



Town of Marshfield

# **Financial Management Review**

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Division of Local Services / Technical Assistance Section

December 2012



December 2, 2012

Board of Selectmen  
Town Hall  
870 Moraine Street  
Marshfield, MA 02050

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 Marshfield. 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 its long-term planning needs.

Our technical assistance team welcomes the opportunity to present the report to the board of selectmen at a public meeting. As an added service, we are willing to meet with staff, earlier on the same day, to discuss implementation of the report recommendations.

As a routine practice, we will post the completed report on the DLS website, [www.mass.gov/dls](http://www.mass.gov/dls), and 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](mailto:kingsleyf@dor.state.ma.us).

Sincerely,

Robert G. Nunes  
Deputy Commissioner &  
Director of Municipal Affairs

cc: Senator Robert L. Hedlund  
Representative James M. Cantwell

## Introduction

At the request of the board of selectmen, the Department of Revenue's Division of Local Services (DLS) completed a financial management review of the Town of Marshfield. The recommendations contained in this report are based on site visits made by a team from the DLS Technical Assistance Section and consultations with the Bureau of Accounts and Bureau of Local Assessment.

The scope of the review focused on the town's financial offices and the practices, procedures and policies that guide municipal decisions. We examined the duties and responsibilities of finance officers and the degree of coordination and communication that exists among the various boards, committees and officials involved in financial management. We comment on the effectiveness of financial checks and balances and on compliance with state laws and regulations that govern fiscal matters. The municipality's technology condition was assessed and the impact of organizational structure on financial operations was evaluated.

To complete the report, we interviewed and received information from members of the board of selectmen, the town administrator, town accountant, treasurer/collector, principal assessor, harbormaster, and others. A full list is available on the Acknowledgments page.

Also included as part of our review, we gathered and examined information from various documents, including the Tax Recapitulation Sheet, Schedule A, balance sheet, and Marshfield's annual budget, warrants payable, revenue and expenditure reports, and reconciliation reports. We reviewed town bylaws and locally accepted statutes, the outside audit report completed by Powers & Sullivan, and the independent credit rating report by Standard & Poor's.

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## Overview

The Town of Marshfield is a suburban community of 25,132 residents about 30 miles from Boston on the shore of Massachusetts Bay. With state Route 3 skirting the edge of town and commuter rail stations nearby, residents have relatively easy access to the city and to neighboring communities. Although it is primarily a residential town, Marshfield's location is inviting to summer vacationers, who nearly double the town's population during that season. The town takes broad advantage of its seaside locale by operating five public beaches and managing an active harbor.

In socioeconomic terms, Marshfield is a fairly typical town in Plymouth County. As a measure of relative wealth, its per capita equalized valuation (EQV) of \$186,175 is slightly higher than the county average of \$184,585, as is Marshfield's income per capita, \$35,357 versus \$34,847. Of the town's total assessed property value, 93 percent is derived from properties classified as residential, 6 percent commercial and industrial, and 1.6 percent personal property.

In FY2012, Marshfield's total operating budget as reported to DOR on the tax recapitulation sheet was \$84,643,595. Funding for the budget derived chiefly from the tax levy (58 percent) and also from state aid and local receipts (20 percent each), with the remaining two percent from other sources. Educational costs represent Marshfield's largest category of general fund expenditures at 56 percent. The remainder of budget was spent towards debt service, public safety, fixed costs, public works, and general government.

In November 2011, Standard & Poor's assigned Marshfield a very strong AA credit rating. A positive factor cited was the town's improved fiscal planning beginning in 2008. Also noted were the town's low debt burden and rapid amortization schedule, as well as its formal policy to build its stabilization reserve fund to at least five percent of general fund revenues by 2015.

Not incidentally, the year 2008 was also when the town hired the current town administrator. Together with the town's financial team and board of selectmen, he led an effort to establish a variety of strong fiscal policies. In the last four years, new policies have been adopted on the topics of investments (October 2008), reserve funds (June 2009), enterprise indirect cost allocation (August 2011), free cash management (April 2012), town/school revenue sharing and fixed cost allocation (April 2012), and debt management (May 2012).

Since 1976, Marshfield's government has been organized pursuant to a town charter, which was last revised in 2003. While this charter lays out the basic framework of town government, it is

rather insubstantial in providing clear definitions of the roles and relationships of top officials, committees and boards. In some cases, Marshfield's general bylaws provide those missing details, but for the most part, guidance is still lacking. Overall, the structure that emerges is highly decentralized and fragmented.

The elected board of selectmen are the town's executive authority. In addition to the town clerk and moderator positions, town voters also elect members to the following boards and committees: school, housing, assessors, health, planning, veteran's memorial, and public works. While the number of Marshfield's elected officials and boards is not unusual, missing is an integrated organization to promote coordinated execution of the goals set by policymakers.

In the 2003 charter review, the charter commissioners missed the opportunity to establish clear, functional reporting relationships between the selectmen as the executive body and the town departments overseen by elected boards. Although the charter provides for a town administrator position, its authors felt that sufficient coordination would be effected by charging the administrator to be involved with these boards in an ex officio, non-voting capacity only. Quite the contrary, this weak association reinforces a horizontal, independently-functioning bureaucracy that is inherently inefficient. At the same time, charging one individual with participating in all town boards, elected and appointed, is burdensome.

The dispersal of Marshfield's government authority across a range of elected boards is not conducive to robust coordination of service delivery and pursuit of town-wide goals. The town administrator's lack of appointing authority over various department heads limits his ability to direct those individuals and achieve the cooperation needed to realize objectives. Looking ahead, a stronger management model founded upon increased line authority for the town administrator would better position the town to take on future challenges and respond to issues as they arise.

Notwithstanding the town's flat governmental framework, Marshfield is in relatively good financial condition. The town generates free cash, builds reserves, maintains a relatively low debt burden, and has a solid bond rating. Budgeting practices are conservative, and the town makes long-term plans for capital improvement.

Although Marshfield is fortunate to have qualified and professional personnel running daily town business, as a whole, their ability to keep pace with changing economies, regulations and technologies is hampered by an inefficient government structure. The decentralized nature of the government can cause internal and external confusion and delay appropriate responses to even routine problems that can arise at any given time. In the following sections of the report, we

provide advice on improving functionality in this area. Outside the structure of government, we make recommendations to enhance Marshfield's capital planning. The remaining recommendations are aimed at increasing operational efficiencies and expanding technological capabilities.

## Government Structure

The Town of Marshfield's government structure is outlined in its charter and general bylaws, which together define the responsibilities of officeholders and summarize the procedures of government. A three-member board of selectmen is vested with executive powers and appoints a town administrator to oversee day-to-day municipal operations. Legislative functions are fulfilled by an open town meeting that routinely meets in the fall as well as annually in the spring. A nine-member advisory committee advocates for town meeting, reviewing and commenting on all financial and non-financial warrant articles. A capital budget committee manages the town's capital improvement program.

