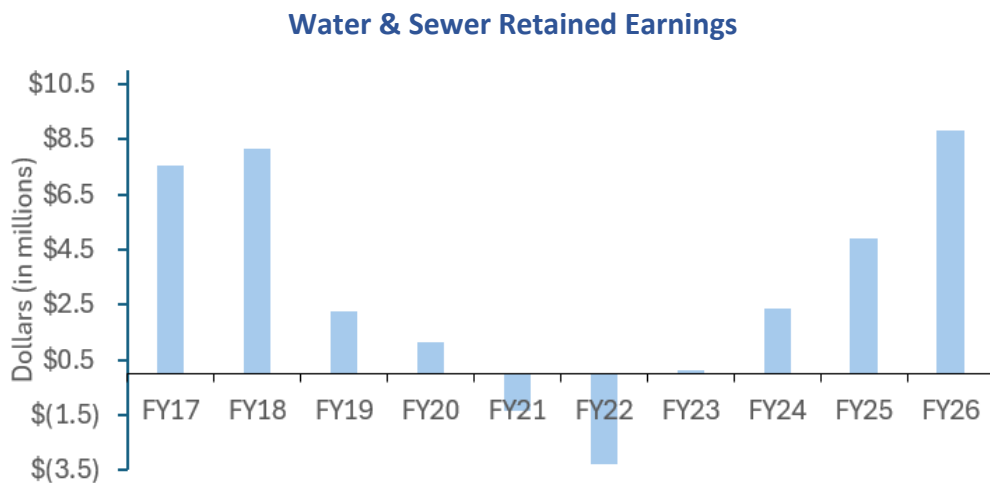


	Chapter 70	Charter Tuition Reimb.	UGGA	Veterans Benefits	VBS & Elderly Exemp Reimb.	State Owned Land	Public Libraries	Total
FY17	42,091,391	499,474	9,565,912	276,393	166,009	348,919	94,915	53,043,013
FY18	42,363,221	538,244	9,938,983	217,609	186,547	348,588	89,228	53,682,420
FY19	47,342,453	600,688	10,286,847	199,558	178,942	391,617	95,587	59,095,692
FY20	50,962,180	536,578	10,564,592	277,904	196,125	465,122	100,274	63,102,775
FY21	56,755,225	820,761	10,564,592	387,997	184,358	477,223	122,840	69,312,996
FY22	57,034,315	640,231	10,934,353	261,038	173,974	550,753	134,680	69,729,344
FY23	68,853,477	1,588,970	11,524,808	265,391	162,782	706,945	154,482	83,256,855
FY24	84,996,534	1,353,223	11,893,602	232,935	163,270	823,937	172,879	99,636,380
FY25	85,986,718	888,240	12,250,410	247,574	145,880	844,592	195,790	100,559,204
FY26	92,499,182	1,882,096	12,385,165	334,381	244,036	911,048	199,379	108,455,287

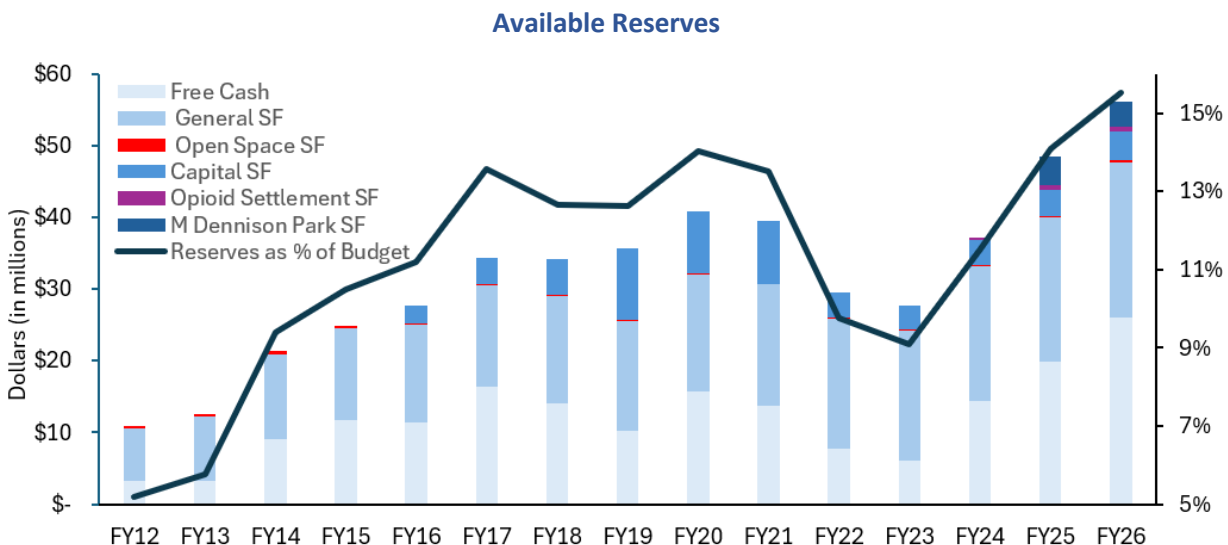
Local receipts are locally generated revenues other than real and personal property taxes. These include motor vehicle and other excises (including local option meals and room taxes), penalties and interest, payments in lieu of taxes, charges, fees, rental income, licenses and permits, fines and forfeits, investment income, and Medicare reimbursements. Local receipts are very important because they generally reflect the health of the local economy and can significantly impact free cash. For these reasons, receipts should be conservatively projected when developing the budget and monitored closely throughout the fiscal year. Generally, the city estimates its local receipts at about 90% of the prior year's actual collections, but due to the impact of Covid-19 the estimates were higher than actual, resulting in greater than \$2M shortfalls in FY20 and FY21 that has since returned to normal.



