

Massachusetts Department of Revenue Division of Local Services
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Town of Stoneham

Financial Management Review

December 2002

INTRODUCTION

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

We have based our findings and recommendations on site visits by a technical assistance team consisting of staff from the Division's Bureau of Accounts (BOA), Bureau of Local Assessment (BLA), and Municipal Data Management & Technical Assistance Bureau (MDM/TAB). During these visits, the team interviewed members of the board of selectmen and finance committee, the town administrator, accountant, treasurer/collector, director of assessing, MIS manager and other municipal office staff.

DLS staff examined such documents as the tax rate recapitulation sheet, town reports, annual budgets, balance sheets, cash reconciliation reports, statements of indebtedness and other assorted financial documents.

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

The board of selectmen should consider the recommendations contained in this report in formulating overall strategies for improving the town's financial management. Many recommendations in this report can be implemented without a major change in the current structure of town government given sufficient cooperation among town boards and officials. However, our finance director recommendation will require modest changes to the town's special legislation.

EXECUTIVE SUMMARY

Stoneham is a suburban community located about 10 miles north of Boston near the interchange of Interstates 93 and 95. Stoneham is home to the Middlesex Fells Reservation, one of the state's largest recreational sites that occupies nearly one-third of the town (2,000 acres), and the Stone Zoo, a popular animal park. According to the United States Census Bureau, Stoneham's 2000 population was 22,219 and has grown very little over the last two decades¹. The town covers a little more than six square miles of land, and consequently, is a densely populated community at 3,614 persons per square mile, compared to the statewide average of about 810 persons per square mile.

Stoneham's 2000 equalized property valuation (EQV) per capita is \$80,061. This is 105 percent of the state average of \$76,422. Similarly, the town's 1999 per capita income, \$27,599, is slightly above the state average of \$25,952. The town has predominantly residential development with a balanced mix of commercial and light-manufacturing businesses. Stoneham's total property is valued at about \$2.405 billion in FY03. Of this, the residential property class comprises about \$2.098 billion or 87.3 percent while the remaining 12.7 percent is made up of the commercial, industrial and personal property classes.

Like many communities, Stoneham has been able to fund its budget, most of its capital needs and place funds in reserves for future use through its financial planning efforts. Central among these efforts is a series of fiscal guidelines the selectmen and finance & advisory board jointly adopted. The guidelines provide a framework in which the town prudently manages its short and long-term resources. The guidelines address issues such as conservatively estimating local receipts, annual debt capacity², capital planning, making contributions to the Stabilization Fund, and investment practices. These policies even address the use of town reserves such as the Stabilization Fund and free cash; the town recommends that the use of these funds for operating and personnel costs be avoided whenever possible because they are non-recurring revenues. Under the guidance of these policies, town officials have been able to develop consensus on the spending priorities and planning needs of Stoneham while living within its fiscal means.

Over the last ten years, Stoneham's budget, as reflected on the tax recapitulation sheet, has grown from about \$33 million to over \$55 million. During this time, the town has expanded its town services and it has increased educational spending in compliance with the Education Reform Act. The town has been able to replace capital equipment and initiate large capital projects such as the \$45 million renovation/construction of four elementary schools. While the voters excluded this construction project from the limits of Proposition 2½, town officials were mindful of the possible impact to taxpayers and carefully monitored the project to minimize the debt service costs to the town. To date, two school projects are completed and the other two are in progress. A combined annual school building construction reimbursement in excess of \$1.4 million is being paid to Stoneham for three of the schools and the town is anticipating receiving the last building's reimbursement amount (\$418,596/year) beginning in FY04.

¹ The U S Census population was 22,203 in 1990 and 21,424 in 1980, an increase of 795 persons in 20 years.

² The general fund's annual debt service (net of exclusions and bond anticipation notes) should not exceed 4 percent.

As a part of its fiscal planning initiatives, Stoneham made it a priority to develop its reserves. In 1993, the town had negative free cash (-\$393,872 as of 7/1/93) and it had virtually no Stabilization Fund (\$2,334 as of 6/30/93). Having experienced the recession, budget reductions and state aid cuts of the late 1980s and early 1990s, the community made it a goal to build up its reserves. Consequently, Stoneham's free cash certifications have been in excess of \$1 million between FY98-FY02 and the town has made systematic contributions to its Stabilization Fund, bringing it to a current balance of almost \$1.9 million (6/30/02).

Overall, Stoneham is a well-run community and it has a Moody's Aa3 bond rating. The rating, judged to be of the best quality, has been beneficial to the community because it has earned Stoneham low borrowing rates in the bond market. Yet despite its hard work and conservative planning efforts, two recent events have raised some concerns by local officials as to whether the town will be able to maintain continued financial success.

First, the town's two most recent audits (FY00 and FY01) included reportable conditions. A reportable condition is a deficiency in internal control that is detected through extensive tests performed during an audit. Stoneham's auditor reported that the collector did not have procedures to reconcile his receivables with the accountant's general ledger. This situation is particularly dangerous because the errors that occur could go undetected, and, consequently, the general ledger could misrepresent the town's financial position. This factor could influence the community's good bond rating if not corrected.

In response to this situation, the town's private auditor was hired to reconcile the receivables and to provide training to the treasurer's office on reconciliation procedures. The auditor completed the work, bringing the treasurer's and accountant's receivables into balance. The auditor also helped the town establish procedures to help prevent this problem from recurring, which the town administrator is monitoring.