In Marshfield, the town administrator position represents a thin layer of centralized management that only partially covers town government. In contrast, the governance trend emerging state-wide has been in favor of a vertically-aligned organizational structure in which department heads report directly to a single chief administrative officer rather than to various, independent boards and committees. Moving towards this type of restructuring would better enable the town administrator to serve as a natural source of information, monitor departmental needs and staffing levels, resolve conflicts, identify efficiency opportunities, and generally maintain service levels. Benefits would also accrue to managers because some responsibilities would shift to the town administrator, who is better positioned to advocate causes and defend decisions.

In the recommendations that follow we propose structural, administrative and procedural modifications to improve town government.

### **1) Conduct a Charter Review**

DLS consistently promotes the concept that communities should review their government structure at least every ten years. The basic framework for Marshfield's government is outlined in its charter, which was last revised in 2003, almost a decade ago. As it looks to the future, the town should consider the ways that an updated, adequately extensive charter could lay the groundwork for a more modern, efficient and effective model of government. While bylaw amendments can be used to effect some modifications, charter revision is the preferred vehicle for change since it reflects a decision to assess all of municipal government rather than merely addressing individual aspects through incremental adjustments.

Charter revision can be achieved pursuant to the Home Rule Procedures Act of the general laws (M.G.L. c. 43B). This act contains provisions that allow a municipality to form a charter commission for the purpose of altering its government structure. The commission may adopt a



new charter, entirely revise an existing charter, or amend selected charter provisions. Alternatively, a community can change its charter by a special act of the state legislature with approval of the governor. More information about restructuring government can be found on DLS's website at: <http://www.mass.gov/dor/local-officials/municipal-data-and-financial-management/financial-mgt-assistance/restructuring.html>

Based on our observations, review of Marshfield's charter and bylaws, and experience with best practices in other communities, we propose that a charter commission give particular consideration to the following suggestions.

Strengthen the town administrator role. For the administrator position, the charter should specifically enumerate broad financial and operational functions including management or oversight of these areas: budget process, financial operations, interdepartmental coordination, policy analysis, personnel administration, and information technology.

The charter should also enhance the town administrator's role in appointing department managers. Explicitly granting expanded authority would allow the administrator to better manage everyday government operations, more quickly resolve issues brought to town hall, and help make all employees equally accountable for the performance of their duties. However, with this change, boards and committees would still continue to formulate policy, provide guidance, and make customary decisions.

Increase the number of appointed boards. Placing persons on boards and committees through an appointive rather than elective process will help the town move closer to a vertical organizational structure. Also, more informed decision making can result when residents with meaningful professional experience or skill sets are recruited and appointed to boards on which their input can have the greatest value.

Consider eliminating certain boards. To remove duplication, some boards could be eliminated altogether. For example, since Marshfield's charter already authorizes the town administrator to manage the personnel bylaw, we recommend discontinuation of the part-time, volunteer personnel board. As regards other boards, their work can be transferred. We have observed a trend among towns of shifting the responsibilities of the board of public works to the board of selectmen. The department's superintendent would then report to the town administrator, as other department heads do. Given the scope and reach of public works, greater government coordination is thereby achieved.

Create finance director position. Many towns with budgets and populations similar in size to Marshfield have chosen to consolidate fiscal operations under a finance director. This could be a free-standing position, or the director could also serve as either the accountant or treasurer/collector. By establishing this position, a town can empower a single individual to oversee the range of financial duties of the accountant, treasurer/collector and assessor departments, coordinate the annual budget process, produce regular and ad hoc reports, and ensure compliance with fiscal policies. The scope of the officeholder's responsibilities enhances his or her ability to formulate and advise on long-range economic plans. The delegation of these duties also helps distribute some of the management workload of the town administrator.

## **2) Conduct a Substantive Review of General Bylaws**

The purpose of a charter is to lay out a community's governmental configuration through broad statements of roles, relationships and policies, the details of which are expounded on in bylaws. The two should be companion documents that provide the foundation for long-term stability with the flexibility to adapt as circumstances warrant. Strong bylaws help define the expectations placed on town government as well as residents' rights and obligations when interacting with it. Even if Marshfield chooses not to review its charter, we recommend that the town conduct a substantive review its general bylaws.

In their present form, Marshfield's bylaws offer only scant information on the duties of town offices, appointing powers, the budget process, and policies. Furthermore, new bylaw provisions have historically been appended in chronological order, which makes for a disorganized, difficult to research, and potentially inaccurate public record. As a practical matter, any local official or resident with a need to consult the bylaws must conduct a tedious page-by-page examination to determine whether provisions of interest are superseded, changed or obsolete. No matter how diligent the effort, uncertainty is likely to remain.

A substantive review and recodification of bylaws involves the appointment of a committee, which can be formed by a town meeting vote or by a unilateral action by the selectmen. Three-to-five members would seem sufficient and could be appointed by the town moderator, the selectmen, or a combination of both. It would work best if members reflected a balance between residents and town officials. Planners should assume a one-year timetable for completion of this work and factor town meeting approval into a projected schedule.

The bylaw committee should be charged to review existing bylaws, recommend the ones that should be kept, amended or deleted, and suggest new ones for adoption. Hearings and public forums should be held to solicit input from town residents, employees and officials. The updated bylaws should then be organized so that they are easily readable and searchable, and they should also incorporate the town's personnel bylaw, which presently is a separate document. Once approved by town meeting and the state attorney general, the town should make the bylaws available on the town's website and in hard copy at the town clerk's office and library.

## **3) Codify the Budget Process in Bylaw**

Marshfield's general bylaws were revised in 1993 to include a section on the capital budget. Its nine subsections establish a capital budget committee and set out their capital criteria, budget process steps, and relationships with the advisory board, selectmen, other town officials, and town meeting. The bylaws lack a similar chapter for the operating budget process, although in practice the town administrator has been its main coordinator.

We therefore recommend that the town add a budget process section to the bylaws. This bylaw should delineate the key elements of the process, including roles and responsibilities, sequence for task completion, deadlines for collection of information, and requisite approvals. Defining the budget process in bylaw promotes year-to-year consistency. And in so doing, it can inspire confidence among town officials and residents that budget decisions are made pursuant to a consistent, thoughtful process that remains intact as elected and appointed officeholders change.

We offer the following guidance for consideration as a formal budget process:

Budget Calendar. As a first step, the town administrator creates a budget calendar with milestone dates set working backwards from the date of town meeting, and presents it to the select, advisory and school boards.

Revenue Projections. The town administrator develops revenue projections in advance of the first joint budget meeting. For these estimates, he consults with fiscal team members and with the department heads whose offices generate revenue.

Consensus. At a joint meeting of the select, advisory and school boards, the town administrator presents projections of revenues and of fixed costs (e.g., health care coverage, pension obligation, debt service, etc.). The parties record their consensus on the projections. From this process, they settle on the budget guidelines to be distributed to department heads with solicitations for appropriation requests. Joint meetings are convened any time there is an adjustment to state aid, and funds are re-allocated in conformity with the town's accepted revenue-sharing agreements.