Framingham also has a combined water and sewer enterprise fund ([M.G.L. c. 44, § 53F½](#)). An enterprise fund establishes a separate accounting and financial reporting mechanism from the general fund, demonstrates to the public the total cost of providing a service, and enables the service to keep its retained earnings, or the fund’s accumulated surplus available for future use. It is Framingham’s expectation that the water and sewer service is self-supporting. However, during the COVID-19 pandemic, declining commercial usage contributed to a deficit exceeding \$2M. The city used free cash and federal stimulus funding to address the shortfall and raised water and sewer rates based on a professional rate evaluation. During this period additional concerns regarding meters and the billing system were identified, which the city is currently addressing. While retained earnings have since rebounded, continued monitoring of revenues, expenditures, billing, and rates is important to maintaining the enterprise fund’s long-term financial stability.



In FY21, voters adopted the community preservation act (M.G.L. c. 44B), and the city began assessing a 1% property tax surcharge in FY22. These revenues may only be used to support historic preservation, open space, recreation, and affordable housing projects recommended by the community preservation committee and appropriated by the city council.



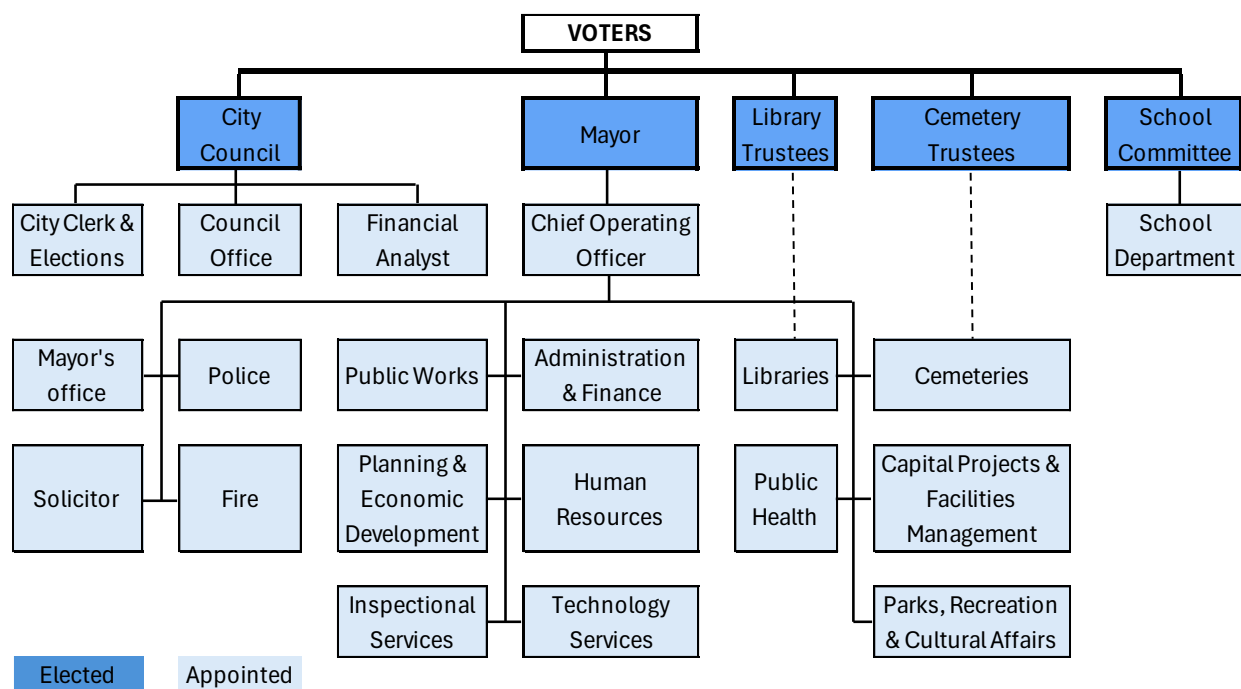
Aside from locally generated revenues and state aid, a community may be able to draw on other funding sources such as available free cash and stabilization funds. Communities primarily maintain reserves to have budgetary flexibility for unexpected events, significant disruptions in revenue-expenditure patterns, and to provide a source of available funds for future capital expenditures. Framingham’s reserves are a combination of stabilization funds and free cash. The city has a general stabilization fund that may be appropriated for any lawful purpose and four special purpose stabilizations funds. The growth of these funds is the result of the city periodically making contributions to them from available funds and sparingly appropriating from them. Free cash, on the other hand, is the result of the prior fiscal year’s performance as certified by DLS, which is primarily comprised of unexpended free cash, actual receipts in excess of revenue estimate and unspent amounts in budget line items.

GOVERNMENT STRUCTURE

Since 2018, Framingham has operated under a mayor-council form of government. The mayor is the chief executive officer, serves a four-year term, and is limited to three consecutive terms. By charter, most boards and department heads are appointed by the mayor, subject to confirmation of the city council.

An 11-member city council serves as the legislative body. Two members are at-large councilors, serve four-year terms, and are limited to three consecutive 4-year terms while nine members are district councilors and serve two-year terms not exceeding six consecutive terms. Elected by the council, the chair serves two years, presides over council meetings and makes subcommittee appointments. Before the city council authorizes any measure, including ordinances, appointments, annual and capital budgets, specific expenditures, and debt, it refers each to one of six subcommittees for review and recommendation. The council appoints the city clerk, a council secretary and a financial analyst.

The mayor appoints a chief operating officer (COO) who runs the day-to-day operations of the various departments and functions of the government under the mayor's authority and serves coterminous with the mayor. He supervises department heads, coordinates services and projects, and serves as the mayor's liaison to council. The COO also oversees managerial and financial analyses, participates in strategic and long-term planning efforts, and provides executive direction in labor relations and collective bargaining matters. The COO was appointed by the mayor in 2022 but recently left city service so the post is currently vacant.



Technology services (TS), which were part of the administration and finance division, now reports to the COO after a recent charter change. The director has eight staff, two assistant directors, an applications manager, a programmer, three system project managers and a business manager. TS manages the city's technology needs, including network equipment, systems and infrastructure, digital storage, cybersecurity, data backups, user support, and training. TS is responsible for strategic

planning, budgeting, implementation and ongoing support for city-wide technology, analyzes all department requests, handles hardware and software procurements, and collaborates with the school department. In addition, TS supports software and other applications citywide, including the Tyler Technology financial management system (commonly referred to as Munis), Microsoft Office, Laserfiche, and OpenGov for permitting and licensing.