The second event is the recent slowdown in the economy and its impact on the town's financial resources. The community prepared preliminary revenue projections in the fall of 2001 for the FY03 budget process and determined there was a substantial gap between the revenues and forecasted expenditures. The community cautiously prepared its spending plan with minimal increases. Consequently, the total amount to be raised on the FY03 tax recapitulation sheet is just over \$55 million, roughly a 3.7 percent increase over the amount raised in FY02. Despite its policies, Stoneham had to use one-time revenues to balance its FY03 budget and avoid service cuts. The town used approximately \$600,000 from the Stabilization Fund, \$350,000 from the health trust fund, and \$380,000 from overlay surplus. Town officials planned to replenish the Stabilization Fund with a transfer from free cash at the fall town meeting. Unfortunately, the community's plans were dashed when its free cash was certified at \$870,044, a little over half of the prior year's certification and the first time in six years it was below \$1 million.

As the community begins its FY04 budget process, fears are escalating about the prospect of facing service and/or staff cuts. The future of state aid is in doubt given the Commonwealth's budget problems. Local receipts are projected to remain stable, but these revenues come from motor vehicle excise, late charges, fees for services (e.g., water and sewer utilities, licenses and permits), and

investment income, all of which could be impacted by the economy. The town only has so much in reserves and the continued use of these for operating purposes is, by Stoneham's own policy statement, unwise. This leaves the community with one revenue source, the tax levy.

According to officials, due to its land area and existing improvements, Stoneham has limited opportunities for development or benefit from new growth to add to the levy limit under Proposition 2½. While there is some new construction, the town's property growth is due to remodeling and additions generally. The one major exception is the Boston Regional Medical Center that closed in 1999. This previously tax-exempt, 40 acre property was purchased by a developer, resulting in an increase of about \$18 million in taxable property in FY01. The developer is proposing turning the property into an office park by remodeling existing structures and adding three more. However, this project is under the scrutiny of the Executive Office of Environmental Affairs' Massachusetts Environmental Policy Act office due to environmental, conservation, parking, and transportation issues. If this project is approved, it will again add value to the town's tax base and increase its property-taxing capacity, but unfortunately, it will not be soon enough for the FY04 budget cycle.

Because of these recent events and the prospect of a slow regional economic recovery, the selectmen contacted the Division of Local Services about its consulting services. The selectmen requested that the Division perform a management review of the town's financial practices, the management reporting systems, and the reconciliation practices. It is the selectmen's hope that the report findings and recommendations will assist the town in addressing current issues and enhance its fiscal planning efforts.

Below is a summary of our financial management review, followed by a more detailed discussion of our observations and recommendations.

Overall Financial Management and Budgeting (page 7) – We found Stoneham to be a well-managed community with dedicated personnel. Our recommendations center on consolidating the financial offices and implementing some policies. Stoneham's financial offices operate independently with no central reporting authority. The accountant, treasurer/collector and assessing offices each have their own responsibilities, however, each relies on information and work prepared by the other offices. Over the years, the accountant has assumed additional responsibilities and plays a significant role in coordinating the town's financial and budgeting activities. In many respects, the accountant has served in the role of a finance director. As such, we recommend that the town formalize this cooperative working structure by creating a consolidated finance department.

We found many employees do not have a current or any job description and recommend that every effort be made to correct this. A job description is an essential management tool that identifies qualifications, duties, and responsibilities of an employee. Based on the duties and responsibilities, a supervisor may establish job performance criteria upon which an employee's performance is reviewed. We found that some employees may have a job performance conducted but it is not done formally because there is no policy to have all employees' work reviewed. Therefore, we recommend that the town implement a performance review policy for all employees. We also recommend that the administrator prepare an annual capital budget and plan and that the town adopt enterprise fund accounting for its water and sewer operations.

Management Information Systems Department (page 12) – For a number of years, the town's management information systems (MIS) position was vacant due to budget cuts and computer-related responsibilities were assigned to the treasurer and assistant accountant. Despite the hiring of the current MIS manager in 1997, the assistant accountant and treasurer continue to play a role in some of the activities of the MIS department. We recommend that the administrator consolidate the computer responsibilities into the MIS manager's position, freeing up the other positions to concentrate on their primary responsibilities.

We found that the town has an older version of its financial management system and staff are not using all the integrated modules. Consequently, this requires the accounting office to data enter information for other offices. The town is planning to upgrade its financial management system in the spring and we recommend that they begin using all the integrated modules at that time. We also found departments share information that cannot be electronically transferred at this time, requiring re-keying of information which is inefficient and increases the potential for data entry errors. Therefore, we recommend that the MIS manager explore ways to transfer information more efficiently.

Treasurer/Collector's Office (page 14) – This office is responsible for the collection and management of the town's revenues. During our interviews, we found that this office does not report its collections timely to the accountant and that cash reconciliations were delayed as a result. We also found the office is still having trouble reconciling and reporting its receivables in a timely manner. Since reconciling the cash and receivable balances with the accountant's records are critical components of sound financial controls, we recommend that the treasurer's internal reconciliations be performed and the necessary reports be forwarded to the accountant quickly after the close of the month.

We found the office has not consistently secured liens on delinquent property taxes and recommend that the office initiate new tax takings soon after the issuance of a demand bill to ensure eventual payment. We also found the collector's office prepares infrequent property tax refund reports, which has resulted in unexplained credit balances. We recommend that the office run frequent refund reports to identify and resolve its credit balances. In addition, we found that the assistant treasurer/collector has been in this office for almost two years and has not been fully trained to assume the treasurer's position in his absence. We recommend that the treasurer train his assistant on every office activity.

Assessing Office (page 18) – We have made recommendations in the assessing office designed to assist in the maintenance of the town's property database. First, we recommend that the director of assessing inspect all sale properties. It is especially important for the director to inspect sale properties because they represent the most current information available about the local real estate market and serve as the basis for adjusting property values. We also recommend that the assessing office annually monitor and analyze changes in the local market and make necessary interim year adjustments to assessed values. This represents a best practice in the assessment area and ensures equity between and among properties as well as reducing potential abatement exposure.

