



Town of Otis

Financial Management Review

Division of Local Services / Technical Assistance Section

March 2013



March 12, 2013

Board of Selectmen
1 North Main Road
Otis, MA 01253

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 Otis. 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.

Also, as a routine practice, we will post the completed report on the DLS website, 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.

Sincerely,

Robert G. Nunes
Deputy Commissioner &
Director of Municipal Affairs

cc: Senator Benjamin B. Downing
Representative William Smitty Pignatelli

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Introduction

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

The scope of this review focused on the town's financial offices and on 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 between and 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, finance committee, town accountant, treasurer, collector, principal assessor and others. A full list is available in the Acknowledgements section of this report. Included as part of our review, we gathered and examined information from various documents including the Tax Recapitulation Sheet, Schedule A, Balance Sheet, and town meeting warrants, the annual budget, and vendor and payroll warrants. We also reviewed the most recently completed outside audit report (FY2009) completed by Scanlon & Associates, LLC.

Overview

With a 2010 population of 1,612, the town of Otis is located in southern Berkshire County and is bordered by the towns of Beckett to the north, Blandford to the east, Sandisfield and Tolland to the south and Montgomery and Tyringham to the west. Though the Massachusetts Turnpike passes through the northeast corner of Otis, there are no exits in the immediate vicinity, so visitors travelling on the Turnpike must exit in either Westfield or Lee to reach the town. Route 8 bisects the town and follows a north-south path while Route 23 traverses the town in an east-west direction.

The area was originally settled along the old Knox Trail, a route that was established during the Revolutionary War to transport artillery from Fort Ticonderoga to Albany, NY, and then on to Boston. The significant effort to transport this artillery with oxen, horses and sleds proved to be an inspiration to the colonial war effort and provided the necessary firepower to General George Washington to drive the British out of Boston in 1776. The modern Route 23 is believed to follow the same path as the Knox Trail in southern Berkshire County.

From the original towns of Bethlehem and Loudon, the area was incorporated as the Town of Otis by the Massachusetts General Court in 1810. In many ways, the town's development since then has evolved around its varied landscape characterized by large bodies of water, streams, forests and open fields. The town is home to numerous camps, a State Forest and a ski area as well. Natural beauty and outdoor recreational activities have made Otis a desirable location for both year round residents and second home owners. In fact, second homes constitute close to 70 percent of the town's housing stock.

Otis town government consists of a three-member board of selectmen that serves as the chief executive officers and an open town meeting that acts as the legislative body. The selectmen have delegated day-to-day administrative authority to an appointed town administrator who has oversight responsibilities for town finances and operations, manages the town's personnel system, serves as procurement officer and drafts the operating and capital budgets. The administrator also prepares periodic reports for the selectmen, develops short and long-term strategies and offers professional advice to the selectmen, finance committee and other town officials. One individual has held the position since it was created about five and a half years ago.

The town's total budget for FY2012 exceeded \$5 million. Compared to other Berkshire County towns with populations between 1,000 and 2,000 and property wealth per capita above the state average (See Appendix 1), the town's EQV per capita is higher than the average of the comparable communities and is nearly two and a half times the state average. In large part, this

reflects the number of second homes in Otis that increase the tax base relative to the town's year-round population. These property owners demand relatively few services, especially educational services that are typically the most costly services provided by municipalities. The average single family tax bill in Otis (\$2,221) is less than all the comparable towns and is only about 47 percent of the state average of \$4,711. Income levels in Otis fall somewhat short of the average of the comparable Berkshire towns, however, and are only about 67 percent of the state average.

Town reserves are very healthy, with the stabilization fund balance of \$1.078 million or almost 21 percent of the total budget. The town's FY2013 free cash is robust as well, with a balance of \$727,006 or about 12.5 percent of total budget. Taken together, town reserves are about one-third of the total budget, placing the town's reserve position within the strongest five percent of communities statewide. Currently, the town has no long-term debt whatsoever, but there are tentative plans to borrow to construct a wind turbine at an estimated cost of \$5 to \$6 million.

The town relies on its property tax levy for about 82 percent of its total revenues. State aid is minimal at about 3 percent of total budget, as education aid attributable to the town's pupils is paid directly to the Farmington River RSD rather than Otis. Local receipts and reserves together comprise the remaining 15 percent of the town's revenues. Due to valuation related delays, the town has not had its tax rate approved for FY2013.

On the expenditure side, school spending constitutes 50 percent of total FY2011 general fund spending, general government spending comprises 15.5 percent, public works another 14.6 percent, police spending is about 1.4 percent, fire spending is 1.2 percent, and other public safety (where costs for the Otis Rescue Squad are reported) is about 4.6 percent. Compared to the spending in comparable communities, Otis spends notably less on police services than the majority of the towns and is the only town with no debt service.

The town's financial operations are handled by a mix of full-time and part-time employees. For the most part, the individual finance officers perform their functions well, but missing is a means to coordinate activities that cross departments. For example, though the accountant and treasurer are able to reconcile cash at year-end, delays in the reporting of receipts to the accountant during the year mean that the town's accounting records are not always current. In other instances, critical financial controls such as reconciling receivables and cash balances do not occur as often as they should. Though finance officers appear to work cooperatively, not keeping up-to-date with reporting and reconciliations increases the risk that problems will occur and not be detected. The town would benefit from better coordination and central oversight of the finance operation to ensure that critical tasks are completed timely and information is flowing regularly among the offices.

The town administrator appears to be well situated to take on this task of holding employees accountable for the regular, timely performance of their duties. In fact, a review of the town administrator's recently revised job description indicates that it is the selectmen's intent for him to serve in this capacity. However, the part-time schedule of some of the finance officials, together with the reality that the administrator's authority is still evolving and has yet to fulfill the full breadth of his job description, has made it more challenging to achieve this level of oversight and coordination. It appears then that overall financial leadership is an area where the full authority of the administrator's job description has not been put into practice.

In other areas, the town has moved to a budget process where the town administrator drafts the initial operating and capital budgets for the policy review of the selectmen and finance committee. As the managerial presence in government, the administrator possesses the direct knowledge of town departments necessary to put together a sound, balanced budget draft. The selectmen and finance committee then weigh-in on the policy positions implicit in the budget and make revisions as necessary. A classification and compensation study of town positions has also been completed and the town has plans to implement performance evaluations across town government. Although this represents progress in the area of personnel management, more needs to be done to reach the level described in the town's personnel policy.