As a part of its mission to provide a stable, secure and up-to-date network and user environment, TS maintains ongoing programs and pursues grant opportunities. TS has received three Community Compact grants for Office 365 implementation, municipal fiber, and a comprehensive audit and assessment of the operations. Because cyberthreats continually evolve, the city contracts with a security firm to monitor all network inbound and outbound activity, is a member of the Department of Homeland Security Cyber Hygiene program that runs weekly external vulnerability scans and conducts monthly cybersecurity training for all employees. TS also obtained a Municipal Cybersecurity Awareness Grant that provides a yearly training program, a Municipal Local Cybersecurity Grant to develop a written cybersecurity incidence response plan, and a Cyber Resilient Massachusetts Grant that through a vulnerability assessment identified technology upgrades to defend against threats. Through its ongoing efforts, TS will continue to enhance its cybersecurity posture and overall management.

The human resources (HR) department oversees recruitment and hiring of non-school employees, conducts employee orientation and onboarding and maintains city personnel records. HR maintains job descriptions, develops personnel policies, performs cost and staffing analysis, participates in collective bargaining, investigates grievances and assists with employee development and training. HR also manages employee benefits for roughly 4,100 active and retired city and school employees, holds the annual spring health fair, oversees the Family and Medical Leave Act absences, and administers the workers compensation and unemployment insurance program. HR reviews and processes monthly insurance bills, prepares direct billing insurance for employees on leave or workers compensation as well as some surviving spouses, and periodically audits benefit enrollment to confirm participants and payroll deductions are accurate. The HR director, city accountant, chief financial officer (CFO), COO and mayor must approve these changes. The director supervises a benefits manager, a benefits assistant, a workers compensation and safety coordinator, a human resource generalist and an administrative assistant.

Established by charter and detailed in ordinance, the CFO is appointed by and serves coterminous with the mayor. The CFO is the director of administration and finance division that includes the purchasing, accounting, payroll, assessing, and treasurer/collector offices. Working with the mayor,

the CFO prepares the annual operating and capital budgets, monitors revenues and expenditures, maintains a multi-year revenue and expenditure forecast, and guides financial planning strategies.

The CFO's office has four staff, an assistant CFO, a grants manager, a financial analyst and the city's webmaster. The assistant CFO provides leadership in the CFO's absence, reviews and discusses departmental budget requests, oversees departmental entry of budget submissions in Munis, conducts cost analyses, monitors budgets, conducts risk assessments and recommends corrective action as needed, and prepares reports for the auditor. The grants manager oversees millions of dollars in grant budgets, monitors compliance and regulatory reporting, and helps departments research and secure grant opportunities that align with city strategic priorities. The financial analyst provides staff support, while the webmaster ensures that the city's website structure, layout, and posted materials meet accessibility standards.

The CFO also serves as the chief procurement officer. The purchasing department has two staff, the procurement administrator and an assistant. The department oversees all city and school purchases, including supplies, equipment, services, real estate acquisitions and leases, and construction projects. Departments remotely enter purchase order requests in Munis. Following state laws, city ordinance and best practices, the office develops scopes and specifications, issues requests for proposals and quotations and invitations for bids, manages the competitive bid process, executes contracts, handles change and task orders, and tracks projects to completion. The staff use a combination of Laserfiche, Microsoft Word and Excel, Smartsheet, Vendor Registry electronic applications to catalog, view, and manage data, submissions, contracts and workflows throughout the procurement process.

Since a longtime CFO retired at the end of FY21, Framingham has had three individuals serve in the post. In April 2026, the city hired the current CFO who has nearly two decades of Massachusetts municipal experience serving as a finance director. He quickly became familiar with the city's budget components and financial practices to guide the FY27 budget through the final stages of the process and secure city council approval.

The city accountant maintains the general ledger, records all receipts, processes vendor invoices, reviews payroll submissions, and certifies availability of funds for contracts and purchase orders. He is a certified public accountant, a two term past president of the Massachusetts Municipal Auditors' & Accountants' Association and has served as Framingham's accountant for over 28 years, except for about six months when he briefly left city service in FY24. Departments remotely enter payroll and vendor bills in Munis and scan supporting documentation for the accountant's office to review before placing the bills on the warrant for payment. He prepares and submits the balance sheet and Schedule A, participates in setting the tax rate, is involved in the annual budget process, prepares schedules

for the independent auditor and serves on the city's retirement board. An assistant city accountant acts in the accountant's absence and oversees daily functions, including supervision of the accounts payable specialist and administrative assistant.

The payroll department is a subdivision of the city accountant's office, led by a payroll administrator who supervises three payroll coordinators. The department processes all city and school payrolls. Departments enter payroll remotely into Munis, except the public works department, which uploads data from Kronos, a separate application. Staff review electronic submissions against scanned supporting documentation, upload approved leave from HR, process late changes, verify withholdings and deductions, and balance each payroll. The city accountant reviews the payroll distribution detail report before generating the warrant that is approved by the accountant and CFO and signed by the mayor. In addition, the department makes authorized personnel action form changes in Munis, prepares insurance and other monthly reports, issues W-2s and 1099Rs, calculates retroactive pay, provides employment verification, manages leave accruals and balances, and processes terminations.

The mayor appoints, and the council confirms, a three-member board of assessors who is responsible for developing assessment policy, approving final values, assessments, and tax and excise commitments, and acting on abatement and exemption recommendations from the chief assessor. Previously retired from another community, the chief assessor was hired in 2022 after three individuals served in the post in about a year's time. He recently announced he will be leaving this year, and the city has advertised the position. The chief assessor oversees assessment administration, manages day-to-day operations, and supervises five staff, including an assistant chief, office manager, customer service specialist and two field assessors.