In addition, we recommend that the assessing office consider increasing its self-sufficiency. We recommend that the director focus her attention on reviewing, analyzing and updating the town's property data annually. This would require that the office clerks be responsible for all data entry and

preparation of all reports and that the data collector be responsible for a majority of the fieldwork. Given the proposed reduction in contractual services and changes in staff responsibilities, the town may have to review the assessing budget, providing increased funding for the data collector position and/or additional clerical coverage. We also recommend that the data collector's position be funded in the annual budget.

Accountant's Office (page 22) – It is our overall conclusion that the town accountant's office functions well. Consequently, we have made no recommendations.

SUMMARY OF REPORT FINDINGS AND RECOMMENDATIONS

1. Overall Financial Management and Budgeting (page 8) – Create a finance department
 2. Overall Financial Management and Budgeting (page 9) – Prepare current job descriptions
 3. Overall Financial Management and Budgeting (page 10) – Prepare annual capital budget and plan
 4. Overall Financial Management and Budgeting (page 10) – Adopt enterprise funds for water and sewer operations
 5. Management Information Systems Department (page 12) – Consolidate computer administration
 6. Management Information Systems Department (page 13) – Use all of financial computer system
 7. Management Information Systems Department (page 13) – Transfer data electronically
 8. Treasurer/Collector's Office (page 14) – Turnover receipts and reconcile cash promptly
 9. Treasurer/Collector's Office (page 15) – Reconcile and report receivables promptly
 10. Treasurer/Collector's Office (page 16) – Secure tax title liens timely
 11. Treasurer/Collector's Office (page 16) – Pursue credit balances
 12. Treasurer/Collector's Office (page 17) – Train assistant treasurer/collector
 13. Assessing Office (page 19) – Inspect sale properties
 14. Assessing Office (page 19) – Maintain current values
 15. Assessing Office (page 20) – Increase self-sufficiency
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OVERALL FINANCIAL MANAGEMENT AND BUDGETING

The town of Stoneham has operated under a selectmen-administrator form of government (Chapter 26 of the Acts of 1981 as amended) since 1981. This act provides for the election of five selectmen and their powers. The selectmen serve as the chief policymaking board and appoint the selectmen's secretary, town administrator, accountant, town counsel, and multi-member boards or committees except those elected or appointed by the moderator (i.e., finance & advisory board and ad hoc committees). The special act also streamlined the governmental structure by providing for the administrator's appointment of the treasurer/collector and abolishing the public works and personnel boards.

The selectmen appoint an administrator, suited by education and experience, to serve as the chief administrative and fiscal officer and to manage the daily operations of the town. The administrator oversees the personnel system and records; negotiates contracts; manages the town's insurance programs; appoints most town department heads³ with the approval of the selectmen, and keeps the selectmen fully informed of all administrative and fiscal matters. He serves as the chief procurement officer, prepares the town budget proposal for the selectmen's approval and the finance & advisory board's review and recommendations to town meeting. In addition, the town administrator has the power to sign the town warrants. The administrator has four staff members in his office, a human resources administrator, an executive secretary, a benefits coordinator (32 hours/week) and a part-time administrative assistant (who serves as the clerk to the finance & advisory board).

The town administrator also manages the budget process. In the fall, the administrator, in concert with the town's other financial team members⁴, prepares preliminary revenue estimates for the ensuing year. To supplement this, the accountant prepares a multi-year forecast of revenues and expenditures. Based on the revenue estimates and forecast, the administrator sends the departments a cover memo about the fiscal issues of the community, budget request forms with instructions, and a calendar of events and deadlines. Department budget requests are submitted to the administrator, whose staff enters the information into spreadsheets. Before the end of January, the administrator reviews all requests and meets with departments and the revenue estimates are updated. With the assistance of the accountant, the administrator drafts a balanced budget proposal for the selectmen's review. After holding hearings, the selectmen finalize the budget and submit it, along with all warrant articles, to the finance & advisory (F&A) board. Then, the F&A board reviews and conducts hearings on the budget. The administrator and/or the accountant assist the board, providing updated revenue information and analysis upon request. Before going to town meeting, the selectmen and F&A board hold a joint meeting on the budget for the purpose of developing consensus. At town meeting, the F&A board presents a written report of their budget and warrant recommendations.

³ This excludes the selectmen's appointments, library staff and the school superintendent.

⁴ The financial team includes the administrator, accountant, assistant accountant, treasurer/collector, assistant treasurer/collector, and director of assessing.

FINDING 1: CREATE A CONSOLIDATED FINANCE DEPARTMENT

The accountant, treasurer, collector and director of assessing are the primary financial officials of a local government. Independently, each office has legal responsibilities that it must perform in the best interest of the community. These offices rely on each other's efforts to do their own jobs and they work cooperatively to ensure the fiscal stability of the community. In Stoneham, the town's financial offices are decentralized. The treasurer/collector is appointed and supervised by the administrator, the director of assessing is appointed by the administrator and supervised by the assessors, and the accountant is appointed and supervised by the selectmen. Yet, despite being decentralized organizationally, these offices have developed a cooperative working relationship due to the nature of their work and the coordinating efforts of the town accountant.

Historically, when there are problems or issues, the selectmen have turned to the accountant to correct them or assume responsibility for them. Over the years, the accountant has assumed additional responsibilities without impinging on his primary responsibility, maintaining the general ledger. These auxiliary responsibilities include the production of payroll; the coordination of the revenue estimates and assistance during the budget process; and the development of a multi-year revenue and expenditure forecast and other financial planning documents. The accountant works closely with other financial offices, providing guidance, cooperation and coordination for the town's financial management. The accountant also served as acting town administrator for almost seven months in 2001. Comparing his expanding responsibilities with professional positions in other communities, we found that the accountant serves in the capacity similar to a finance director and Stoneham has benefited from it greatly.

A finance director is a department head that typically manages all the financial operations and staff of a municipality. As municipal budgets grow in size, we are observing that communities are moving from a historically decentralized financial model to a more consolidated structure. In fact, we found that in comparable communities with FY2002 budgets of \$50-\$57 million (Appendix A) the vast majority of them, about 82 percent, have finance departments.