Review of Budget Requests. The town administrator meets with department heads and the capital budget committee to review their submitted requests. Subsequently, he creates a balanced budget proposal for the review of the selectmen, who may choose to meet with managers of major town departments if so desired. Subject to any changes, the selectmen approve the budget and forward it to the advisory board. The advisory board reviews the line item budget, holds hearings as appropriate, and discusses any potential modifications with the town administrator before making changes.

Throughout the budget's development, it is crucial that officials maintain a strong commitment to the process, to a high level of communication, and to reaching consensus. There should be an ongoing exchange of information among officials, particularly as they get deeper into the process, to attain a unified budget position at town meeting.

#### **4) Board of Selectmen Proactively Assemble Town Meeting Warrant Articles**

We recommend that the board of selectmen more actively exercise their responsibilities related to the assembling of articles included in town meeting warrants. Based on our interviews, Marshfield's selectmen tend to summarily include all proposed warrant articles. This is supported by the minutes documented for 2012's select board meetings, which contain only limited references to a couple of articles. Even if the selectmen wish to have a broad policy for

article inclusion, they should still publicly convey their review and acceptance of each through formal votes. At a minimum, they should review articles to determine if any should be rejected as being illegal or frivolous, and also decide what numerical ordering makes the most sense.

### **5) Reconsider the Timing and Protocols of Select Board Meetings**

We recommend that the board of selectmen consider adopting a biweekly meeting schedule. A weekly timetable imposes an extensive commitment on board members. And it also puts time pressures on the staff who must prepare information packages and the town administrator who reports on the status of various assignments. We have found that the workload of select boards tends to conform to whatever schedule is customarily practiced. Therefore, we would expect that, as time goes by, the workload in Marshfield will similarly adjust to the new schedule.

Further, we encourage the selectmen to establish guidelines for placing issues on the meeting agenda and for the time allotted each. Prior to each meeting, the board chair and town administrator should work together to limit the agenda and identify what actions are required. They may determine that the town administrator can address some matters himself without the formality of a select board review. Additionally, the chair should assign the time allowed for discussion of each agenda item and commit to enforcing time limits. Should an unscheduled issue come up or an agenda item require additional time, the selectmen can adjust the agenda, continue the matter to another meeting, or call a special meeting in the interim week. In doing so, they should be mindful of the state's open meeting law.

To help expedite meetings, the board could incorporate a consent agenda, which consolidates all routine, non-contentious items into a single agenda line. This section can cover the items that legally require formal votes but do not warrant lengthy discussion before the board takes action. A consent agenda is typically provided to the selectmen in advance by the town administrator, allowing them to review the related material before meeting. It is then presented and voted at the beginning of meetings. As the term "consent" implies, if a board member thinks that a particular agenda item warrants further discussion, it must be removed and taken up separately.

## Overall Financial Management

As the executive branch of government for the Town of Marshfield, the board of selectmen is also its chief policymaking body. They are assisted in developing financial policies by the town administrator, the financial team, and the advisory board. The town administrator leads the financial team, which meets together formally each month and includes a treasurer/collector, an accountant and an assessor/appraiser. An information technology (IT) department provides support for the daily data processing needs of the financial offices and for most other town departments as well. The department of public works (DPW) operates the town's water, sewer and trash management services, and also maintains much of its infrastructure.

Below we make recommendations relative to the town's fiscal policies, procedures and everyday financial operations.

### **6) Update and Maintain a Comprehensive Inventory of Capital Assets**

Thorough analysis of a community's capital stock is an essential component of effective capital improvement programs. Although the capital budget committee (CBC) has made attempts to compile a comprehensive inventory of the town's capital assets, it is our understanding that lists received from some departments have been incomplete or insufficiently detailed. If they have not done so already, we suggest the CBC request a copy of the accountant's list of fixed assets as a starting point. With the coming budget season, they should also ask departments for a full list of their capital assets. For departments that submit inadequate lists, the committee could withhold its capital approval decisions until inventory submissions are satisfactory.

Detailed inventories are crucial for long-term financial decision making, in areas such as buildings, vehicles and information technology. The most valuable lists include (as applicable): dates of acquisition or last improvement, current conditions, depreciated values, extents of use, and estimated dates for replacement or expansion. When viewed together, the inventory and annual requests from departments should provide a complete picture of the town's infrastructure condition and future needs. The CBC should consider this data together with the town's debt schedule when developing its priorities and funding recommendations.

### **7) Establish Special Purpose Stabilization Fund for Seawall Maintenance**

Marshfield has a perpetual need to ensure the integrity of its shoreline. Recognizing that its seacoast is affected for good or ill by what happens in neighboring communities, the town joined with Weymouth, Hull, Hingham, Cohasset, Scituate and Duxbury to create the South East Coastal Coalition. Since early 2012, this coalition has been meeting to share information and discuss the potential for creating a formal, regionalized coastal maintenance partnership.

We recommend that Marshfield establish a special purpose stabilization fund to finance the maintenance of its seawalls. This type of fund functions as a savings account for particular expenditures foreseeably necessary at an indefinite future time. Common examples in many communities are funds designated for building maintenance, road repairs and vehicle purchases. Given the importance of preserving Marshfield's shoreline, a special purpose stabilization fund for seawall maintenance makes sense for the town.

As part of the budget process, the town could annually appropriate money into the seawall stabilization fund by a two-thirds vote of town meeting. This would build up the balance, encourage long-term planning, and help offset any potential future debt issuances. In terms of prospective budgeting, a special purpose stabilization fund is a useful tool for establishing a consistent, annual funding source or expenditure level for capital needs. Additionally, special purpose stabilization funds directly address resident concerns by providing assurance that money intended for a particular purpose will be used accordingly and not diverted for something else.

An alternative funding option, while referred to as an override, actually has characteristics of both a Proposition 2½ override and a debt exclusion. Under this scheme, additional tax revenue can be raised above Proposition 2½ limits to finance the stabilization fund. Initially, it must be approved by a two-thirds vote of town meeting and by a subsequent majority vote in a town referendum. In subsequent years, the same or lower amount can be raised again, if approved by a two-thirds vote of the board of selectmen. After the first year, a town-wide referendum would be required either to increase the amount to be raised, change the fund's purpose, or transfer some monies from the fund to a different stabilization fund. Like an override, the additional tax revenue can be raised yearly without further referendums. But, like a Proposition 2½ exclusion, the levy limit increase need not be permanent. It can be continued, lowered or removed through action by the selectmen, who must make this decision each year.

### **8) Submit Requests for Reserve Fund Transfers to the Town Administrator**

We recommend that requests for transfers from the advisory board's reserve fund be channeled through the town administrator. It is our understanding that some departments customarily submit transfer requests directly to the advisory board. Although the advisory board is the final arbiter on reserve transfers, the town administrator, as the chief budget officer, should be the point person for initial analysis of the requests.