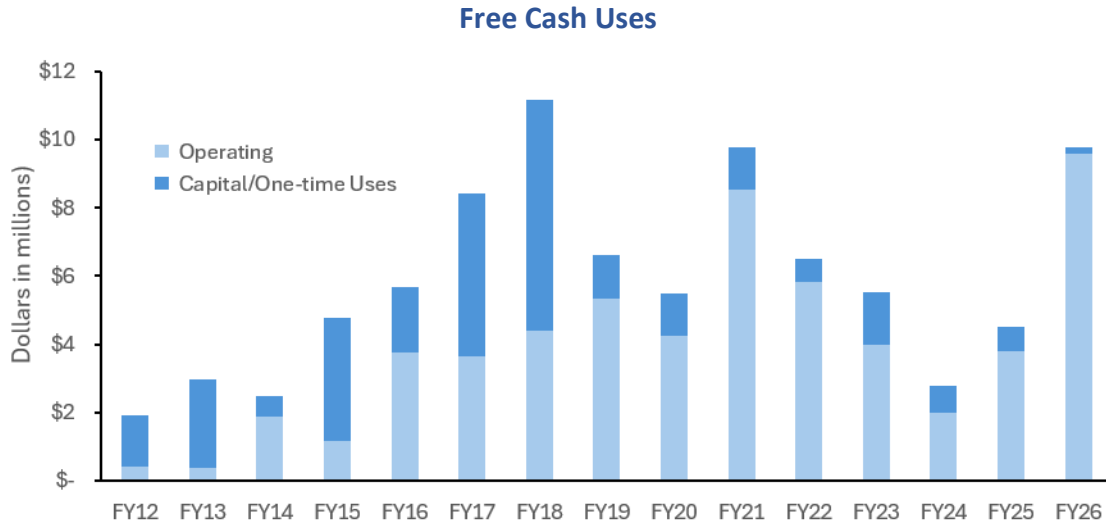
The assessing office conducts permit, sales and abatement inspections, performs cyclical property inspections, maintains the town's assessment records, values real and personal property, calculates new growth, participates in the annual tax rate setting, and generates property tax and excise commitments. The office contracts with Vision Governmental Solutions to conduct revaluations and interim year adjustments on all real property, and contracts with Real Estate Research Consultants (RRC) to collect and value new and reinspection of existing utility and personal property accounts. Framingham also has their tax maps online using MapGeo, which is a geographic information system (GIS) that enables users to locate parcels and view the linked property record cards. Framingham previously used the AssessPro computer assisted mass appraisal (CAMA) system but converted to the Vision CAMA system after its FY24 recertification.

The treasurer/collector has received both professional designations from the Massachusetts Collectors and Treasurers Association (MCTA). She supervises an assistant treasurer/collector, a business manager, two fiscal specialists, and two full-time and one part-time customer services representatives. Over the last year, there has been staff turnover and an extended vacancy due to personal leave. The office processes property tax, water and sewer bills quarterly, motor vehicle excise annually, and municipal lien certificates throughout the year. Payments are received by mail, lockbox, internet, in person, and from escrow services, which are all posted in Munis. The office issues demand notices to delinquent accounts, warrants outstanding motor vehicle excise to a deputy collector, uses a collection service for unpaid personal property accounts, transfers subsequent taxes on existing tax title accounts, completes new tax takings and has conducted foreclosure auctions. Staff also collect direct billing insurance, fire box and parking ticket payments. As treasurer, she receives turnovers from departments, makes disbursements based on authorized warrant, issues and pays debt, and invests funds to optimize overall cash management.

Established by charter, the city's strategic initiatives and financial oversight committee (SIFOC) serves as a financial advisory board. The mayor, city council and school committee each appoint three members, who serve staggered three-year terms. SIFOC advises the mayor, council and school committee on the status of Framingham's long range strategic financial plan, the state of the municipal economy, sufficiency of municipal revenues, the capital improvement program, and other fiscal matters. In FY20, SIFOC reported on the most pressing issues for the mayor to address in the strategic blueprint. In a second report in FY23, SIFOC recommended updating the blueprint, establishing specific objectives and action items for each goal, and tracking performance to measure and communicate the city's progress. In the latest report in FY26, SIFOC raised concerns about the city's lack of a common understanding of what strategy means, the absence of a formal long-term strategic plan that aligns all departments, and financial reports and other information are not readily available. SIFOC recommends that the city engage a consultant and conduct a public process to create Framingham's vision statement and strategic priorities to unify all existing city plans.

RECENT FISCAL CONCERN

Framingham continues to use free cash to balance its annual budget in order to maintain its practice of holding the tax levy increase to less than the maximum allowed by law. In the chart below, free cash appropriated for operating purposes reached a low in FY13 (\$374,250), gradually increasing to a peak in FY19, and then declining again until COVID-19 hit. As local receipts declined, compounded by a shortfall in the water and sewer revenues, the city used over \$8.5M to fund the general and enterprise funds in FY21 to mitigate the economic impact.



In FY21 and FY22, the city also used non-recurring federal Coronavirus Relief Funds, commonly referred to CARES and ARPA, to fund its budgets. Approximately \$2.6M was used for the general fund and nearly \$8.4M for the enterprise fund. The city then pivoted, spending the remaining \$15.8M on capital/one-time expenditures such as acquiring and renovating the former Marian High School and funding some of the Mary Dennison project improvements. Similarly, the school department received federal Elementary and Secondary School Emergency Relief (ESSER) funds to help recover from the Covid-19 impacts. The schools received over \$22.5M that was used for additional staffing, academic support services, technology costs, and facility improvements and supplies.