The value of consolidating similar services is the ability to assign a professional director to coordinate operations, to manage staff efficiently, and to improve accountability. One example of consolidation of services in Stoneham is the public works department. The town combined highway, engineering, water, sewer, cemetery and equipment maintenance into one department. In another example, Stoneham created a community development department, merging the staff from the planning board, board of appeals, and conservation commission. In both examples, similar service areas and staff were placed under the direction of one professional manager who reports to the administrator, thereby improving coordination and reducing the number of individuals reporting to the administrator.

RECOMMENDATION 1: CREATE A FINANCE DEPARTMENT

We recommend that Stoneham consider creating a consolidated finance department. In this department, the offices of the accountant, treasurer/collector and assessors would be combined and report to a finance director. The finance director would coordinate and supervise the financial activities of the town, keeping the town administrator, selectmen and F&A board continuously

apprised. The formal adoption of a finance department will institutionalize Stoneham's existing working structure. Given the limited recurring revenues of the town, the need to maintain ongoing communication among the financial offices and the town's past practice of organizing similar functions into one department, this seems like a natural progression for the town of Stoneham. To accomplish this reorganization requires that the town adopt MGL Chapter 43C or seek special legislation to amend the current selectmen-administrator act.

FINDING 2: PREPARE CURRENT JOB DESCRIPTIONS

Under the direction of the town administrator, the human resources administrator is responsible for overseeing the town's personnel system and the central administration of the non-school employee files. She is responsible for recruitment, labor negotiation, classification and compensation schedules, and training. She is also responsible for developing personnel policy and procedures⁵.

A classification and salary plan bylaw was established for town positions not filled by popular election or under the direction of the school committee. It includes general information such as category of employment and types of compensation. The bylaw also includes job descriptions for some of the town positions that may or may not have current titles. Each job description briefly lists general duties of a position and may include some examples of work performed, but do not necessarily include pre-qualifications, detailed job related activities and/or reporting structure.

Because of the incomplete listing of positions and the vagueness of the descriptions that exist in the bylaw, some more detailed job descriptions have been developed as a result of union negotiations or for internal departmental use. We also were informed a number of positions exist that do not have a job description, including the treasurer/collector and assistant treasurer/collector.

A job description should spell out clearly what is expected of an employee. It generally includes the major and minor duties and responsibilities; supervision received and given; education, qualifications, experience and special skills required; and conditions under which work is performed. Based on the duties and responsibilities, a supervisor generally develops criteria on which to evaluate an employee and conducts a job performance review annually. In Stoneham, only some employees may have a formal annual performance evaluation by virtue of their employment contract, but it is not consistently done. Instead, the administrator generally assesses the performance of his staff informally throughout the year.

In 2000, the town developed a list of 46 town positions that need a job description written or revised. The town recently hired a consultant to prepare job descriptions and salary surveys for 15 union positions. The town anticipates this will be a long drawn out process because only a third of the positions are being done at this time and that the town will have to negotiate with the union over the content and salary classification of each description. As time and funding allows, the town plans to have the remaining 15 union positions and 16 non-union positions created/updated.

⁵ These include written policies on An Employee's Right to Review Personnel File, Sexual Harassment, Small Necessities Leave Act, Whistleblowers Act, and Continued Health Coverage under the Consolidated Omnibus Budget Reconciliation Act.

RECOMMENDATION 2: PREPARE CURRENT JOB DESCRIPTIONS

We recommend that the town make every effort to create a current job description for every position, prioritizing those positions that lack any description at all. While it is the preference of the town to hire a consultant to prepare job descriptions and salary surveys, the non-union positions could be done in-house. One suggestion would be to contact other communities and request copies of their job descriptions. From the information, job descriptions could be produced that clearly explain the duties, supervision, skills, and expectations of each position.

We also recommend that the town institute a performance evaluation policy and conduct annual job reviews for all employees. The town should develop criteria by which each employee's job performance may be evaluated. Based on the annual evaluation, an employee may be rewarded (i.e., step increase) for a job well done and/or given suggestions if performance improvement is warranted. In the event an employee's performance is unacceptable, the policy would provide for procedures for a probation period or dismissal if necessary. Performance evaluations may be instituted for non-union positions immediately and will be subject to labor negotiations for other employees.

FINDING 3: PREPARE ANNUAL CAPITAL BUDGET AND PLAN

The town has a fiscal policy on capital planning that requires the administrator to present annually a capital budget and 5-year plan. Currently, there is no formal capital planning or reporting. Capital requests are independently submitted by departments during the budget process and items are recommended as resources allow. In an effort to organize and communicate the town's capital needs better, the administrator intends on developing a formal capital budget and multi-year plan.

RECOMMENDATION 3: PREPARE ANNUAL CAPITAL BUDGET AND PLAN

We support the administrator's plan to develop a comprehensive capital plan and submit an annual capital budget to town meeting, as the guideline requires. The town administrator, with the assistance of the financial team, should develop a multi-year capital plan and annual capital budget for all town departments. These documents should: (1) prioritize the various proposed capital projects; (2) estimate project costs; and (3) list the proposed method of payment (current revenue, debt or debt excluded from the limits of Proposition 2½) for each project. Regardless of funding ability, annual presentation of a capital budget to town meeting has merit. It serves to inform citizens of the community's capital needs and makes them aware of essential capital needs that may be deferred due to financial constraints. For more information on the capital planning process, we direct you to the Department of Revenue's workbook, "Developing a Capital Improvement Program" on our website www.dls.state.ma.us/publics.htm.