Conclusion – In many respects, Otis compares favorably to other towns of similar size. Substantial reserves are in place, property tax bills are low, and town leaders have strived to create a more efficient and effective government. The establishment of the town administrator's position in FY08 represents progress in this regard. However, much work remains to fully realize the intended scope of this important position as described by the job description.

The recent purchase of the Softright integrated financial management software, consistent investment in finance personnel and the regular replacement of computers and other office equipment leave the town well-positioned to have a successful financial operation. Though many of the necessary pieces are in place to produce regular, accurate and timely financial reports and adhere to fiscal control procedures designed to protect town assets, the town currently lacks a means to monitor these finance functions and hold employees responsible for their performance.

In the report that follows, we recommend that the selectmen develop, and submit to town meeting for approval, a bylaw that formally describes the responsibilities of the town administrator. We do not believe that a job description alone is potent enough to ensure that the authority granted the administrator will become a lasting part of town government. We also recommend that the selectmen establish clear goals and objectives for the town administrator and then conduct regular performance evaluations with him each year. To assist the town

administrator in overseeing town finance, we recommend that the town form a financial team chaired by the town administrator. Meetings of this group would serve as a vehicle for coordinating financial operations such as the tax rate setting process, discussing procedures and reporting that cross departmental lines and for holding finance officials accountable for adhering to important financial deadlines and control procedures.

In other areas, we recommend that the town restructure its budget presentation to better communicate its spending plan to town residents. We also suggest ways to improve the capital planning process and smooth out the fiscal impact of large purchases over multiple years. Additional recommendations are offered to improve the operation of the individual finance offices.

Overall Financial Management

A review of the town's overall financial management practices focuses on the procedures in place to accomplish tasks that typically cross over various municipal departments, as well as those that tend to impact town government on a global basis. We examine the budget process and capital improvement program. We look at the effect the town's bylaws and organizational structure have on the operation of government. We examine the purchasing system and personnel administration. We consider the roles and relationships among individuals together with the level of communication and cooperation that exists among offices. Finally, we review local compliance with state laws and regulations relating to finance issues, adherence to acceptable form, and to timetables for the submission of periodic reports to the State Department of Revenue (DOR).

Town Administrator

The Otis Board of Selectmen appointed the town's first town administrator about five and a half years ago. The current administrator has held the position since its creation and works 32 hours a week, with three days in the office and a fourth day at home. Essential functions of the administrator as set out in the original 2007 job description include keeping the selectmen and finance committee informed of the town's financial condition, coordinating the financial activities and functions of the accountant, treasurer, collector and assessors, preparing revenue forecasts and drafting the town's operating and capital budgets. Providing the selectmen with professional analysis of various programs or strategies and monitoring town expenditures are included in the essential functions of the position as well.

Responsibilities for the position have evolved over time and the administrator's job description has been re-written recently as part of a classification and compensation study. The new job description contains the original responsibilities but goes into additional detail regarding the execution of these functions. For example, the administrator is to be "accountable on a town-wide basis for the direction and success of programs accomplished through others." He "analyzes program objectives, determines work operations, estimates and allocates staff resources required." The administrator participates in the hiring of employees and collective bargaining, the implementation of classification and compensation plans, the negotiation of all employment contracts and provides direct supervision to town hall staff as well. His role includes resolving grievances and consulting with department heads or boards on sensitive personnel matters involving employee performance, health, and assignments.

In other areas, the town has recently hired a consultant to conduct a classification and compensation study of town positions. Though the town has not yet adopted the classification and compensation schedule proposed in the study, it is planning to do so. The town also adopted a comprehensive personnel policy a few years ago, adapted from a model disseminated by the Massachusetts Interlocal Insurance Association (MIIA). The almost seventy page document sets high standards for personnel management, but actual practice falls somewhat short. For example, the policy states that all full and part-time staff will be evaluated on an annual basis. While the town has not implemented the desired performance evaluations as yet, the classification and compensation study is a step in the right direction. The town administrator's job description charges him with full responsibility for administering the town's personnel system.

Other essential functions of the position include coordinating the development of strategic goals and departmental objectives, and keeping the selectmen fully apprised of town operations and financial status. The administrator also provides general oversight and supervision of town services and operations under the jurisdiction of the selectmen.

While the new job description provides for a fully empowered administrator, in practice, the town is still moving in this direction and the administrator has not yet fully realized the role envisioned in this document. For example, given the part-time nature of some of the town's finance officers, it has been challenging for the administrator to play a meaningful role in financial oversight as required by the job description. Financial team meetings, which we have found to be an effective means of coordinating fiscal operations in other communities, are not held in Otis. These meetings, chaired by the administrator, provide a forum where issues such as the required FY2013 state certification of property values could be discussed and strategies developed if the tax rate couldn't be set timely.

Due to the delay in getting these assessed values finalized and certified, the town's tax rate was not set on time and it could not issue actual tax bills at the end of December. When the delays are valuation related, a town may request permission from the Division of Local Services to issue third quarter estimated tax bills at the end of December to maintain cash flow, but it needs to submit a pro-forma recapitulation sheet in order to do so. The town wasn't aware of this requirement and it did not appear that the town had a point person to take the lead in this situation. After being apprised of this requirement by Division personnel, the town was able to complete this process to issue timely estimated third quarter bills. Failure to complete these procedures would have meant that the town's third quarter bills would not have been due until May 1st.

Conclusion - Taken as a whole, it is clear from the recently re-written administrator's job description that the intent is to empower the town administrator with a substantial amount of authority over town affairs. In isolation, however, a job description is subject to change and is not generally regarded as a sufficiently strong or enduring means to establish these responsibilities. A better way to properly vet and establish the essential functions of the town administrator in a more permanent way is to establish or codify them in a town bylaw that is approved at town meeting.

1. Codify Responsibilities of Administrator in Bylaw

We recommend that the selectmen agree on the town administrator's essential functions and that these responsibilities be codified in a bylaw approved by town meeting. The newly revised job description has all of the responsibilities that we typically recommend, so this is a good place to start the discussion on appropriate functions for the position.