Under M.G.L. Ch. 40 §5A, reserve funds may be transferred to an account only for extraordinary or unforeseen expenditures, including emergencies. Generally, if a cost could have been anticipated through a diligent budget process, it does not qualify as unforeseen. While the authority for determining emergencies would remain with the advisory board, we suggest that in

the future, directing requests to the town administrator could help avoid patterns where departments may expect access to reserve funds during the fiscal year to backfill budgets.

Going forward, a department manager should complete a transfer request form and submit it to the town administrator. After reviewing the request, the town administrator would sign and forward it to the advisory board for final approval. The advisory board should return to the department any request received outside this approval process for resubmittal to the town administrator. A memo detailing this procedure should be sent to all departments and co-signed by the advisory chair and town administrator.

### **9) Discontinue Policy of Providing Health Insurance to Part-time Elected Officials**

We recommend that the town act to lessen future insurance costs by discontinuing its policy of funding healthcare benefits for part-time members of elected boards and committees. While the town funds only 50% of health premiums, according to the payroll benefits manager, each insured elected official could cost the town up to \$12,560 per year depending on plan choice.

The board of selectmen has the discretion to eliminate coverage for part-time elected officials. They can do so through a formal vote of the board, and the prohibition would need to extend to all such officials without exceptions. The board can also take similar action to preclude elected officials from being eligible for healthcare benefits upon retirement. While this is not a widespread issue in Marshfield, the selectmen may allow any officials affected by the policy change to have their eligibility grandfathered until the end of their current terms.

### **10) Departments Data Enter Financial and Payroll Information into SoftRight**

We recommend that departments on the town's computer network be granted data entry user rights to the SoftRight financial management system. Shifting certain data entry tasks would significantly increase efficiencies in the treasurer/collector's and accountant's offices without creating undue burdens for the departments. With proper training, the departments could be given responsibility for data entering all their own payroll data, vendor payment requests, and purchase orders. In conjunction with the data entry, departments would still need to submit supporting documents to the treasurer/collector and accountant to ensure proper verifications.

For payroll, after entering employee exception times, departments would submit hard copy attendance summary reports signed by department managers to the treasurer/collector. Managers would be responsible for the accuracy of their employees' individual time sheets, which will be kept in the departments' files.

For invoices, departments would input the data, retain photocopies, and send the originals to the accountant, also with department head signatures.

For purchase order (PO) requisitions, a department head would enter data about the service or product to be purchased and forward any available supporting documents to the accountant. Once approved by the accountant (and for purchases over \$5,000, by the town administrator as chief procurement officer), the department would print the PO.

The treasurer/collector and accountant or their staff would review the electronic entries against submitted hard copy documents before accepting and posting them to the appropriate modules within SoftRight. After posting payable data, the accountant will submit the information on warrants to the selectmen for approval.

This system might be best implemented in phases, selecting one or two departments to start and reviewing their progress before extending to other departments. For any departments that are not on the network or that have infrequent submissions, the current, manual process will continue. Once established, although paper documents are still transferred, the electronic transmission of financial data will greatly reduce the amount of manual entries performed in the financial offices, freeing up staff to perform other activities.

## **11) Improve Maintenance of Town Website**

The town's various departments and boards are responsible for maintaining their own pages on the town's website, but across these pages, the degree of utility, currency and consistency of information and services varies widely. Some departments maintain their pages very timely, while others do not. Some provide downloads of referenced forms and applications, while others do not. Although most meeting agendas appear to be posted timely, meeting minutes are either non-existent or many months delayed. And, one week before a special town meeting scheduled for October 22, 2012, we could not find the meeting warrant anywhere on the site.

To be most effective, each department, board, committee and commission should ensure that:

- All forms for processing requests from the public are downloadable.
- Electronic payment options are maximized. Departments that process fees should meet with the IT director to explore adding them to online payment processing applications.
- Public meeting agendas are posted at least 48 hours before the meeting.
- Meeting minutes are posted no more than one month after meetings are held.

Given the common expectations of the public for online information access and services, it is incumbent upon department managers to try to meet them. The inconsistent maintenance of webpages may be reflective of the fragmented nature of the town's government structure.



## **12) Expand Use of Scanners**

For audit purposes, the accounting department is required to maintain original invoice documents, which are kept in filing cabinets in that office. The DPW recently purchased scanners, and we endorse their plan to scan their invoices. Although the accountant must still receive the original invoices, at the DPW's end, this would reduce the storing of their copies of payable requests. It would also allow them to reference the documents more quickly. We propose that, after about six months, the town administrator meet with the DPW superintendent to review the department's experience with the scanners. If viewed as successful, and if not too expensive, we recommend that scanners be purchased for other large departments too.

## Treasurer/Collector

In Marshfield, the positions of treasurer and collector are functionally combined. The current treasurer/collector was hired twelve years ago and previously held the same position for five years in the Town of Hingham. Reporting to the town administrator, she supervises three full-time staff members: an assistant treasurer, an assistant collector and a clerk. The treasurer/collector's office also currently has two vacancies: a full-time clerk and a part-time clerk.

As the community's cash manager, the town treasurer has custody of all municipal money. Chief responsibilities of the position include assuring the timely deposit of all town receipts into appropriate bank accounts, monitoring account balances to ensure the availability of funds for town obligations, and investing funds to maximize income and meet cash flow needs. Necessary tools for the job include a cashbook, check registers, debt schedule, and logs for tracking balances in the general fund and in various special funds, such as grants, trusts and revolving funds. Other key duties include the tracking and resolution of tax title accounts. As a financial control, the treasurer must reconcile cash balances and debt, both internally, and externally with the accountant on a regular basis.

Marshfield's treasurer/collector uses SoftRight financial software to track the cash position of the town's bank accounts, recording the receipts turned over from all town departments and the disbursements made through weekly vendor and payroll warrants. She is aggressive in pursuit of tax title accounts, most often filing actions in civil, rather than land, court. She also manages debt assertively, adhering to the town's policy of rapid amortization through bond issuance limits of ten years or less, and adding new debt as old debt rolls off.

A town collector possesses the authority to receive all payments due the community, including property taxes, excises, betterments and certain other charges. The collector must ensure that collections are properly counted, posted to appropriate accounts, and turned over to the treasurer. The collector also pursues delinquent property owners and moves their parcels into tax title. To be successful, the collector needs to maintain an up-to-date receivable control and reconcile it with the accountant monthly. Credit reports should be run as appropriate and research completed to confirm when refunds are due. The collector is also required to respond to requests for municipal lien certificates in accordance with state law.