FINDING 4: ADOPT ENTERPRISE FUNDS FOR WATER AND SEWER OPERATIONS

A local government may account for a utility operation in the general fund, a special revenue fund (MGL Ch. 41 §69B or special legislation) or an enterprise fund (MGL Ch. 44 §53F½). Stoneham's water and sewer operations are accounted for as special revenue funds. The annual appropriations for these services cover direct, indirect, capital and debt service costs. These operations are funded through user fees. Any surplus (or deficit) that is attributable to these operations close to the water

fund and sewer fund, respectively. According to town officials, it is the expectation that each operation is self-supporting through its user fees and therefore, the accountant does an analysis of the costs annually to determine if the revenues are sufficient to cover total costs.

During our review, we found that Stoneham's water and sewer special revenue funds were established without special legislation or the adoption of general enabling acts. Without proper legal authorization, the water and sewer surpluses should be closed to the general fund.

RECOMMENDATION 4: ADOPT ENTERPRISE FUNDS FOR WATER AND SEWER OPERATIONS

Given the current structure of the town's special revenue funds and the expectation that each service be self-supporting, we recommend that the town adopt enterprise funds for its water and sewer operations by accepting MGL Chapter 44 §53F½. An enterprise fund legally establishes a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods or services. This enables a community to fully identify the total cost of providing a service in a consolidated fund and may assist the community in determining if a service is self-supporting or is subsidized by the general fund. In addition, any interest earned on the operating revenues and surpluses generated at yearend would be retained in the enterprise fund. Once a surplus is certified as available (similar to free cash), it may be used to fund operating, capital or debt service costs associated with the water or sewer operations.

With the adoption of an enterprise fund, the community will be required to identify and value all the fixed assets (capital items and infrastructure) of the service. This will provide two important benefits to the community. It will provide the age and condition of the service's assets, which may be used to develop a replacement schedule for capital improvements. It will also require that the accountant transfer these assets from the general fund to the enterprise fund, which will help the community in complying with the Governmental Accounting Standards Board (GASB) Statement 34.

Establishing an enterprise does not create a separate or autonomous entity from the municipal government operation. The municipal department operating the enterprise service continues to fulfill financial and managerial reporting requirements like every other department and the enterprise budget is still subject to the appropriation process.

MANAGEMENT INFORMATION SYSTEMS DEPARTMENT

The management information systems (MIS) department provides technology-related services to all town departments, including procurement of hardware, software applications and supplies. The MIS department is responsible for networking; system development and maintenance; training and user support; security and virus protection; and backups. This department also is responsible for town communications such as the telephone system, cellular telephones, and a town website. The town has electronic mail and access to the Internet (via the town's school) and has adopted e-mail and Internet policies. When schools are not in session, however, the officials report there have been interruptions to electronic mail and Internet access so the town is now exploring possible cost-efficient options for providing these services more reliably. The MIS department has one staff member, the MIS manager. The current MIS manager has worked for the town since 1997.

The town's financial offices use the Munis financial system and have access to Microsoft Office and graphical information system (GIS) applications. The Munis system modules used include the general ledger; accounts payable; purchase order system; payroll; and tax, excise and utility billing and collections. The treasurer uses the Quicken software application for the cashbook. The assessing office uses a computer assisted mass appraisal system to value and manage property accounts, which also resides on a server in the MIS department.

FINDING 1: CONSOLIDATE COMPUTER ADMINISTRATION

Before the current MIS manager's tenure, there was a vacancy in this office. The vacancy was the result of budget cuts in the early 1990s. In the absence of this position, the town's treasurer/collector and assistant town accountant shared the responsibilities of the office. While there is no formal job description for the treasurer, the assistant accountant's duties require that she assist town employees with hardware/software problems and contact vendors when necessary. Oddly, this duty remained in the job description when it was updated in 1999, almost two years after the MIS manager's appointment.

Despite the MIS manager's appointment, we were informed that some users still contact the treasurer/collector and/or assistant town accountant on computer matters. Similarly, as problems occur, users may contact vendors directly rather than directing the matter to the MIS manager. Because the town's computerized systems are the MIS manager's responsibility, all user issues, training, problems and needs should be related to him to assess and contact a vendor as needed.

RECOMMENDATION 1: CONSOLIDATE COMPUTER ADMINISTRATION

We recommend that the town administrator consolidate technology-related responsibilities into the MIS manager's position. This will require the administrator to create/update job descriptions for the MIS manager, treasurer and assistant accountant, removing overlapping responsibilities. While the assistant accountant and treasurer were previously responsible for the town's computer systems and have continued to be helpful in its operation, their primary responsibilities are within their own offices. It is the MIS manager's responsibility to provide the necessary support to users and to contact a vendor if the problem may not be resolved in-house.

FINDING 2: USE OF FINANCIAL COMPUTER SYSTEM

For the last two years, Stoneham has been contemplating upgrading its Munis system from the older COBOL version to the graphical user interface (GUI) version. The town appropriated \$110,000 for this project and a new server and software have been purchased. However, because of the receivable problem in the treasurer/collector's office (see Treasurer/Collector's Office section) and the insistence of the private auditor, the town delayed this conversion until FY03. As of this writing, the town plans to begin this project after January 2003, converting and testing all of its financial information and providing training on all modules.

The Munis system also has some modules that the town has purchased and never used. These modules include the treasurer's receipts and personnel. Instead of using the modules, these activities are kept in separate spreadsheets or manually. Consequently, the accountant's office must data enter information into the Munis system from the treasurer/collector's and personnel offices. Hence, the town has not realized the full benefits of this integrated financial system.

RECOMMENDATION 2: USE OF FINANCIAL COMPUTER SYSTEM

After the Munis conversion, we recommend that the town officials use all the financial system modules purchased. The Munis system is a multi-user, fully integrated financial system, which eliminates the need to keep manual records. A significant feature of this system is the ability of users to enter their own data and to verify its accuracy against source documentation immediately. Once verified, the information is updated on the system and available to other system users. By using the system to its full extent, the accountant's office will not be responsible for data entering other offices' work.