As a response to the depletion of federal funds, officials devised a plan to reduce reliance on free cash for operating purposes and scrutinized department requests to adopt balanced budgets FY23 and FY24. By FY25, the city faced a more difficult budget process due to its self-imposed property levy growth and inflationary impacts on the cost of goods and services. The city returned to using non-recurring resources for recurring expenses by releasing \$2M overlay surplus and using \$3.3M free cash to fund the FY25 budget and appropriating \$9.6M from free cash to balance FY26. It should be noted that Framingham’s practice of limiting the annual levy increase to 2.5% was exceeded in FY24 (2.60%), FY25 (2.74%) and FY26 (2.97%) (review table in [appendix](#)). Initially, the FY26 levy increase was 3.69%, but was reduced by increasing estimated receipts by \$1.6M and reducing the levy by the same amount.

As the city deliberated the FY27 budget, it again faced limited growth in revenues and soaring costs. Many municipalities face similar financial pressures and have proposed or are considering overrides to avoid significant budget reductions. After considering service cuts and not filling vacancies, Framingham adopted a budget by increasing its property tax levy by 3.5% and local receipts by 4.43%

and using \$10M in free cash. Officials recognize the continued use of free cash or other reserves for operating purposes is not best practice and are planning to pursue efforts to reduce and eventually eliminate its reliance on free cash to fund the operating budget. Accordingly, we offer the following recommendations for officials and residents to consider as they work to best position the city going forward.

RECOMMENDATIONS

1. Modify Budget Process in the Charter

We recommend that the city reconsider the recently revised Article VI with regard to the annual budget planning timeline and submission dates. In section 3, the mayor submits to the council a proposed operating budget, message and supplemental documents no later than 120 days before the new fiscal year, or the beginning of March. The charter review committee stated that moving the submission date two months earlier than the traditional May 1 date would give Council more time to study budget and take action.

Generally, by March, only the governor has released estimated state aid revenues and assessments, which are subject to change by the House by April, Senate in May, and a joint conference committee by July. In addition, only about eight months of revenue collections are available for analysis, and health insurance, roughly 11% of the total annual spending, may not be fully known because rate increases have not settled and open enrollment hasn't occurred.

As new revenue and expense information becomes available during the budget process, the CFO presents it to the council's finance committee with an explanation and documentation. However, given that sizable components of the revenue and expenditure of the budget are outside the city's control, potential updates could disrupt the budget process, alter the overall financial picture, require the committee to revisit preliminary decisions more than once, and impact the requirement to make its recommendation to the full council within 28 days. While emergency language regarding the budget submission timing is inserted, there is a potential that the city could invoke this provision annually to ensure the finance committee has ample time to fully vet the budget proposal.

2. Discontinue Use of Reserves and One-Time Revenues for the Operating Budget

We recommend that Framingham avoid using one-time revenues to support ongoing government expenses in the operating budget. The continued use of reserves effectively postpones making difficult decisions on service and taxation levels. The city will continue to face the same dilemmas each year because ongoing costs are built into the budget's base while the offsetting revenue source may not be reliably available. As a best practice, one-time revenues should be used for non-recurring expenditures such as capital expenditures that are purchased outright and reduce future debt service costs or paying down unfunded liabilities. To achieve a structurally sound, sustainable spending plan, the city should adopt and commit to a policy that discourages the use of reserves and other non-recurring revenue for recurring operational purposes.

3. Adopt Formal Financial Policies

Framingham does not maintain a complete set of documented policies and procedures to provide important guidance and consistency around local fiscal policy decisions and financial operations. The city hosted and participated in a two-day workshop, going over the following 22 recommended core financial planning and day-to-day operation policies, and was given a template document that the previous CFO began making preliminary edits for internal review.

- Annual budget process
- Appropriation transfer & supplements
- Capital planning
- Debt management
- Financial Reserves
- Forecasting
- Indirect cost allocation
- Investments
- Other postemployment benefits liability
- Overlay
- Special purpose appropriations
- Antifraud
- Disbursements
- Financial Management Team
- Gifts of funds
- Grants management
- Procurement-conflict of interest
- Reconciliations
- Revenue turnover
- Tailings
- Tax recapitulation
- Year-end closing

Working with the mayor, COO and department heads, we recommend that the new CFO review the policy template document and finalize edits that recognize Framingham's practices and responsible positions and then present them to the council for approval. Once adopted, these policies will strengthen the Framingham's internal controls, provide instructive guidance, and promote uniformity for all city departments.

We also recommend that city officials write a formal policy for the city's practice regarding annual levy limit increases. It is Framingham's goal that the annual tax levy growth be less than the maximum amount allowed by Proposition 2½. The policy should document the formula in practice. It should also include exceptions and guidelines for when the annual increase may need to exceed officials' anticipation due to economic challenges as was the case in FY27.

4. Prepare and Maintain Revenue and Expenditure Forecast

We recommend that the CFO, together with the Mayor and other city finance officers, prepare and periodically update a multi-year financial forecast. For years, a former CFO maintained and annually presented a revenue and expenditure forecast to town meeting in the fall. However, with the transition to a city form government, this practice ceased.

A forecast is an essential management tool that provides a framework for analyzing the impact of various decisions and policy choices, identify challenges, analyze different scenarios, and budget sustainably for the future. It is not something that is prepared only in times of fiscal crises but rather used ongoing to measure compliance with financial policies and monitor progress towards meeting city financial goals.

The new CFO has pledged to develop a multi-year forecast for all operating funds, which should be shared with city council, school committee and SIFOC. The forecast should be based on reasonable assumptions that are documented, continually evaluated, and updated to reflect changing circumstances and events. By doing so, it provides a fair representation of the city's fiscal future to help guide strategic and budget planning processes. Framingham should consider using the DOR developed financial forecasting template (review [Municipal Finance Tools, Templates & Calculators](#)).

5. Present Periodic Financial Update

We recommend that the city convene a joint meeting of the city council, school committee and SIFOC to receive financial updates presented by the mayor and CFO periodically during the year. While the charter requires a meeting of this group by the end of the calendar year to review the city's financial condition and kickoff the budget process, bringing these officials together more frequently to hear critical information at the same time and prevent misunderstandings has tremendous value.