2. Establish a Financial Team

To play a more hands on role in the finance operation and ensure that critical procedures are followed, we recommend that the bylaw include the formation of a financial team chaired by the town administrator and including the accountant, treasurer, collector and assessor. We recognize that some of these officials are part-time and are not generally available at the same time; yet we believe that it would benefit the town to agree on a couple of hours each month when these meetings could be held. Financial team meetings are an effective means to coordinate and hold staff accountable for mission critical financial functions such as tax rate setting, the timely reporting of receipts, and the reconciliation of cash and receivables. It is also a vehicle to address issues such as improving the timeliness and content of financial reports available to town leaders and department heads.

3. Set Goals and Objectives for Town Administrator

We recommend that the selectmen establish goals and objectives for the town administrator and that the board regularly evaluate the performance of the administrator relative to his achievement of those goals. We understand that the town is in the process of instituting employee evaluations. We support the direction the town is taking in this regard and believe that employee evaluations represent a sound practice to hold employees accountable. Though the selectmen have evaluated the town administrator in the past, it has not been done recently. The selectmen should set the tone for implementing the evaluation process town-wide by first committing to the process for the town administrator.

Operating and Capital Budget Processes

The town administrator takes an active role in the town's operating and capital budget processes. He has developed a timeline for the operating budget process with an initial letter sent in early January and budget requests due in mid-February. The administrator then drafts a proposed budget for review by the selectmen and finance committee. Subsequent to drafting the proposed budget, revenue projections are discussed with the finance officers. From there, the finance committee meets with the selectmen to review major budgets with the department heads. Based on these hearings, revisions may be made to the budget by the administrator and the revised budget is submitted to the selectmen and finance committee. As final steps, the selectmen approve the budget and warrant articles and the finance committee prepares its recommendations for town meeting.

In recent years, the town administrator has made changes to the town's budget format such as breaking out salaries and expenses for departments rather than appropriating a single sum for the two. Gas and diesel fuel and heating oil/furnace service appropriations have also been combined into two central accounts for all departments. Though much of the town's \$5 million budget appears in Article 2 of the Annual Town Meeting warrant, other appropriations including the Finance Committee reserve, the Berkshire County Retirement System assessment, the Otis Rescue Squad ambulance service and the Farmington River Regional School District operating and debt service assessments appear as separate articles and are not included in the list of appropriations in Article 2. The appropriations that do appear in Article 2 are listed alphabetically, making it difficult for a resident to tell how much the town is appropriating for broad municipal functions such as public safety or employee benefits, for example.

A review of Otis's general bylaws reveals that they are primarily focused on recycling, alarm systems, numbering of houses, curb cuts and the denial or revocation of licenses and permits for non-payment of taxes and other municipal charges. Absent is any mention of the budget process and how the budget is to be developed. In past years, there have been conflicts over the budget process and communication and cooperation among participants has not always been the norm.

The capital plan contains requested capital items submitted by town departments. These capital items range from large purchases such a fire truck with an estimated cost of \$350,000 to office items such as printers and new computers. Since there are large items in some years and not in others, the projected annual cost of the capital plan varies considerably when viewed over several years. The plan does not appear to include an itemization of the proposed funding sources for each purchase in the plan, detailed information on the condition of the asset or a method to prioritize competing requests. Those capital items that are included in the town meeting warrant appear as separate special article appropriations.

4. Complete Revenue/Fixed Cost Estimates at Beginning of Budget Process

We recommend that the town administrator work with the finance officers to develop a revenue projection at the onset of the budget process rather than after the initial draft of the budget is prepared. With an earlier revenue projection that is reviewed with and accepted by the selectmen and finance committee, the town can provide more specific guidance to department heads concerning the parameters for their budget requests. Since policy decisions around the budget should be driven by available estimated revenues, we believe that forecasting revenues and fixed costs should be among the very first steps in the budget process.

5. Adopt a Bylaw to Codify the Budget Process

We recommend that the selectmen and town administrator work with the finance committee to develop a bylaw that codifies the town's budget process. We believe that the town is on the right track with the town administrator drafting the initial budget for the policy review of the selectmen and finance committee. We also endorse joint meetings of the selectmen, finance committee and regional school committee members during the process. Topics of these meetings would include revenue projections, sharing of general policy priorities and reaching consensus on recommendations prior to town meeting. A bylaw that establishes a general budget timeline, clearly defines the responsibilities of various town officers, and fosters regular communication among the participants would help ensure that the improvements the town has made to the budget process are lasting.

6. Improve Budget Presentation

We recommend that the town restructure its budget format so that it is organized by the broad categories contained in the year-end Schedule A financial report (general government, public safety, education, public works, human services, culture and recreation, debt service and unclassified). For example, under the general government heading would be the salaries and expenses for the selectmen's office, town administrator, finance committee and reserve fund, assessors, accountant, collector, treasurer, town clerk, elections, legal and information technology costs, planning board, conservation commission and public building maintenance and building insurance. Public safety should include police, fire, Otis Rescue Squad, emergency management (dispatch), protective inspection (inspectors other than health) and the animal control officer. See <http://www.mass.gov/dor/local-officials/local-information-technology/gateway-help/tax-rate-program/addendum.html> for detailed breakout of which line-items should appear under each budget category.

We further recommend that the town include all operating budget items in one omnibus budget article (Article 2) so that the town's entire operating budget appears in one central location.

Presenting the entire operating budget in one location will make the budget a more cohesive policy document that is more accessible and understandable to residents and taxpayers. As perhaps the town's most important policy making document, it is important that the budget be as effective as possible in communicating priorities to town meeting. Appropriating operating budget items as special articles also confers special status to these appropriations as they are not required to be closed out at year-end.

7. Develop Funding Strategies for Capital Plan

We recommend that the town administrator develop a strategy to provide a consistent funding stream for the capital plan. Among the options to consider is the judicious use of debt to fund some of the larger items such as the fire truck or highway truck together with spending a consistent amount or percentage of the budget for smaller items such as police cruisers, wood chippers, mowers, computers and printers. The town currently has no debt whatsoever, so modest debt issuances together with a regular investment from current revenues will allow the town to stabilize the impact of financing its capital plan over a multi-year period. Another advantage of issuing debt rather than using accumulated reserves for large purchases is that the debt is paid off over the useful life of the purchase, thus matching the costs with the benefits of the new asset.