FINDING 3: TRANSFER DATA ELECTRONICALLY

During our interviews, we found departments routinely send information in the form of hardcopy data reports to other departments (i.e., building permit data or purchase order request). Generally, the information is taken from one software application and re-entered into another application. One of the basic advantages of computers is the ability to input information once and let the computer apply this data to the various other files or programs where it is required. Keying information more than once is inefficient and increases the potential for posting errors. As a result, the town loses much of the potential for efficiency inherent in computer systems. At our suggestion, at least one department has expressed interest in having access to or the ability to convert electronically data kept by another department. The MIS manager was unaware of this data sharing issue and is looking into it.

RECOMMENDATION 3: TRANSFER DATA ELECTRONICALLY

We recommend the MIS manager survey office staff on the data that is shared or repetitively entered and explore ways to transfer this information more efficiently. The MIS manager should look in to data transferability between software applications or develop a database available to more than one office. The town should also consider granting larger departments access to the Munis system to enter purchase order or payroll information remotely for the accounting office's review and eventual posting. Given the limited staff and resources of the community, exploring ways to operate more efficiently can free up valuable staff time.

TREASURER/COLLECTOR'S OFFICE

The town has a combined treasurer and collector's office. A treasurer/collector, assistant treasurer/collector, part-time principal office assistant and two office assistants staff this office. On the treasurer's side, the office is responsible for the payroll withholdings and cash management, including the investment, disbursement and borrowing of cash. The treasurer prepares a monthly report of all receipts taken in for the accountant. On the collection side, the office is responsible for collecting approximately 8,000 property tax bills quarterly, 22,000 motor vehicle excise bills annually and 700 parking tickets annually. This office also collects about 6,150 water and sewer bills quarterly and 16 combined water and sewer bills from high volume customers monthly. In addition, this office prepares municipal lien certificates; the office prepared about 1,300 in FY02, however with the low interest refinancing rates, the office anticipates doubling the number of certificates prepared in FY03. The town prints its bills⁶ in-house and uses an outside vendor to stuff and mail them.

The treasurer/collector's office uses the Munis system for billing and collecting activities and processing municipal lien certificates. The town receives payments by lock box service, escrow service and at the counter. According to town officials, approximately 60 percent of all real estate, motor vehicle excise and water/sewer bills collected are processed by a lock box service. The lock box service sends the collector a computer disk of collection information that is reviewed and posted. Of the remaining payments, about 15 percent are received electronically from escrow companies and 25 percent are collected over-the-counter.

The town uses the services of a deputy collector for delinquent personal property and motor vehicle excise. The town gives him a warrant and he completes online license and registration markings for non-renewal status with the Registry of Motor Vehicles. He deposits all receipts into a town account and prepares weekly turnover reports.

FINDING 1: TURNOVER RECEIPTS AND RECONCILE CASH PROMPTLY

The treasurer/collector's office produces a monthly report of the receipts taken in for the accountant. The report is turned over to the accountant only after all the prior month's bank statements are received and reconciled, so the interest income may be included. After the receipts are reported, the accountant enters the information into the Munis system and then the treasurer and accountant may reconcile the town's cash. Unfortunately, the process—from the close of the month until the cash is reconciled—has taken more than a month to complete. In addition, we found that while the total cash may eventually reconcile, the detail by account may not. For example, the town routinely appropriates funds into and/or out of the Stabilization Fund. The accountant records town meeting actions in the general ledger timely; however, it has taken up to a year before the treasurer transfers the funds, resulting in incorrect balances and errors in the investment income accumulated in the fund. The treasurer maintains an accounting report of each fund (and/or special revenue)⁷, but does not provide it to the accountant.

⁶ This includes the real and personal property, water and sewer bills. The vendor prints, stuffs and mails the motor vehicle excise bills.

⁷ This report may be produced monthly, reporting beginning and ending balances, contributions and disbursements, and investment income.

RECOMMENDATION 1: TURNOVER RECEIPTS AND RECONCILE CASH PROMPTLY

We recommend that the treasurer/collector turn over cash receipt reports promptly. It is not necessary for the treasurer to delay reporting cash receipts until the bank statements are received. When interest or investment income is received, it may be reported separately or on the subsequent month's report. Delaying the report of monthly cash receipts impacts the activities of the treasurer's and accountant's offices and the eventual reconciliation of cash.

After the upgrade of the Munis system, the treasurer's office should begin using the receipts' module. The treasurer's office should be responsible for data entering all receipts in the Munis system, and internally reconciling these postings with deposit records, eliminating the need for the accountant to make general journal entries to input this information. The treasurer should also consider turning over weekly cash receipts reports, further improving the timeliness of this activity.

We recommend that the treasurer provide a monthly reporting of all fund and/or special revenue balances to the accountant. Reconciliation of cash is done for all funds. It is necessary that the treasurer report the beginning balance, ending balance and any changes for all funds and/or special revenue accounts to ensure accurate cash reconciliation with the accountant's general ledger. Prompt and frequent reconciliation of cash for all funds is essential in order to maintain control.

FINDING 2: RECONCILE AND REPORT RECEIVABLES PROMPTLY

The office has had trouble reconciling its receivables internally and with the accountant's general ledger. During FY02, the town hired its auditor to perform additional work necessary to correct the balances through June 30, 2001 and to provide training to the treasurer/collector to perform accounts receivable reconciliations. The work and training was successfully completed, but the treasurer and accountant again had some reconciling differences after the close of FY02.

According to officials and supplemental worksheets filed with the town's balance sheet to DOR (dated 9/20/02), the variances between the two offices were eventually reconciled. However, most of the non-reconciling items were due to poor communication and/or delayed reporting. The treasurer has reported his receivable balances to the accountant upwards of 30 days or more after the close of each month. In addition, some activities were not reported to the accountant including the reclassification of property receivables to tax liens or deferred tax status, or the transfer of water and sewer charges to tax liens. Other minor errors included timing differences and posting errors by both the treasurer's and accountant's offices. Both the treasurer and accountant are working at improving the reconciliation process. They have even developed a written policy to ensure that the treasurer's reports required for reconciliation purposes (both cash and receivables) are prepared and forwarded to the accountant.