These meetings would allow for discussions that consider multiple perspectives and needs, potentially leading to more comprehensive and well-rounded decisions, particularly concerning shared resources or city-wide proposals. Officials would focus on short- and long-term planning efforts, engage with the public and solicit feedback, and contribute to better outcomes that align with the city's overall financial goals and priorities. Beyond the budget kickoff meeting, a joint meeting should occur at least quarterly to discuss the prior year's performance, year-to-date activities, updates on the revenue and expenditure forecast, formal policies, and other concerns of the individual boards that would benefit from additional input.

6. Ensure Cash Book is Accurate and Reconciled Timely

As a critical component of financial management, the treasurer/collector is required to maintain a current cash book and perform individual bank statement reconciliations with all reconciling items properly documented in a timely and accurate manner. The cash book is the source of original entry for recording all receipts, deposits, transfers, and disbursements necessary for tracking the total cash position of the city. Since many accounting records flow from this primary source document, the cash book is legally considered a permanent record and is a critical component of financial management.

The absence of a complete and accurate cash book and timely cash reconciliations creates a serious and immediate risk to the community.

Framingham's treasurer/collector maintains the cash book Excel. It is a series of worksheets with the 12 months of cashbook activity in one worksheet that subtotals by month, and the monthly reconciliation are done in separate worksheet by individual bank account. During our review, we found entries are made daily, but the reconciliations were three to four months behind. We also found non-reconciling entries continued to show month-to-month and in some instances for the entire year. After the treasurer/collector's internal reconciliation is done, she provides a copy of the cash book to the city accountant to be reconciled with the general ledger.

We recommend that the treasurer/collector update the cashbook daily to reflect the most current activity, including monitoring and verifying the actual bank activity to ensure the accuracy of transactions and balances. A system of regular reconciliations is necessary to maintain a consistently accurate picture of the city's cash standing. With the availability of online banking transaction and statement information, the treasurer/collector has the capacity to view current activity and balances daily, enabling her to conduct internal reconciliations throughout the period without waiting for printed statements. Specifically, she would be able to identify missing items, voids and posting errors that should be immediately reviewed with staff and against internal documentation while fresh in peoples' minds and reported to the financial institution in the case of bank error in order to be resolved as soon as possible. As a result of ongoing monitoring, the treasurer/collector should complete her internal reconciliation shortly after the end of each month and externally with the accountant within 20 days of month's end.

7. Enable Direct Departmental Entry of Receipts

Because departments already remotely enter payroll, procurement requests, accounts payable and annual budget requests into Munis, we recommend that designated staff in each city department that receive payments be trained to enter receipts. After the department enters a batch, the staff member would printout three copies to be signed by the department head and presented to the treasurer/collector, along with the cash, checks, and/or deposit slip receipts. The treasurer/collector's office would count out the receipts and, if in agreement with the Munis generated report, sign the three copies, retaining one copy for the office. The treasurer/collector staff would then review the data in Munis and ensure it is the same as the printed turnover before releasing the batch in Munis, for the accountant's review. The department would keep one copy and deliver the third to the city accountant, who would match each turnover information with the related Munis batch before accepting the data into the general ledger. Under this new process, it eliminates a variety of

word and excel turnover reports, saves staff time, and expedites revenue recognition in the general ledger.

8. Perform Receivables Reconciliations Monthly

We recommend that the treasurer/collector and city accountant reconcile receivables shortly after the closing of each month. While official receivable reconciliations are typically conducted at year-end, the city accountant can view balances on a read-only basis to informally track during the fiscal year. Frequent reconciliations are an important internal control that makes it easier to locate and correct any posting or reporting errors and will help ensure that financial records of the two offices agree.

9. Consider Biweekly Payroll

The current payroll system is a combination of weekly and biweekly payroll for city and school employees. An increasing number of employers in both the public and private sectors, including the Commonwealth, compensate employees on a biweekly basis. While some have already agreed to be paid biweekly, this change will require collective bargaining with the remaining city and school collective bargaining unions and a 90-day notice to employees. Paying employees every two weeks, or 26 times per year, reduces processing times, saves money, simplifies reconciliations, and frees up time for staff to work on other tasks. We suggest contacting a community that has made this change to inform the process and develop employee communications.

10. Review Revolving Funds

We recommend the city review its revolving funds to ensure they comply with the legal purpose and authorized use requirements of [M.G.L. c. 44, § 53E½ \(Informational Guideline Release \(IGR\) 2021-23\)](#) and are codified in an ordinance ([Bulletin 2017-01B](#)). All revenue is general revenue and should be deposited into the general fund unless another law provides for alternate treatment. With a 53E½ revolving fund, the fees paid to a department in exchange for providing a particular, nonobligatory service or program are accounted for separately from the general fund and may be spent to support the same service or program without appropriation. Of particular note, we offer the following.

- Avoid comingling revenues from donations and gifts — The Farmer's Market revolving fund lists donations and sponsorships among the stated revenue sources. All contributions, donations, fundraising, and gifts must be deposited into gift funds. Like revolving funds, gift funds are also earmarked for specific purposes and spent without appropriation ([M.G.L. c. 44, § 53A](#)).

- Include only receipts charged in connection to the particular, voluntary purpose — Under 53E½, each revolving fund is established in connection with the operation of programs or activities that generate fees, charges, or other receipts to support all or some of the expenses of those programs or activities. We found funds include fines (Blighted Property Fund), governmental transaction fees (City Records Preservation Fund) or reimbursement of expenses (Emergency Management Equipment Fund) as revenue sources. Because these are not voluntary or program receipts, they should not be deposited into revolving funds.
- Modify the Callahan Senior Center Fund to include only programming revenues — Only the programming fees used to cover the associated costs and expenses for an activity or service meet the definition of a revolving fund. General service revenues are considered general revenues and should not be deposited in a revolving fund, and the revolving fund should not be used “to advance the council on aging’s established mission statement.”
- Remove Wetland Protection Fund — This is not a revolving fund under 53E½. It is established by [M.G.L. c. 131, § 40](#) for filing fees for the administration and enforcement of the law by the conservation commission without further appropriation.
- Remove Cochituate Rail Trail Fund — This is not a revolving fund under 53E½. Proceeds from a license agreement for a city property may be deposited into a separate revolving fund and expenditures made for the maintenance of the rented land, facility or space without appropriation by [M.G.L. c. 40, § 3](#). Revenues from city parcels abutting the trail should be used to maintain the parcels not the trail.