A special purpose stabilization fund for capital expenditures is another option for financing capital improvements that could be used in concert with debt issuance. Special purpose stabilization funds, and the specific purposes for which they may be expended, must be established by two-thirds vote of town meeting. Appropriations into the fund may be made from general estimated revenues (raise and appropriate) or from free cash. A second available funding option for these special stabilization funds is referred to as an override, but in fact, has characteristics of both a Proposition 2½ override and exclusion. Like an override, additional tax revenue can be raised year-after-year without a town-wide referendum vote beyond the year of inception. However, like an exclusion under Proposition 2½, the levy limit increase need not be permanent. Solely through the action each year of the selectmen, it can be continued, lowered or deferred entirely and resumed in a later year. In any event, each year, the amount available increases by 2½ percent.

8. Maintain a Current Inventory of Capital Assets

We recommend that the town administrator work to maintain an ongoing, up-to-date inventory of the town's capital assets. Since the town administrator approves all expenditures over \$500 and is the procurement officer, we think that staff in the selectmen's office is in a good position to track town assets. This could be done instead of maintaining the duplicate accounting records

now kept in this office. This inventory is required by the Governmental Accounting Standards Board's (GASB) Statement No. 34 and the value of the town's capital and infrastructure assets must appear on its financial statements prepared under Generally Accepted Accounting Principles (GAAP). The purpose of this requirement is to measure the extent to which the town has invested in its capital and infrastructure assets and it provides a basis for comparing Otis with other communities. Maintaining an inventory of assets involves recording new acquisitions as they occur, eliminating assets that have been disposed of and recording the asset depreciation that occurs each year. This data can be a very useful basis for capital planning and we suggest that the town administrator work to establish procedures for maintaining this inventory on an ongoing basis.

To be most useful in capital planning, the administrator should work with department heads to accurately record the condition of each asset that is proposed for replacement or repair. Having detailed information in the form of a narrative will be useful when prioritizing projects. The administrator should also work to develop a rating method that will assist the town in the prioritization. For example, assets that present a safety hazard to town employees or residents should be given high priority to replace. More information on a rating system can be found in the Division's publication "Developing a Capital Improvements Program" published on our website: <http://www.mass.gov/dor/docs/dls/publ/misc/cip.pdf>

9. Budget Adequate Amounts for Snow and Ice Removal

The town breaks out its snow and ice removal expenditures into salary and expense accounts. However, in recent years it appears that the town has reduced its total appropriation for snow and ice removal as follows: \$158,317 in FY11, \$146,576 in FY12 and \$145,830 in FY13. According to MGL Chapter 44, Section 31D, a city or town may deficit spend for snow and ice removal expenses only when the appropriation for the fiscal year is at least equal to the prior year. The purpose of the restriction is to prevent the deliberate underfunding of a line-item which may be lawfully over-expended.

We recommend that the town maintain snow and ice appropriations at least at the current level going forward so that it retains the authority to overspend for these expenses legally. In a severe winter, the town will have to make these expenditures regardless of whether the spending is legal or not. When the deficit spending is not legal, the town must raise the deficit in the next year's tax rate and, as an illegal deficit, the shortfall is a reduction to the town's free cash certification. Consequently, the town has the obligation to fund the deficit, but has fewer available reserve dollars from which to do so.

10. Review Budget for Anti-Aid Compliance

Under the “anti-aid amendment” to the Massachusetts Constitution, municipalities may not grant public funds to private charitable, educational, religious or other organizations, no matter how worthy, for the purpose of supporting or assisting their operations. However, the anti-aid amendment does not preclude a city or town from purchasing specific services from a non-profit organization in the same way it purchases services from any other private organization in order to carry out a public purpose. In our review of the town’s budget, we discovered certain perennial appropriations that may be violations of the anti-aid amendment.

We recommend that local officials consult with legal counsel to determine if any of the town’s appropriations are for private organizations that might be in violation of the anti-aid amendment. If so, they should be resolved quickly. In some cases, the nature of the town’s contribution could be adjusted to meet anti-aid funding guidelines by drawing up a contract that denotes the town’s purchase of services from the organization. Any additional questions can be referred to the Attorney General’s Municipal Law Unit, <http://www.mass.gov/ago/government-resources/municipal-law/>.

11. Cease Duplicative Accounting in Selectmen’s office

Currently, a staff member in the selectmen’s office tracks town appropriations and expenditures in Excel as a convenience to department heads that want to know available balances in their accounts. The accountant is only in town hall one day a week so this information is not available directly from her on most days. The selectmen’s office deducts amounts from various appropriations as warrants are approved so that they can inform department heads of their remaining spending authority.

We recommend that the town cease the practice of keeping these records as they are largely duplicative of the records kept by the town accountant. Instead, we recommend that the selectmen’s office use their read only access to the accountant’s expenditure ledger to determine available balances. As a check and balance, department heads should also be keeping independent records of their appropriations and expenditures charged to each account. This represents a safeguard in the event that the accountant posts an expenditure to the wrong account or omits it from a warrant altogether. The accountant should make regular expenditure reports available to department heads so that they can compare their internal balances with those maintained in the town’s accounting records. If variances exist, they can be identified, investigated and resolved.

Finance Offices

Assessors

The assessors' office is responsible for valuing all the town's real and personal property, assigning tax payments to owners, and generating the commitment authorizing the collector to collect property tax and motor vehicle excise payments.

To ensure that residents are taxed equitably and accurately, the office maintains and updates property records with information received in response to mailings, from deeds and through on-site property inspections. Upon resident application, assessors act on and track exemptions and abatements. They estimate new growth and conduct classification hearings. The assessors set the tax rate, recommend the annual overlay and provide levy information for use in the Tax Recap Sheet submitted to DOR. The office is also required by DOR to document an annual property value adjustment analysis and to prepare for State certification of property values every three years.

The Otis Board of Assessors is a three-member board, consisting of two elected members and one appointed member. The single appointed position was apparently created in 1985 when a long-serving assessor moved out of town and was no longer eligible to hold elective office in Otis. The means employed by the town to establish this appointed position is unclear some 28 years later, but it was believed to have been approved at town meeting. We believe that the only way to establish a board of this type is through a special act of the state legislature or the adoption of a home rule charter.