After receiving property tax commitments from the assessing department for approximately 11,500 real estate and 1,600 personal property accounts, the treasurer/collector transmits corresponding files to the vendor, BillTrust Inc., to create and mail out quarterly bills. Staff in

the treasurer/collector's office mail out about 10,000 water and sewer bills semi-annually and roughly 1,100 boat excise bills annually. The department sends motor vehicle excise commitment files for approximately 28,000 vehicles to the deputy collector firm, PKS Associates, Inc., to mail out the bills. PKS is contracted to send out the initial annual bills, send demand notices to non-responders, and do collection enforcement work on all accounts that remain delinquent after demand notices, including real and personal property and utility accounts referred to them by the treasurer/collector.

Each staff member in the department has a workstation equipped with a personal computer and does their daily accounting work using a combination of Excel and SoftRight software applications. Payment options include cash and checks mailed or presented in person, and electronic transfers made through escrow companies and via the Metropolitan Communications, LLC application on the town's website. As payments are received each day, the assistant collector enters them into SoftRight. At the end of the workday, she adds up the day's manual and electronic payments in an Excel worksheet, compares the total to SoftRight, researches any discrepancies, and completes the bank deposit.

Marshfield's town government relies heavily on the treasurer/collector's expertise during the budget season and throughout the year. During the budget season, she creates financial forecasts; sends out, receives and consolidates the budget requests of all departments and the CBC; gives presentations; advises on capital funding options and the status of capital projects; and attends all meetings of the selectmen, advisory board and CBC. During the year, she also creates reports for the monthly financial team meetings and periodically for the advisory board.

We found the staff of the treasurer/collector department to be very professional and committed to properly fulfilling their fiscal duties. Our recommendations below are mostly geared towards increasing efficiencies.

### **13) Close Collector's Bank Account and Make Deposits Directly to the Treasurer's Account**

Although the same person performs the duties of the town collector and treasurer, she continues to maintain a collector bank account in addition to a treasurer general depository account. Into the collector account are deposited all tax, excise and utility receipts. The treasurer/collector then waits for checks to clear before transferring funds to the general depository account.

We recommend closure of the collector's account. All receipts should be deposited directly to the general depository account. The delay of treasury revenues is not justified by the occasional bounced check or the simplification of one aspect of the cash reconciliation process. As the

treasurer/collector must monitor all departmental turnover receipts for bounced checks, so can she follow the same procedure for collector receipts. Currently, she maintains one worksheet to reconcile all bounced checks, though each receipt type (treasurer and collector) is tracked separately.

#### **14) Assign Responsibility for All Check Printing to the Treasurer/Collector**

When processing vendor warrants, an accounting staff member goes to the treasurer/collector's vault to get blank checks for running check printing jobs from Softright. The checks print on a printer located in the accountant's office equipped with a cartridge that adds the image of the treasurer/collector's signature to them. The worker then takes the checks back to the treasurer/collector's office for staff members there to stuff into envelopes for mailing.

Given that the treasurer/collector is the cash manager responsible for the town's money, it is appropriate that all check printing be done by her staff. Checks and balances would still be maintained because the SoftRight vendor check printing job will not run without a user approval input by the accountant or her staff.

#### **15) Reemphasize Turnover Policies**

We recommend the treasurer/collector remind all departments to turn over receipts that total \$100 or more on the same day as receipt. Some departments regularly take in large amounts of money and wait until the end of the week to turn the receipts over to the treasurer/collector. These weekly totals can run into the thousands of dollars. In 2008, the treasurer/collector issued a turnover policy that set the daily turnover threshold at \$100. We advise her to reissue this policy, which lists many other important turnover controls, including the need for departments to provide the accountant with copies of the turnover document as well. This will help to ensure the security of town funds, improve cash flow, and increase potential interest earnings.

#### **16) Discontinue Manual Turnover Logbook**

The assistant treasurer maintains a manual log book of each turnover the department receives. The benefit provided by this is the ability to flip through the book to reference turnovers that occurred on particular dates. However, these dates should be just as easily searchable on the SoftRight database. Therefore, we recommend dispensing with this redundant procedure.

## Payroll and Benefits

Within the treasurer/collector department is a subunit that processes payroll and benefits. The payroll clerk uses the SoftRight system to process the weekly payroll, including printing checks for the roughly 25 percent of employees not paid via direct deposit. The payroll and benefits manager is responsible for processing personnel action forms and administering benefits. In reviewing current payroll operations, we identified a variety of opportunities to increase efficiencies as detailed in the recommendations below.

### **17) Streamline Payroll Processing**

Based on our review, the current system for processing payroll involves some unnecessary steps and paperwork. To streamline procedures, we suggest the office consider implementing the following changes.

Payroll packets. Under current practices, the payroll office sends two SoftRight reports to each department manager weekly. One lists the department's employees with their individual pay rates to be verified by the manager's initials. The other is in the style of a weekly calendar, with boxes to input exception time by day, but no place to sum the hours for each employee.

There is no need for the payroll office to send any weekly packets. SoftRight's pay rates are based on personnel action forms and classification tables, making the department head verifications superfluous. As for exceptions, the payroll office should design a template Excel worksheet for department heads to keep on their computers for weekly payroll reporting. The worksheet would list the department's employees and have boxes next to each for entering the totals for regular, vacation, sick, etc. hours used. The department head would print the completed report, add his or her signature and date, and forward it to the payroll office. The DLS website provides sample templates:  
<http://www.mass.gov/dor/local-officials/municipal-data-and-financial-management/financial-mgt-assistance/calchandforms.html>

Reduce payroll verification levels. For each payroll report from the DPW, the payroll office requires verification signatures by a foreman, a supervisor and the department superintendent. Per M.G.L. c. 41 §41, a payroll report need only be sworn to by the department head (i.e., the superintendent).

Payroll warrant verification. The assistant accountant reviews a hard copy SoftRight report received from the payroll office prior to posting data to SoftRight's payroll warrant. Since the assistant has view access to the payroll side of SoftRight, she can review the data there before posting it, making the hard copy report unnecessary. The accountant does not need to sign a report from the payroll office, only the final warrant generated in her office.

## **18) Implement a Town-wide Biweekly Payroll System**

We recommend the payroll process be modified to put all employees on the same biweekly schedule. This change will necessitate collective bargaining with employee unions, but the effort to standardize would be worthwhile nonetheless. Implementing a single, uniform payroll process would enhance operational efficiencies, simplify reporting, and reduce paperwork.

Currently, there are multiple variants in the payroll process, between departments and between employee compensation bases. While most school employees are paid biweekly, all other town employees are paid weekly. The one-week pay period for most town employees runs from Sunday to Saturday, but for certain departments, the start and end days of the workweek differ. Furthermore, salaried employees receive compensation at the end of the same week being worked, while the non-salaried receive their pay in the following week.

A universal biweekly pay schedule would ease workloads in the treasurer's and accountant's offices, freeing up staff time for other important tasks. The town would also realize a modest cost-savings benefit as the number of checks printed annually would be reduced. Less paperwork would be generated because time sheet summaries would be submitted half as often since each sheet could cover a two-week span. The advantages of the biweekly schedule have made it the most common payroll standard throughout the public and private sectors.