Each year, the city council must still vote on or before July 1 on the amount that may be spent from each fund during the upcoming fiscal year. In addition, because of the amended 53E½ statute, revolving funds are to be authorized by bylaw or ordinance rather than an annual legislative body vote. Therefore, after reviewing the revolving funds, we recommend that council codify the city’s revolving funds in an ordinance.

11. Address Tax Title Balances and Research Foreclosure Accounts

As of February 2026, there are 186 parcels in tax title, which collectively owe almost \$5.7M including fees and interest. We recommend the treasurer/collector review these accounts and develop a plan to reduce their number and outstanding amounts. To that end, we offer the following advice.

- Review accounts—In the tax title list, we found two no longer exist in the assessors’ database, two parcels exist but property records are deactivated, two tax taking records could not be found, six were discharged, disclaimed or redeemed and no new taking made, and a land of low value foreclosure was sold and no new taking made. We also discovered 16 parcels had

the FY25 tax and accrued interest inexplicably written off. The treasurer/ collector should work with the assessors to verify the accuracy of these accounts and may have to seek 8 of 58 abatements from the Commissioner of Revenue as needed.

- Contact new owners—A comparison of the tax title list against the assessors' database revealed that some properties have been sold. Because real estate taxes are assessed to the owner of record of the property as of January 1 before the start of the fiscal year, the subsequent owners may not have received the tax bills in the previous owner's name and may not be aware of the taking on the property for which they are responsible. Reaching out may help resolve some of the balances. and, if the current owners are not cooperative, the treasurer/collector should pursue foreclosures or other collection remedies.
- Pursue land of low value (LOLV) foreclosure—As an alternative to Land Court, the treasurer/ collector may foreclose tax titles using the land of low value (LOLV) foreclosure procedure for parcels worth up to \$28,866 ([IGR 2026-03](#)) during calendar year 2026. There are 55 parcels in tax title that qualify and the treasurer/collector should work with the assessors to research and complete online affidavits via Gateway.

In addition, we were informed that the city has two general ledger accounts reporting tax foreclosures. One includes tax possessions pre-FY06 totaling \$137,446 that documents one property, references the auction of another, but does not have any details for the majority of the account. The second account includes properties foreclosed on since FY06, totals \$432,463, provides information on two dozen accounts by address or old map and lot identifiers, and has a \$14,350 miscellaneous adjustment. We recommend the treasurer/collector work with the chief assessor and city accountant to research and verify each property and amount taken as a tax possession through Land Court or LOLV. If unable to fully reconstruct the details then any unidentified variances will need to be adjusted.

12. Conduct Real Parcel and Tax Map Review

We recommend that the assessing office work with the GIS manager to conduct a thorough inventory of all physical parcels, ensuring each is included on the tax maps, has an accurate identification number and has an active property record card. In reviewing the city's property and assessment data, we found a few existing parcels without active property cards, some parcels do not have identification numbers, and a parcel linked to the wrong identification number and property card.

Assessors are responsible for valuing all real and personal property in their municipality each year for tax assessment purposes. Key to this is well-organized and maintained assessment records, including tax maps and property record cards. Tax maps must include every real parcel and show the location, boundary, size and shape of each parcel, as well as physical features that affect value, and the location

of streets, lakes and rivers. In addition, the tax maps establish a unique identification number for each parcel of real estate. For each parcel, the assessors should have an active and accurate property record card that records the ownership, descriptive data, property inspection and permit information, identification number, and recent years' assessed valuations. Ensuring that the maps and property record cards are accurate and include all existing parcels will provide a foundation for comprehensive and reliable tax assessments.

13. Codify the Powers and Duties of the City Accountant and Assessing Office in Ordinances

The administration and finance division is established by charter that includes the purchasing, accounting, assessing, and treasurer/collector offices. In the ordinances, the appointing authority and office terms are set (c. 110-1), and the general duties of the CFO (c. 5), purchasing (c. 44-2), and the treasurer/collector (c. 110, article IV) are detailed.

By [chapter 339 Acts of 1983](#), the accountant is exempt from civil service law and has statutory and other duties, which are not codified. In the charter Transitional Provisions (Article X, Section 7n), this office was divided into two separate functions. The city auditor is responsible for examining books and accounts at the council's request while the city accountant maintains the general ledger and other financial records, certifies funds availability, monitors appropriations, approves bills and payroll, and draws the warrant. However, in the recent charter update, the transitional provision was deleted. Therefore, we recommend that the position of city accountant be codified in ordinance, detailing the statutory powers and duties of the office.

The board of assessors has three members who do not have to be residents ([c. 10 Acts 1987](#)). They approve property values, authorize tax and excise commitments, recommend the percentage of the local tax levy to be borne by each class of property, and act on abatement and exemption. By ordinance, they may require buildings on public streets to be numbered (c. 224-1), add certain unpaid charge, fee or fine to the tax on the property to which it relates (c. 357-16), and publish a detailed annual report of abatements granted (c. 402-14). The board relies on the chief assessor for the day-to-day management of the data collection, property valuation, legal information and staff, but this department head is not found in ordinance. We recommend that the assessing office be codified in a city ordinance that contains the board's statutory authority and tax policy role and identifies the chief assessor position and details the duties and responsibilities of the office.

14. Revise Financial Analyst Position in the Charter and Ordinances

We recommend that the council's auditor post be changed in the charter and ordinance (c. 110-56) to a financial analyst who performs legislative oversight and post-audit function. In other city forms

of government in Massachusetts, many have a council staff position who has unfettered access to accounts and other financial information, reviews and evaluates everything proposed by the administration, and monitors ongoing operations. For some, it is an auditor post that is filled full- or part-time by a certified public accountant, while for others it is generally a part-time analyst position.