The office is staffed by a principal assessor who works 40 hours per week and an assessing clerk who works 24 hours a week. The principal assessor previously worked for Vision Appraisal as a data collector and project manager and has worked in Otis for about seven and a half years. The town consists of roughly 2,830 real estate parcels and about 1,250 personal property accounts. The office uses the Vision computer assisted mass appraisal software to store property records and render assessed values. Valuation data is available for public inspection on the assessors' page of the town's website.

The principal assessor conducts property inspections for the town's cyclical re-inspection program, evaluates and conducts inspections when abatement requests are filed and prepares a recommendation for the board on abatements. The office receives relatively few abatement requests with fewer than eight in a non-certification year and about 14 during certification years. The office reports abatements and exemptions to the collector on a monthly basis.

The vast majority of the town's personal property accounts relate to the value of furnishings in second homes of non-domiciled property owners. According to the principal assessor, the town has about 1,140 of these second homes, representing more than 70 percent of the town's single-family housing stock. Valuation challenges include the large number of homes around the town's nine large bodies of water and the lack of arms-length sales to inform valuation decisions. Since sound, current values depend on good sales data, a dearth of sales makes it challenging to value properties, especially those in proximity to these bodies of water where location is such a significant influence on value. The abundance of second homes also makes it difficult to gain entry for full interior inspections as well.

The assessors have had a difficult time getting state certification of their property values in FY2013. This has delayed the setting of the tax rate and caused the town to seek authority to issue third quarter estimated tax bills. In part, it appears that the office has struggled to complete the required complex statistical reports and valuation narrative that must be submitted to the Bureau of Local Assessment as part of the certification process.

Conclusion - The assessing office operates in a challenging market with a preponderance of vacation homes, relatively few sales and significant variation in values related to proximity to large bodies of water. These complex market influences, together with extensive required state statistical reports and valuation narrative, have made it increasingly difficult for the assessing staff to complete all certification requirements in-house.

12. Seek Limited Amount of Professional Appraisal Assistance

We recommend that the town engage professional appraisal assistance to collaborate with the principal assessor to prepare for the next certification in FY2016. A limited amount of contract appraisal and analytical assistance (\$12-15,000), working in conjunction with the principal assessor, would be a sound investment toward a successful state certification in FY2016. The principal assessor can continue to do much of the inspection work, data entry into Vision and statistical analysis, but another set of eyes on the land schedules and cost tables would help ensure that the process is completed equitably, accurately and timely. This assistance will also provide the basis for the completion of the required valuation statistics and narrative needed for state approval. Given that the town is very dependent on property taxes and the challenges to valuation such as the influence of large bodies of water and the number of second homes, it is prudent for the town to make modest investments to assure a timely certification.

13. Appoint the Board of Assessors

We recommend that the town appoint all three assessors so that the method of selection for the board of assessors is consistent and comports with state law. Under MGL Chapter 41, Section 24, a board of assessors may be elected or appointed, but the entire board must be selected in the same manner. Section 25 of Chapter 41 allows towns to establish a board appointed by the selectmen upon town meeting acceptance of the section. Neither general law provision provides for a mixed selection process, so we think that the only way to properly establish the current selection process is to file a special act with the legislature or adopt a home rule charter that establishes this structure.

14. Visit Properties during Fire Inspections

We recommend that the principal assessor consider teaming up with the fire department to gain access to properties when the department completes safety inspections for occupancy. Though the principal assessor does accompany the building inspector on site visits, we think that he should take advantage of all opportunities to gain entry into residential properties given that access is a problem in Otis.

Town Collector

A municipality's town collector possesses the authority to collect real and personal property taxes, excises, betterments and any other committed charge due the town. Collections need to be counted, posted to taxpayer accounts, and either turned-over to the treasurer or deposited daily. Delinquent accounts need to be pursued and then moved efficiently into the treasurer's tax title accounts. To be successful, a collector must maintain an up-to-date receivable control that is regularly reconciled to internal records and then with the accountant's general ledger. Credit reports should be run as appropriate and research needs to be completed to confirm legitimate refunds due to residents. In accordance with state law, the office should respond to requests for municipal lien certificates within twenty days. In most communities, the collector manages the contractual agreement with the deputy collector.

The town collector works 40 hours per week and has served the town in this role for approximately 25 years. When the method of selection for the post was changed from elected to appointed in 1993, she was the first appointment to the position. The collector is responsible for collecting roughly 2,850 real estate bills and 1,250 personal property accounts on a quarterly basis and about 2,000 motor vehicle excise accounts annually. As town collector, she is also responsible for collecting sewer bills from approximately 75 users.

Nearly 70 percent of the tax bills come into the office by mail, with another 15 to 20 percent paid by mortgage escrow services. These escrow payments can be uploaded directly into the Softright collection software used by the collector to post payments to individual accounts. Other payments arrive through the town's on-line payment system with Unibank and the remaining payments are made by on-line bill paying systems of the property owners' various banks. The office uses a check scanner to deposit checks received through the mail, but the collector does not have on-line access to this account.

The collector is diligent about pursuing delinquent accounts and issues demand notices generally in late May after the May 1st due date for fourth quarter tax bills. She then issues follow-up notices of delinquency in June, notices of warrant in July and notices of advertisement for tax taking in the late fall. Fees for the issuance of these notices are retained by the collector as part of her compensation. Subsequent taxes for accounts already in tax title status are moved promptly into tax title. The collector uses a deputy collector, Kelly and Ryan, to assist in the collection of delinquent accounts. The deputy collector deposits payments into his own bank account and remits the balance owed to the town net of his fees.

Despite the collector's diligence in pursuing amounts owed the town, there have been some longstanding issues with regard to the reconciliation of receivables. Though Division staff has provided guidance on how to maintain a receivable control spreadsheet, the collector has let this important control lapse. Not maintaining this control makes reconciliations, both internally with the collector's detailed receivable records and externally with the accountant's records, more difficult. During our review, we noted an instance where the accountant's receivable balance did not include all committed amounts, an issue that likely would have been detected with a receivable control and regular, monthly reconciliations between the collector and accountant.