RECOMMENDATION 2: RECONCILE AND REPORT RECEIVABLES PROMPTLY

We recommend that the treasurer prepare and report his monthly reconciliation of receivables report immediately after the close of the month. As experience has shown, timing is essential. It is best that

these activities be prioritized and completed immediately after the close of the month rather than waiting weeks.

We further recommend that the treasurer report reclassification of receivables on a separate turnover report to the accountant. When the treasurer transfers subsequent taxes into existing tax titles, reclassifies tax receivables as deferred taxes, or utility charges into tax liens, the information must be forwarded so the accountant is able to record them in the general ledger properly. Failing to report this information properly and timely will only create avoidable non-reconciling items between the offices.

FINDING 3: SECURE TAX TITLE LIENS TIMELY

By statute, an automatic lien is created on January 1 annually and continues until the taxes for the fiscal year (beginning the following July 1) have been paid. If the taxes become delinquent, the lien remains in effect. This municipal lien will be valid for a minimum of three and a half years from the end of the fiscal year for which the taxes were assessed or upon the change of ownership, whichever is later. Therefore, it is important to make proper tax takings in a timely manner.

For delinquent real estate taxes, the collector has used a series of remedies. He issues demand bills, reminder letters, initiates tax takings, and uses the services of an attorney to pursue foreclosure remedies. However, for the last four years, the collector has not been consistently initiating new tax title takings. Consequently in May 2002, the collector published 96 parcels in the newspaper and eventually made 77 takings for failure to pay the taxes. According to the collector, he intends to make it a future practice to initiate new takings in the fall after the taxes become past due.

RECOMMENDATION 3: SECURE TAX TITLE LIENS TIMELY

We recommend that the treasurer/collector consistently initiate new tax title takings soon after the issuance of a demand notice. The treasurer/collector has been placing subsequent taxes into previously established tax title accounts, an essential step towards securing the town's liens on these properties. However, new takings were not made consistently over the last few years, placing the community at risk of losing the lien on properties with outstanding taxes.

FINDING 4: PURSUE CREDIT BALANCES

According to the treasurer/collector, refund reports are prepared monthly for motor vehicle excise and semiannually for property taxes. As excise credits are determined, they are verified and processed timely. For property tax credit balances, however, they are generally discovered at the close of the fiscal year, which require the staff to research back through the year to determine an explanation (i.e., excess payment or posting errors).

Based on the receivables as of 6/30/02 (dated September 2002), Stoneham reports net property tax credit balances of about \$40,890. According to town officials, approximately \$21,600 of the credit balances is due to prepayment of FY03 taxes before July 1. The reason for the remaining credit balances (FY98 and prior years) is unknown. Unfortunately, the staff did not catch these credits timely and will now have to research the problems.

RECOMMENDATION 4: PURSUE CREDIT BALANCES

We recommend that the treasurer/collector's office run real estate credit balance reports monthly. A credit balance report allows the collector to identify accounts that may require research to determine whether a possible prepayment, excess payment or posting error has occurred. It also allows the staff to track accounts with unresolved credit balances and to correct them before the close of the fiscal year.

We also recommend that the office research the older credit balances and take all necessary actions to resolve them. While this process will be time consuming, the office will have to research the older entries, clearing them off the tax receivable ledger.

FINDING 5: TRAIN ASSISTANT TREASURER/COLLECTOR

The assistant treasurer/collector has been employed in this office for about two years. As time allows, the treasurer has trained the assistant on activities of the office. Her current responsibilities include managing the payroll deductions and withholdings, filing the quarterly federal and state tax reports, overseeing the receipt collections and deposits, maintaining the cashbook, and reconciling bank statements. She has limited involvement with the tax collection process and has no training in the reconciliation of receivables.

RECOMMENDATION 5: TRAIN ASSISTANT TREASURER/COLLECTOR

We recommend that the treasurer/collector train his assistant on every activity performed in the office. An assistant treasurer/collector should be fully trained to assume the role and responsibilities of the treasurer/collector in his absence, thus preventing unnecessary interruptions or delays. To assist in this training process, the treasurer should consider having the assistant attend training workshops and/or the four-day annual school provided by the Massachusetts Collectors and Treasurers Association. The benefits of this outside training are it will provide useful information about current laws and professional practices as well as allow the assistant to interact with other municipal treasury and collections personnel.

ASSESSING OFFICE

A director of assessing and two clerks staff the town assessing office. While the staff is appointed by the town administrator, the staff report to an elected, part-time, three-member board of assessors. The assessing office is responsible for maintaining assessment data on approximately 7,440 real property parcels⁸, 650 personal property accounts, 22,000 motor vehicle excise accounts and 8 betterment accounts. In addition, the office processes approximately 35 abatements (200 in recertification year), 500 exemptions, 500 building permits, 780 deed changes and 12 tax deferrals annually.

The director has her Massachusetts Accredited Assessor (MAA) designation and has worked for the assessing office for 38 years, serving in the capacity of clerk, administrative assistant and finally as director for the last six years. The director manages the office and the computer assisted mass appraisal (CAMA) system. The director performs some fieldwork, measuring and listing some improved residential properties and reviewing all abatement application parcels; oversees the town's appraisal consultants; determines property values; and compiles property tax commitments. She also data-enters property information and sketches on the CAMA system and prepares timely reports for DOR, including new growth, taxable parcel count, recertification of value reports, and the tax recapitulation sheet with adequate backup documentation. The clerks maintain records, process deed transfers, handle exemption and abatement applications, data-enter property and legal information on the CAMA system, handle the motor vehicle excise accounts and respond to public inquiries.