We further recommend that the town pay all employees in the week following the completed work period. This will put all payroll reconciliations of cash and payables on the same schedule. It would also make all exception leave time balances current across the board and not partially based on advance estimates, as is presently the case for salaried employees.

## **19) Pay all Longevity Bonuses and Education Stipends At One Time Annually**

We recommend the town implement a policy to disburse all longevity bonuses and education stipends during one universal pay week each year (say for example, the first week of September). This change will greatly simplify the distribution process, although it would need to be collectively bargained first.

It is a common practice in municipalities to pay an annual longevity bonus to employees who reach certain thresholds in years of service as a way to retain experienced personnel. In Marshfield, it has been practice to pay these bonuses to each eligible employee every year on the anniversary of his or her hire date. Therefore, throughout the year the payroll clerk must keep track of the anniversary dates of particular personnel. Additionally, the payroll clerk processes

education stipend payments twice a year in March and September on dates that are universal for those eligible employees.

It makes sense to simplify this combination of periodic and arbitrary processing dates into one, annual, bonus payout week for all eligible employees. The new policy should inform employees that bonuses and stipends will be paid during the annual designated week to all employees who are eligible at that time regardless of their initial qualifying dates.

## **20) Implement SoftRight Data Update Enhancement**

We identified a SoftRight option for expediting certain payroll data entry tasks. Under current procedures, when the payroll clerk needs to update leave time accruals, pay rates, or bonus distributions in SoftRight annually or after new contracts, she inputs the new data individually for each associated employee. We confirmed with SoftRight that their database offers a tool that can update a data field for a grouping of employees (e.g., by job classification, years of service, etc.) all at once. Therefore, we suggest the IT director contact SoftRight about implementing these update query capabilities to significantly reduce the time expended on these laborious processes.

## **21) School Committee Approve Payroll**

We recommend that the school committee sign off on all payroll disbursements charged to its budget. It is our understanding that, although committee members endorse invoices submitted to the accountant, only the school business manager signs the payroll submissions sent to the payroll office. Per M.G.L. c. 41, §41, the school committee can delegate payroll approvals to a single member of their committee. However, delegating this authority to the school business manager would require a revision of the town charter.

## Assessors

The Marshfield Board of Assessors consists of three elected members whose primary responsibilities involve reviewing and approving valuations, abatements and exemptions, and signing off on annual overlay and new growth estimates. Day-to-day departmental operations are overseen by an assessor/appraiser, who was appointed to that position by the board eight years ago. To help with office duties, the department also has three other full-time staff members: an administrative assistant and two clerks.

The assessors' office is responsible for valuing all real and personal property in town and generating the commitments that authorize the treasurer/collector to collect real estate taxes, betterments, and motor vehicle and boat excises. The assessors annually review property assessments to ensure they reflect full and fair cash value. Subject to the approval of the board of assessors, the assessor/appraiser sets the annual overlay amount and makes decisions on all abatement applications and property tax exemptions. Other duties of the assessors' office include updating tax maps and deed transfer information and responding to public inquiries.

For FY2012, the parcel volume of work involved 11,051 in residential real estate, 404 in commercial/industrial, 71 in mixed use, and 45 in agricultural, forestry or recreational use. The office also committed taxes on 1,595 personal property accounts. The excise commitment volume was approximately 28,000 for motor vehicles and about 1,100 for boats. On average, the office annually approves about 400 exemptions and roughly 40 to 50 abatements.

The department maintains the town's real property assessment records and personal property accounts in a Patriot Properties database. The general public can access this database via two computer terminals at the office and a link on the town's website. Using Patriot, the department compiles analytical data into reports and property tax commitments. To send commitments to the treasurer/collector's office, the assessing department transmits data from Patriot to SoftRight. The assessor/appraiser also uses Patriot data to create the tax recapitulation sheet for submission to DOR, which is necessary for approval of the town's annual tax rate.

The assessor/appraiser conducts some inspections of residential property and contracts with vendors for the rest. Consultants from Patriot Properties conduct revaluation analysis and inspect personal property and building permit projects. To assist with cyclical inspections, the department hires a fee-per-parcel private appraiser. For map updates, the department employs the services of Polaris Consulting.



Overall, the assessing office fulfills its function, completes requisite tasks, and complies with state regulations. Our recommendations make suggestions to increase efficiencies, reduce costs, and ensure the continued effectiveness of operations.

## **22) Enhance Internal Capacity as Part of Long-Range Succession Planning**

We recommend that the assessing department analyze its capacity to perform more functions in-house and reduce its dependence on outside consultants. With enhanced planning, training and support, staff could do more property inspections and internal management of the database. Duties that could be completed in-house by the assessor/appraiser, administrative assistant, or the two clerks include building permit and sale inspections, interim year adjustments, cyclical re-inspections, and all data entry. The town could continue to contract out for any tasks that entail more complex methodologies.

The collective experience of the support staff in the assessing department is already considerable. At some future date when the assessor/appraiser decides to leave office, it would be advantageous for the town to have capable candidates for a successor equipped with specific knowledge of the unique aspects of Marshfield's properties. Affirmative succession planning is another compelling reason for enhancing the professional capabilities in the office.

## **23) Cease Creation of Hardcover Deed Books**

Staff in the assessors' office receive hard copies of new deeds in the mail from the Plymouth County Registry of Deeds and input the information into the Patriot Properties database. The department accumulates these deeds in files, and around four times a year, the town pays to have them bound into hardcover books. Creating and storing these bound books made sense in earlier, non-digital times. But the combination of public, online access to deeds on the registry website and the notes made in Patriot has made these books obsolete, and therefore the cost of bookbinding is no longer well justified.

## **24) Require Digital Submissions of Plans**

We recommend the assessing department coordinate with the planning board to require that all plan submissions be in digital format. The assessors receive plans via the planning board, and there is sufficient authority in state law for the planning board to specify the format of proposals. Requiring that the submissions be in a digital format would save time and reduce paperwork. Receiving digital map submissions would also expedite updates to the town's geographic information system. Therefore, we encourage discussions between the assessors and the planning board members about this issue.

## Accountant

The town accountant has the legal obligation to oversee all financial activity of the municipality, and thus plays a critical role in the system of statutory checks and balances established to safeguard local assets. The overarching mission of the position is to monitor the town's revenues and expenditures. Marshfield's town accountant has been in the position since 2008 and previously worked for eight years as accountant for the Town of Weymouth. The accountant is aided in her duties by a full-time assistant accountant and a part-time clerk.

Through the maintenance of independent records and adherence to well-defined procedures, the office documents the flow of money in and out of municipal accounts. Essential duties include the verification of expense and payroll warrants; maintenance of a general ledger recording all the town's financial activities; and monthly reconciliations of account records with the treasurer/collector. Among required submissions to DOR, the accountant is responsible for producing the annual Schedule A and the year-end balance sheet necessary for free cash certification. The accountant also collaborates with the assessor/appraiser and the town clerk on the annual tax recapitulation sheet.