In Framingham, the council advertised five times and finally, eight years after the adoption of the city's charter, hired a financial analyst in the spring of 2026. While the charter provides for an auditor post, councilors took special care in 2024 to make sure that the job description matched their needs, redefining it as a financial analyst. The analyst evaluates proposed operating and capital budgets, examines the revenue and expenditure forecast, and monitors revenues and spending, providing summaries and reports to the council. Additionally, following guidelines established by the finance subcommittee and in coordination with the CFO, he reviews and makes recommendations to council on financial operations, financial systems, and administrative policies. Updating the title to financial analyst and detailing the responsibilities, which shall not include being involved in the day-to-day administrative detail of the financial operations, in ordinance would align with the true nature of the position.

15. Update Job Descriptions

We recommend that human resources review all job descriptions with department heads and update as needed. The city provided job descriptions for all the staff we interviewed. While a job description is reviewed prior to posting it to fill a vacancy, HR should periodically review all job descriptions for accuracy and procedural changes. We found examples of essential functions detail manual entry of batches and scanning documents when these steps are now done remotely by departments, references to town positions that should be updated to city posts and include the personnel board that no longer exists. In addition, with the charter change that removed technology services from the administration and finance division and other proposed reorganizations, the reporting structure needs to be updated in impacted job descriptions.

16. Track Legislative Action for Tax Recap with the Appropriation Template

We recommend that the city clerk use DLS' [Appropriation Template](#) to track all orders/measures approved by council that must be reported on the tax recap page 4. In compliance with council rules, the city clerk maintains a listing of all proposed and passed measures by calendar year on the council's website. However, it does not keep a running total. The template is designed so that the city clerk can verify the appropriations tally in total and by revenue source (e.g., raise and appropriate, free cash, available funds, enterprise funds and community preservation funds) for each council meeting. It also provides for recording action on revolving funds and debt service, and additional lines may be

added within a spreadsheet as needed. As a matter of best practice, the city clerk should record information for page 4 as soon as possible after the conclusion of each council meeting and periodically reviewed by the city accountant to ensure that the two offices agree on the detailed information so as not to delay the recap approval process.

17. Reaccept the Other Postemployment Benefits Fund

In April 2012, Framingham created a trust fund for other postemployment benefits (OPEB) under [M.G.L. c. 32B, § 20](#), which allowed the community to create a reserve to finance its OPEB liability. However, the statute at that time did not meet OPEB trust fund guidelines established by the Governmental Accounting Standards Board (GASB), and it was therefore modified by the Municipal Modernization Act in 2016. To establish a GASB-compliant OPEB trust, city council must reaccept § 20. To make available the options required to meet the investment goals of an OPEB trust, council must also authorize the prudent investor rule as detailed in [M.G.L. c. 203C](#). Information may be found in the [Municipal Modernization Act FAQs](#) located on the DLS website.

18. Accept Expedited Disposition of Abandoned Funds

On the treasurer/collector's webpage, there is a listing of abandoned/unclaimed checks, commonly referred to as tailings, and a request form to file a claim to issue a replacement check, which the treasurer/collector's office thoroughly investigates before releasing the funds. The current listing was last updated in 2019. However, in reviewing the city's ordinances, Chapter 600, a listing of general laws accepted by Framingham, there is no town meeting or council action accepting [M.G.L. c. 200A, § 9A](#) to expedite the resolution of unclaimed checks. In the absence of this acceptance, the provisions of c. 200A otherwise require the city to turn the unclaimed monies over to the state treasurer's office when they remain unclaimed for at least three years. Therefore, we recommend that the city accept M.G.L. c. 200A, § 9A, adopt a policy that provides a procedural overview of the steps for resolving tailings (view [Recommendation 3](#)), and maintain the outstanding check list, updating it regularly.

19. Establish Compensated Absence Reserve

We recommend that the city council adopt [M.G.L. c. 40, §13D](#), establishing a compensated absence reserve. When employees retire after years of service or otherwise leave city service, each is entitled to be paid for specific unused accumulated compensated absences. Generally, the funding of the separation costs is paid from the departmental salary appropriations, which could delay the hiring of new people to critical positions. To avoid the temporary reduction in staffing, the establishment of a compensated absences reserve would help address this situation. Funds would be appropriated annually and, if unexpended, would remain in the reserve from year to year. The reserve would retain any investment income, similar to a stabilization fund.

APPENDIX

Framingham's Levy Limit Practice and Actual Levy Raised

	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26
Prior year (PY) actual levy	\$188,453,913	\$191,224,338	\$196,153,144	\$195,618,399	\$200,061,161	\$207,909,727	\$216,477,383	\$224,830,857
Less PY debt exclusion	-337,582	-326,556	-313,061	-422,074	-1,483,246	-2,388,529	-3,325,921	-3,249,507
Adj. levy base	188,116,331	190,897,782	195,840,083	195,196,325	198,577,915	205,521,198	213,151,462	221,581,350
2.50%	4,702,908	4,772,445	4,896,002	4,879,908	4,964,448	5,138,030	5,328,787	5,539,534
New growth	3,224,492	3,245,204	3,359,644	3,566,245	3,967,636	2,294,859	2,587,525	2,467,144
Debt exclusion	326,556	313,061	422,074	1,483,246	2,388,529	3,325,921	3,249,507	3,114,480
City levy limit	196,370,287	199,228,492	204,517,803	205,125,724	209,898,528	216,280,008	224,317,281	232,702,508
Actual levy	\$191,224,338	\$196,153,144	\$195,618,399	\$200,061,161	\$207,909,727	\$216,477,383	\$224,830,857	\$233,749,880
City's limit – actual levy	5,145,949	3,075,348	8,899,404	5,064,564	1,988,801	-197,374	-513,576	-1,047,372
Levy over city's limit used						197,374	513,576	1,047,372
Percent adj. levy base						0.10%	0.24%	0.47%
Adj. Levy increase						2.60%	2.74%	2.97%

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