Adhering to a long-standing, though increasingly outdated, practice the collector in Otis retains her fees as part of her compensation. Fees are generated at certain junctures in the collection process including when demand notices, notices of delinquency, notices of warrant and notices of advertising are issued. According to the collector, the amount of these fees has averaged \$12,447 over the four year period from FY09 to FY12. Deficits have occurred in recent years in the agency account from which these collector's fees are paid, resulting in reductions to the town's certified free cash balance. Other issues arise as well when delinquent accounts are paid off that include collector's fees in the balance. For example, when a tax title is paid off, the treasurer must research the amount of accumulated fees in the balance so that the proper accounting entries may be made to pull these fees out of the amount collected and credit it to the collector's fees account.

In the past, town officials have been reluctant to move to the more common practice of allowing these fees to be general fund revenue and increasing the collector's annual compensation by a corresponding amount. The feeling has been that this provides the collector with an added financial incentive to be diligent in the pursuit of outstanding obligations.

Conclusion – The collector has served the town for many years, as both an elected and then an appointed collector. She has migrated her collection records successfully to the new Softright collection package and has sought operating efficiencies through an on-line payment system and a check scanner to expedite deposits. The collector has been aggressive in pursuing delinquent accounts and has secured the town's lien on outstanding amounts by promptly putting delinquent accounts into tax title. Despite these strengths, a receivable control spreadsheet is not maintained and this has negatively impacted the reconciliation of receivables with the town accountant.

15. Maintain a Receivable Control

We recommend that the collector maintain a receivable control spreadsheet where she will record commitments received from the assessors by category and fiscal year. She should then reduce the committed balance by collections received and turned over to the treasurer, tax titles turned over to the treasurer, any abatements and exemptions granted by the assessors and increase it by any refunds issued. The intent of this relatively simple record is to track receivable balances using source documents such as abatements granted by the assessors on a summary level. When the control balances are compared to the collector's detailed receivable balances, the control can serve as systematic check by type of entry to insure that the information agrees.

16. Reconcile Receivables with Accountant Monthly

We recommend that the collector and the accountant reconcile receivables every month. The collector should reconcile her internal records of outstanding receivables with her receivable control recommended above. This process requires verification that entries in the receivables control are supported by source documents. Once the internal reconciliation is complete, the collector's receivable control balances should be reconciled externally to the accountant's general ledger balances to ensure that records of the two offices match. This is an important check and balance, as well as a fiduciary obligation.

17. Cease Practice of Allowing the Collector to Retain Fees

We recommend that the town cease the practice of allowing the collector to retain her fees and increase her annual compensation by a corresponding amount. Under MGL c. 40, § 21, a town may adopt a bylaw directing all town officers to pay all fees received by them by virtue of their office into the town treasury. Since the collector's position is appointed, we believe that the

selectmen, as the appointing authority, can establish goals and expectations for the position through the town administrator. The collector can then be held accountable to ensure that delinquent taxpayers receive timely notices and that she adheres to all collection procedures authorized by law. Moving forward with the planned performance evaluation system will provide a more formal mechanism to ensure that the collector remains conscientious in collecting amounts due the town.

18. Require Deputy to Turn Over All Amounts Collected

We recommend that the collector require her deputy collector to turn over all amounts collected to the town, including the deputy's fees. The collector should then submit these fees for payment as part of the regular warrant process. Legally, a deputy collector should not be depositing town funds into a bank account under his control, nor should he be retaining his fees. A better process has all receipts turned over to the collector, along with reports itemizing collections and the deputy's fees by account, so that the fees may be submitted for payment through the regular municipal warrant process.

Town Accountant

The accountant has a legal obligation to oversee all financial activity of a municipality. Through the maintenance of independent records and by following well-defined procedures, the office documents the flow of money into and out of municipal accounts and plays a role in the system of checks and balances established by statute to monitor and protect local assets. To fulfill this responsibility, the office prepares warrants; maintains a general ledger where receipts, expenditures and all other town financial activity are recorded; reconciles cash and debt with the treasurer and receivables with the collector regularly; produces a monthly expenditure report, periodic revenue reports and annual reports on the town's liability for compensated absences.

The town accountant has worked for the town for a little more than a year and works one day a week in town hall. Her actual workload appears to be closer to 10 hours per week which she manages along with the other finance positions she holds in a neighboring town. The accountant keeps her general ledger using the recently acquired Softright financial software that is integrated with the offices of the collector, treasurer and assessors.

Payroll and vendor warrants are processed weekly. Vendor warrants are signed by the accountant and selectmen and are delivered to the treasurer for payment. Payroll warrants are signed by the treasurer and the selectmen when available, but the accountant does not review

these payments to determine that the appropriation is sufficient prior to the time the payroll warrant is delivered to the treasurer.

In other areas, the treasurer has been as much as a couple of months behind in turning over receipts to the accountant. This creates issues regarding accurate cash and receivable balances as these receipts have not been reflected in the accounting records. In other instances, the collector's lapses in maintaining an up-to-date receivable control make it difficult to regularly reconcile receivables in order to detect potential problems with commitments, payments, abatements or refunds. Prior to the hiring of the relatively new assessing clerk there were also issues with the regular reporting of abatements and exemptions to the collector and accountant, though this seems to have been resolved. Ultimately, shortcomings of this nature impact the timeliness, accuracy and usefulness of financial reports available to policymakers. They also undermine important controls like the reconciliation of cash between the treasurer and accountant that should be conducted regularly to safeguard the town's assets.

One issue we discussed with the accountant was to begin posting the estimated revenues used in the tax rate into the accounting records. This represents a fairly simple way to measure actual performance of the various revenue components against the original estimates used to support the budget. Posting estimated revenues is the equivalent of posting appropriations in the expenditure ledger so that actual expenditures may be measured against the appropriation.

Although the accountant's role in the annual budget process is minimal, she is nonetheless expected to supply the estimated local receipts for the tax recapitulation sheet. Legally, the accountant is required to certify the actual receipts of the prior year, but the estimates should be determined by town management, with input from the financial team. Regardless of how capable the accountant may be, her lack of involvement in the budget process may leave her unaware of financial policies the town is pursuing. She should not be expected to render these estimates unilaterally.