The quality and frequency of data submitted by town departments critically affects the accountant's job performance, and in this regard she reported satisfactory departmental compliance. It is also vital that the accountant regularly reconcile her balance records of cash and receivables with the treasurer/collector. These parties reported that they conduct reconciliations together on a regular monthly basis without significant difficulties.

The accountant maintains the general ledger in SoftRight accounting software. SoftRight is integrated with the assessing and treasurer/collector offices, providing transparency across financial operations, preventing the need for duplicate data entry. The accounting office also relies heavily on Excel software for the creation of reports for distribution to other departments.

Based on our discussions and material provided to DLS, Marshfield's accounting department operates on a professional level, fulfills fundamental responsibilities related to vendor and payroll warrant processing, and complies with various internal and external reporting requirements. Below, we provide guidance on statutory requirements associated with the town's recreation revolving fund and make a recommendation to reduce paperwork.

## **25) Transfer Surplus Recreation Balance to the General Fund**

The financing for Marshfield's recreational programs is set up as a revolving fund under M.G.L. c. 44, §53D. DOR's records indicate that, in the last six years, the 53D fund's year-end balances ranged from \$260,888 to \$477,459. The balance as of June 30, 2012 was \$408,195.

According to the 53D statute, at fiscal year-end, a community may retain up to \$10,000 in unreserved or undesignated monies in this fund but must transfer any such sums over that amount to the general fund. Reserved funds are those that are subject to valid, enforceable liabilities created through purchase orders or binding contracts, while designated funds are those that give rise to obligations. For example, registration fees that are collected in advance create a formal commitment to provide the service, program or activity covered by the fees.

The statute does not permit expending directly from the 53D fund for certain costs, like salaries for full-time staff or plans for future improvement of recreational properties. However, these kinds of costs can be built into recreation fees even though they will be paid from other pools of money. In effect, the amounts exceeding \$10,000 that are transferred to the general fund offset the costs that could not be paid directly from the revolving fund.

We recommend that the accountant determine what portion, if any, of the recreation revolving fund balance is unreserved or undesignated, and that she transfer any such balance over \$10,000 to the general fund. The transferred funds would then close to the town's undesignated fund balance at year-end and potentially flow to free cash.

As an alternative to a 53D revolving fund, the town could choose to set up a recreation enterprise fund under M.G.L. c. 44, §53F½, which permits direct expenditures for full-time salaries and capital improvements. An enterprise fund also carries revenues over year to year as retained earnings, which, once certified by DOR, would be available for any lawful recreation-related expenditure.

## **26) Increase Operational Efficiencies and Reduce Paperwork**

We recommend that the accountant implement the following procedural changes to increase efficiencies and reduce paperwork.

Invoice submittal. Department heads submit original invoices to the accountant's office with stamps on which they write the related accounts and sign their authorizations. We suggest that the accountant create department-customized invoice coversheets in Excel. The template should have columns for the department and account codes, signature and

date lines, and a box with a formula to sum the batch. This batch system would allow for easier invoice processing by removing the necessity of repetitive stamps and signatures.

Vendor and Payroll Warrants. The accountant's office generates two copies each of the payroll and vendor warrants. The selectmen and accountant sign all four copies weekly, and then corresponding "originals" of each are filed in the accountant's and treasurer/collector's office. While the treasurer/collector needs confirmation of the warrant approvals, she does not need full copies of them. Instead, the accountant can draft a standard letter to confirm the selectmen's approval and email it to the treasurer/collector.

Check register reports. After the accounts payable clerk prints checks, she sends two SoftRight reports to the assistant treasurer: a check register and a voucher check register. It is our understanding that these reports list the same check summaries, with one report having more detail. If this is the case, just one report is sufficient.

Monthly Expenditure Reports. The accountant sends these reports in hard copy to every department on a monthly basis. We suggest that she consider replacing this paper-based communication with an electronic alternative. The accountant could either email the reports or copy them to a shared network drive. If all departments receive view access rights to the SoftRight system, she could also send out a monthly universal email requesting that all managers review their department's report online with a standard time frame to notify her of any disputes.

## Department of Public Works

In Marshfield, the department of public works is overseen by an elected, three-member board that appoints a superintendent to act as the chief operating officer for the department. The current superintendent has held the position for a little more than a year but came to the town with many prior years of experience managing in the public works and water departments of other Massachusetts communities. The superintendent is responsible for directing the DPW's personnel unit and six divisions, namely engineering, cemeteries and grounds, highway, trash and recycling, water, and sewer. Each division is managed by a foreman and a supervisor. All told, the DPW employs 79 employees, including about 14 who only work in the summer.

The DPW supplies water to virtually the entire town and trash pick-up service to almost everyone as well. Less than half the town, 40 percent, is on the sewer system, although its disease mitigation benefits extend to all. All three utilities are financed as enterprise funds whereby operational costs are covered by rate payers.

In recent times, the DPW has been progressive in implementing technological changes that will help create efficiencies and improve data controls. They are in the process of automating the tracking of employee time and attendance by switching from paper time sheets to swipe cards. The town's mechanical water meters are gradually being swapped out for radio meters that can be read from the street. Paper storage is being reduced through the use of document scanners. The DPW has also been proactive in seeking outside consultation on its operations, recently commissioning a review by the Edward J. Collins, Jr. Center for Public Management.

Below we make recommendations regarding the DPW's water and sewer enterprises.

### **27) Set Water and Sewer Rates in the Spring**

We recommend that the DPW set water and sewer rates annually in the spring concurrent with the town's budget season. Departments with fee-for-service operations should review their rates every year to verify that they adequately cover the total expense of service provision, an analysis the DPW does each fall. However, funding for the water and sewer departments should be analyzed in the same context as other town departments during the annual budget season, regardless of their enterprise fund status. Moving this rate analysis to the springtime more fully aligns these funds' revenues and expenditures with the town's annual budget and financial reporting, and it justifies a consistent rate effective date of July 1<sup>st</sup> in alignment with the town's fiscal year.

We advise the DPW to formally adopt a prospective rate-setting process to occur during its annual spring budget development. The department should consider the prior year's revenues and expenses, including indirect service costs, and calculate any retained earnings. They should then forecast and estimate the cost impact of any changes for the upcoming year. Management of retained earnings should be consistent with the town's policy on free cash. In other words, these revenues should not be used to fill in any gaps in operating costs during the year. In this way, rates will be tied to forecasted expenses, which can include prospective capital projects. This expense-based analysis stands in contrast to the town's annual budget, which must be formulated within the revenue constraints imposed by Proposition 2½. Once this new process is established, we also recommend that it be formalized in the town bylaws.