Conclusion – In her relatively brief tenure with the town, the accountant has proven to be both capable and diligent in fulfilling her responsibilities and has successfully migrated town accounting records to the new Softright accounting package. Nevertheless, there are still procedures that could be tightened that would advance the accuracy and timeliness of the town's accounting records significantly. In many respects, these improvements depend on more active coordination of the work of the other finance officers and involve more frequent, regular reporting and reconciliations. Logically, and as expected in his job description, the town

administrator is best positioned to provide the necessary leadership and coordination to advance these issues.

19. Reconcile Receivables with Collector Monthly

We recommend that the accountant and collector reconcile receivables every month. We acknowledge that the success of this effort depends on the diligence of both the collector and accountant, so we believe that establishing regular times to sit down and go through these balances can be managed, and tracked by the town administrator, through the earlier recommended financial team meeting structure. Success in this regard also depends on the regular use of the receivable control spreadsheet we recommend for the collector.

20. Reconcile Cash with Treasurer Monthly

We further recommend that the accountant and treasurer meet monthly to reconcile cash. Required to be successful in this endeavor is the timely turnover of receipts from the treasurer to the accountant so that cash balances are current in the general ledger. Again, the financial team structure is an appropriate means to affirm these important control procedures and hold employees accountable for adhering to them.

21. Review and Sign Payroll Warrants

We recommend that the accountant review and sign the payroll warrant prior to checks being issued. It is an important check and balance for the accountant to review all warrants to make sure the appropriation to be charged has sufficient funds and payments are not fraudulent. We understand that the timing of the weekly payroll warrant is an impediment to proper sign-off by the accountant. However, we believe that once broadband internet service is widely available in the area, there will be options for the accountant to complete her review remotely and sign the warrant electronically.

22. Enter Estimated Revenues into Accounting Records

We recommend that the accountant enter estimated revenue into her Softright accounting records so that performance against the estimated revenues on the town's tax recap sheet can be measured throughout the year. We also advise that the financial team is better positioned than the town accountant to render estimates of local receipts for the tax rate. The town administrator prepares the draft budget and should be aware of financial strategies the town is pursuing, so he

is well situated, with the assistance of the financial team, to determine these estimated receipts in a manner that compliments the town's other fiscal policies.

23. Produce Regular Monthly Revenue and Expenditure Reports

We recommend that once the town is current with its cash and receivables reconciliations, the accountant produce regular, monthly expenditure and revenue reports for department heads and policymakers. These reports will provide meaningful, current financial data that can be used to detect potential budget problems so that corrective action can be taken during the fiscal year.

Town Treasurer

The treasurer is a community's cash manager and, as such, has custody of all municipal money. Included is the responsibility to make certain that town receipts are deposited into appropriate bank accounts and to monitor balances to ensure that sufficient funds are available to cover town obligations as they become due. The treasurer invests town funds and manages debt to maximize investment income and meet cash flow needs. To fulfill these responsibilities, the treasurer maintains a cashbook, debt schedule, check registers, and various logs to track balances for grants, trusts and revolving funds as well as other special revenue funds. As a financial control, the treasurer is obligated to reconcile cash balances and debt, internally, and then with the accountant on a regular basis. Finally, the treasurer maintains tax title accounts, conducts sales of land and prepares documents to petition for foreclosure.

The treasurer has served the town since 2007 and is an elected official in her second term. She also works in a nearby town in the collector's office. The town's cash position is solid with sizable reserves in free cash and the stabilization fund, which combined with town's quarterly tax billing schedule, all but eliminates the need to do revenue anticipation borrowing. The town has no debt whatsoever, but there are tentative plans to issue as much as \$6 million in debt for the installation of a wind turbine. In anticipation of going to market with these bonds, the town is attempting to catch up with its audits. The last audit was completed for FY2009. The town does not yet have a bond rating from Moody's or Standard and Poor's.

The treasurer maintains more than a dozen bank accounts for various purposes including vendor, payroll, investment and general depository accounts. Other accounts are for the sewer enterprise, cemetery perpetual care and the town's stabilization fund where the \$1 million balance is spread

among three different accounts. The town does not have an investment policy to guide the treasurer in making investments, though she is interested in developing one.

The treasurer's cashbook records are comprehensive and are broken out by bank account and then summarized by fund. Although she and the accountant have been successful in reconciling cash at year-end, receipts are not always turned over to the accountant on a regular basis during the year. Falling behind on the turnover of receipts undermines the reconciliation of cash and causes the general ledger and accounting reports to be out of date.

Tax title (\$388,154) and tax possession (\$139,466) balances are fairly high in Otis when compared to comparable communities. Most of the properties in tax title are raw land and include only about five or six parcels with buildings or houses. The treasurer has held an auction of tax possession properties and sold five of the eight properties at their minimum price or above. The treasurer has also engaged a local law firm to assist in moving some of the older tax titles into tax foreclosure status. Recently, the firm assisted the treasurer in moving about 10 tax title accounts into tax foreclosure, a required step before the town takes possession of the property.

Though Otis is a small town, it pays both its vendors and employees every week. This creates an unnecessary workload in the treasurer's and accountant's offices that could be mitigated by moving to a bi-weekly system, with payroll paid every other week and vendors paid on the non-payroll weeks. Moving employees to direct deposit would also save time and eliminate the expense of issuing paper checks.

Conclusion – Though faced with a steep learning curve when first elected to her position, the treasurer has proven to be a quick study and has grown into the job in her second term. She has sound procedures in place and maintains complete cash records where balances are tracked by both bank account and fund type. She has engaged legal assistance to move forward with the town's tax title and foreclosure accounts and has been working with the town's financial advisor around a potential new debt issue for the wind turbine. The one area that warrants improvement, however, is staying more current with the turnover of receipts to the accountant and cash reconciliations.

24. Commit to Timely Monthly Turnovers to Accountant

We recommend that the treasurer make it a priority to turn over receipts to the accountant at least at the end of every month. Timely reporting of receipts is critical to maintaining accurate accounting records, producing timely financial reports and is a prerequisite to regular, monthly

reconciliations of cash between the treasurer and accountant. Cash reconciliation represents an essential financial control that town management should insist be completed regularly. The town administrator should actively monitor these important responsibilities each month in his role overseeing and supervising town finances.