### **28) Modify Billing Cycles for the DPW's Enterprise Funds**

We recommend that the DPW modify the process for creating its water, sewer and solid waste commitments so that equivalent numbers of bills can be issued on a consistent date each month. This would be very helpful to work planning in the treasurer/collector's office and promote consistent timing of revenues during the year.

Property owners who receive one or more enterprise service are billed on a semi-annual basis. However, the timing of the bills has been based on twice annual, precinct-by-precinct readings of water meters. The town has seven precincts, so therefore the treasurer/collector's office sends bills out in 14 separate mailing cycles, at varying times from month to month.

We suggest that the water department's administrative assistant work with the IT department to create a new schedule of readings using the geographic information system (GIS). With the GIS, they could apportion town properties into sets of roughly six even numbers and create a schedule for reading their meters twice per year. The water department should also establish a regular date each month for completing and sending the commitment of accounts to the treasurer/collector. This would allow the treasurer/collector's office to reliably and consistently plan its billing cycles, which would be reduced from 14 to 12.

## Information Technology

Marshfield's IT department is headed by a director, appointed by and reporting to the town administrator. The IT director has held the office for nine years, and his duties include network maintenance, user account administration, user support, procurement research, inventory maintenance and replacement scheduling, vendor liaison, GIS management, technology research, and data preservation. To help in some of these areas, the department also employs a full-time systems analyst.

The school department's IT network and administration are separate from the town's except for a shared internet provider feed. When the IT director was hired, the police were part of the town's network, but that department has since separated from the town's technology umbrella and now operates under a distinct, vendor-managed network.

In recent years, the IT department has gradually introduced enhancements to increase efficiencies, tighten controls, and reduce costs. The town's website is now maintained in-house when formerly it had been managed by a vendor. PermitEyes, a proprietary software application of Full Circle Technology, has been purchased and made available to the public through a link on the town's website. It allows residents and contractors to walk themselves through the building permit process, including the paying of fees electronically. Plans are in the works to expand PermitEyes' functionality to other departments that collect fees. The IT office is also migrating the town's servers over to a virtual environment, which will greatly reduce its hardware requirements and thereby save on replacement costs. Finally, the IT department has been expanding the use of cloud-based solutions, such as Postini, which reduces spam traffic before it reaches the town's firewall. They also use a cloud oriented vendor to replicate their compiled data back-ups monthly.

While the IT department appears to have a strong control structure, below we offer suggestions aimed at maximizing the potential benefits possible through technology while still ensuring the safeguarding of data.

### **29) Allow Department Managers to View Employees' User Profiles**

As IT administrator, it is appropriately the duty of the IT director to be the gatekeeper for authorizing network and system users, and for setting user access rights for specific applications. To effectively deter fraud, safeguard data integrity, and ensure employee accountability, responsibility for these logical access controls by necessity should be segregated from

departmental operations managers. And this appears to be the control configuration in Marshfield based on our interviews.

We recommend that the IT department loosen its logical access controls to the extent that department heads be granted access to view their employees' user profiles. Given that an individual employee's system permissions to view or edit data should be based on a profile request endorsed by his or her manager, view-only access to review these profiles poses negligible data risk. Also, when new managers are hired, it is an affirmative control for them to review and assess the appropriateness of each employee's permissions, since data access should be limited only to what is necessary to perform an employee's job. Additionally, user profiles should be reassessed by managers and the IT director annually and when changes occur in employee duties.

### **30) Explore New Solutions for the Phone System**

Marshfield's telephone system is a basic centrex (central exchange) service provided by Verizon Communications. We received comments that this system has been operationally inefficient and inadequate in its provision of customer service to town residents. Complaints have included:

- No main menu for initial routing of calls
- A tendency to drop calls being transferred between departments
- Lack of voicemail accounts for some employees
- Disappearing voicemails

Given the competitive and ever-evolving telecommunications industry, there is little reason to accept these service deficiencies. These kinds of problems significantly limit the ability of town personnel to conduct their affairs effectively and can cause residents to unfairly question the staff's competency and dedication.

We recommend that the town administrator assign responsibility for improving Marshfield's telecommunications to the IT department. After surveying departments for the types and prevalence of problems, the IT department should confer with Verizon to see what they can offer to improve performance. The IT department should also research other vendors and technologies to determine what advantages might be gained through conversion to a new phone system within reasonable cost limits.

Increasingly, municipalities throughout the state have converted from traditional land-line-based phone systems to voice over Internet protocol (VoIP) technology. Although the start-up costs for premise-based VoIP can be considerable and also necessitate ongoing support management from



suitably trained in-house personnel, other options are available. These include managed VoIP and hosted VoIP. Prudently considered, the right VoIP solution should provide substantial cost savings over the old phone technology, though the IT department must be careful in seeking those providers that have the call-routing and voicemail options necessary to meet business management needs.

### **31) Revamp the Town Website**

We recommend that the IT department initiate a project to revamp the town's website. Although the current website provides some fairly extensive information and forms, its design is not optimal for finding these easily. The homepage does not present timely news upfront nor logically lead users to information and useful tools. For example, it has three sets of pull-down menus called "Town Government", "Municipal Links" and "Government Links". We also found a number of broken links as well as duplicate links and documents.

By maximizing the education, notification and self-service capabilities of the website, Marshfield could realize significant payoff in the reduction of time that employees must spend handling resident inquiries. We suggest that the new homepage prominently display: news and notes including town meeting warrants, event calendar, reverse 911 sign-up, and online bill pay application. Websites of other towns should be reviewed to research good models of user-friendly, logical and effective designs.

### **32) Address SoftRight Database Performance Issues**

The IT department should address the SoftRight processing issues observed by town staff. Although the IT director compacts the database regularly as a way to improve its performance, according to our discussions with SoftRight, there may be more that can be done at their end to address the problem. Also, other communities have alleviated this problem by bringing the application fully in-house rather than being hosted by SoftRight.

## Acknowledgments

This report was prepared by the Department of Revenue, Division of Local Services:

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In preparing this review, DLS interviewed the following local officials:

Matthew McDonough, Chair, Board of Selectmen  
Stephen Robbins, Vice Chair, Board of Selectmen  
John Hall, Clerk, Board of Selectmen  
Rocco Longo, Town Administrator  
Beverly Wiedemann, Office Supervisor  
Keith Polansky, Chair, Advisory Board  
Joseph Centorino, Capital Budget Committee  
Barbara Costa, Town Accountant  
Susan Flynn, Assistant Town Accountant  
Kim Garrell, Accounts Payable Clerk  
Nancy Holt, Treasurer/Collector  
Carolyn McNeil, Assistant Treasurer  
Ellen McGuinness, Assistant Collector  
Beth Brown, Payroll and Benefits Manager  
Terry Wenning, Payroll Clerk  
Elizabeth Bates, Assessor/Appraiser  
Priscilla Mullen, Administrative Assistant  
Donna Sladen, Clerk  
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