25. Develop an Investment Policy

We recommend that the treasurer work to develop an investment policy. A sample policy is available on the Massachusetts Collectors and Treasurers Association (MCTA) website: http://mcta.virtualtownhall.net/Pages/MCTA_WebDocs/helpful. Safety of the assets should be of paramount importance in any municipal investment strategy. Liquidity, or the ability to readily access the invested funds, is the second most important investment principal. The least important aspect of the policy is yield or investment income where a reasonable goal is to achieve an average market rate of return given the safety and liquidity constraints.

To make sure that town investments are safe, the policy should emphasize the need to make sure that all deposits in a particular bank are either within the maximum balance insured by the Federal Deposit Insurance Corporation (FDIC) of \$250,000 (as of January 1, 2013) or that they are fully insured because the bank participants in the Depository Insurance Fund (DIF). For example, the town's million dollar stabilization fund is divided among two banks that are fully insured through a combination of FDIC and DIF insurance and the Massachusetts Municipal Depository Trust (MMDT), the state investment pool. MMDT investments are considered to be fully collateralized according to the Governmental Accounting Standards Board's Statement #3, though they not necessarily immune to loss of value.

26. Convert to Bi-weekly Payroll and Vendor Payments

We recommend that the town move to a bi-weekly payroll schedule and limit vendor payments to only those weeks when there is no payroll due. We also think it would be beneficial for the town to migrate to direct deposit for payroll. This makes the funds available to employees sooner than with paper checks and the funds are deposited automatically even when the employee is not present at work. We also recommend that the payroll warrant not be paid until the accountant has properly signed off on the sufficiency of the appropriation and that the payments are legal and not fraudulent.

27. Appoint the Treasurer

We recommend that the town change the method of selection for the treasurer's position from elected to appointed. Although the town administrator's job description provides for him to supervise town hall staff and oversee town finances, including the elected treasurer, the reality is that he has no authority to supervise an elected official. This recommendation should not be construed as a criticism of the performance of the current treasurer or of her willingness to cooperate as a member of the town's financial team, but if the town truly wants the administrator to coordinate and oversee town finances, it should consider converting this position to appointed. This can be accomplished by following the procedures outlined in MGL Chapter 41, Section 1B which call for a majority vote of town meeting and then acceptance by the voters at the annual town election.

Information Technology

The town utilizes the services of an information technology consultant to address its computer needs. A simple network has been constructed for town hall to provide users with access to the Softright integrated financial management software and the assessors' Vision appraisal software, both of which reside on a server there. There are seven computers in town hall that have Softright access (selectmen's office (3), accountant's office (1), treasurer's office (1) and assessors' office (2)). User log-ins are password protected and system privileges are assigned by the technology consultant. Computers are replaced at least every five years.

The server in town hall is backed-up automatically two or three times a week to two hard drives stored in the selectmen's office. Computers in other town buildings are standalone and not networked with town hall. Back-ups for these computers are done to a thumb drive, but depend on each department and user to actually perform and secure these back-ups. The IT consultant would like to store one of the town hall network back-up drives in another town building.

The Massachusetts Broadband Initiative is expected to bring high speed internet to local government buildings such as town hall, the library, fire station and regional school by April of 2013. The delivery of high speed internet to residents and local businesses will take about another year or year and a half. This is an exciting development for Otis that will make the area more accessible for business opportunities and residents alike.

When town buildings are connected with high speed access, there will be more potential to network all town buildings so that certain financial submissions such as payroll and payables may be entered at the department level and then reviewed by the accountant. It will also enhance the town's ability to create a more complete network of town facilities and centrally back-up files and data stored on stand-alone computers. Remote access to the system will also be possible once high speed internet is available and may be of benefit to the accountant for reviewing the payroll warrant and signing off on it electronically. It also opens up the possibility of backing up town data to the cloud, something that cannot currently be done effectively due to slow internet speeds.

The town has also formed a technology group that provides guidance on technology matters. This group has been helpful in pushing for an integrated system, Softright, and evaluating technology requests on a town-wide basis. For example, this group has steered the town away from each department having separate printers and software and has advocated for efficiencies like network printers and integrated software.

28. Improve the Town Website

We recommend that the town work with its consultant and technology group to improve its website. Increasingly, state residents are accessing municipal websites to contact municipal officials, review budget and other financial information and seek answers to questions that would otherwise require a trip to town offices. Up to date meeting agendas and minutes, downloadable forms and other information to assist residents and taxpayers in transacting business with the town would be a plus. Given the abundance of second homes in Otis, a full-featured website could provide these taxpayers with information to which they might not normally have access.

29. Store Back-up Files Offsite

We recommend that the town follow through on the technology consultant's desire to store one of the back-up files in a location other than town hall. This simple step would protect the town against the risk of physical damage to town hall that might damage both back-up files. Securing the second copy in another town building would safeguard the town from this risk. Once broadband internet service is available, the town will have additional options to back-up its data off-site. Some communities have move to "cloud-based" data storage services where data is backed-up to remote servers that are maintained and secured by third party vendors.

Appendix 1

Comparable Berkshire County Communities

Population 1,000 -2,000 and EQV per Capita \$300,000 - \$500,000

Municipality	2010 Population	2012 Average Single Family Tax Bill	2009 DOR Income Per Capita	2010 EQV Per Capita	Tax Titles/Tax Possessions	FY2011		FY2011 Debt Service	Free Cash 7/1/2011	FY11 Stabilization Fund
						Police Spending				
Becket	1,779	2,333	18,114	321,355	811,300	184,108		4,100	97,531	146,161
Egremont	1,225	3,024	19,047	401,633	0	279,006		78,008	306,700	479,178
New Marlborough	1,509	3,198	26,508	358,325	70,673	47,535		186,569	450,000	182,731
Richmond	1,475	4,048	44,247	319,814	111,806	4,598		480,248	368,637	758,384
Stockbridge	1,947	3,766	26,143	444,366	69,619	537,273		1,124,842	1,511,520	2,761,535
West Stockbridge	1,306	4,618	26,280	357,417	118,389	174,827		321,016	282,389	196,373
Average	1,540	3,498	26,625	368,801	196,965	204,558		365,797	502,796	754,060
Otis	1,612	2,221	21,065	386,646	488,525	56,287		0	643,335	1,078,343
State Average		4,711	31,265	156,493						

Acknowledgements

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Chris Morris, Town Administrator

Theresa Gould, Chair, Finance Committee

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Karen D. Fink, Treasurer

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