The town uses a CAMA system to manage its property database. There are four personal computers connected to the CAMA server for staff use and one stand-alone computer located on the office counter with property data information for public viewing. The personal computers have Microsoft software products installed and these computers are connected to the Munis system for transferring property tax commitment, exemption and abatement information.

The town hires appraisal consultants to perform fieldwork and triennial recertification work. Every three years, the town appropriates funds for these consulting services. Since 1995, the town appropriated a total of \$435,000 for three certification programs, spending all but about \$50,000 as of this writing. From this funding, the town spends roughly \$8,000 annually for a part-time data collector to measure and list new and improved properties and inspect additional properties for the town's cyclical reinspection program. The balance of the funding is used for recertification purposes, including analysis of real estate sales, determining real property values, performing field review of all parcels, and valuing and/or updating personal property accounts. Because the majority of the town's property data had been collected before 1990, DLS' Bureau of Local Assessment recommended that the town perform a full reinspection of every property in FY00. A full interior and exterior reinspection of all properties was performed between 1997-2000 at a cost of about \$181,000. Subsequently, the

⁸ Of this total, about 7,090 parcels, or 95 percent, are residential and the remaining are commercial, industrial or mixed-use parcels. Within the residential classification, there are roughly 4,980 single family, 1,300 condominiums or apartments, 550 multi-family, and 260 other residential properties.

town has developed a cyclical reinspection program to inspect every property at least once every nine years, thereby improving data management and avoiding future excessive costs.

FINDING 1: INSPECT SALE PROPERTIES

According to the director, she inspects some sale properties, but not all. Since recent sales represent the most current data regarding the local real estate market, it is crucial that the assessing office have first-hand knowledge of the characteristics and condition of sale properties.

RECOMMENDATION 1: INSPECT SALE PROPERTIES

We recommend that the director regularly inspect the interior and exterior of all sale properties.

Often, a sale property may have been upgraded without a permit or allowed to deteriorate to an extent that the assessors' files are not accurate regarding the characteristics or condition of the property. Not being aware of the exact condition of sale properties negatively affects the assessors' ability to value other properties accurately.

FINDING 2: MAINTAIN CURRENT VALUES

The town recently began a nine-year, cyclical reinspection program. A cyclical re-inspection program involves completing an interior and exterior inspection of all town property over a multi-year period. This program allows the community to spread out the workload and cost as opposed to performing the work in a brief three-year period, as was the case in FY00. The primary benefit of this program is to provide the assessors' office with current, accurate data. From these inspections, any changes in the properties are entered into the CAMA system, which updates the parcel data and may result in additional new growth for the town.

With up-to-date property data and current sales information, the assessing office should make it a practice to analyze the information and make interim year value adjustments, fulfilling state requirements to maintain full and fair cash values of all properties annually. Like some communities, Stoneham adjusts its values only for recertification purposes every three years. Consequently, the real property value of the town increased about 39 percent during the FY03 recertification, contributing to the average single family value increase from \$220,618 (2002) to \$315,404 (2003) or 43 percent. However, an increasing number of communities are discovering the cost of being slow to adjust their assessed values. Failure to make interim year adjustments that reflect changes in the real estate market may cause inequities among property classes. In a declining market, this lack of flexibility has cost communities a considerable amount of property tax revenue when the assessors had to grant abatements.

Making interim year adjustments has been characterized as performing a "mini-revaluation" because of the considerable sales data and income & expense statement analysis that is done. Generally, this work is performed in-house by a professional staff member, in this case the director. Initially, the analysis work may be time-consuming; however, the investment of time will lessen as the director becomes more familiar with the process.

RECOMMENDATION 2: MAINTAIN CURRENT VALUES

We recommend that the assessing office analyze local real estate market conditions annually and make necessary changes in the assessed values of properties. By carefully monitoring changes in the market and promptly reflecting them in the annual valuation base, the assessing office may ensure equity between and among property classes. In addition, maintaining current property data may have the direct benefit of reducing the number of abatements or increasing new growth.

FINDING 3: INCREASE SELF-SUFFICIENCY

The assessing office has a director of assessing who is a professional staff member with considerable experience. The town has a part-time data collector who inspects and recollects property data, enabling the director to review data, analyze property sales, and inspect properties as needed. The community also has a CAMA system on which the community may produce in-house generated values with or without the assistance of contractors. Yet despite these resources, the assessing office relies on appraisal consultants for most if not all valuation-related work, which results in the office giving up a degree of management control.

RECOMMENDATION 3: INCREASE SELF-SUFFICIENCY

In order to increase self-sufficiency and local control of the town's valuation process, DOR recommends that the town consider bringing more assessing functions in-house. With the recent cuts in local aid and the declining fiscal environment, the town may want to consider assuming more responsibility within the office. Given proper planning, training and support, the assessing office could implement in-house assessment administration with less contractual assistance in the next few years.

To accomplish this, the director would develop a 2-4 year plan. Immediately, the director would do the interim year property adjustments, possibly retaining some consulting services to assist. This would include analyzing sales data to gauge the local market, reviewing recollected data, reviewing commercial/industrial income and expense data and updating personal property accounts. The director may then use this valuation data to update the land, cost, and depreciation tables that drive the mass appraisal system. For the next recertification, she would prepare residential values in-house and hire a consultant for the other values.

With the director's attention focused on data quality, review and analysis, the data collector would be responsible for a majority of the fieldwork and cyclical inspection. It would also require that the clerks be responsible for all property data entry, building sketches, and generating edit and other CAMA system reports for the director's review. The clerks would also be responsible for monitoring the town's commercial and industrial businesses, using all available resources to identify new business and obtaining complete form of list reports annually. With these proposed changes in the staff responsibilities, the town may have to increase its annual spending for the part-time data collection position to ensure that building permit and cyclical inspections are done timely. Also, given the limited clerical staffing and the additional responsibilities, the assessing office may have to consider additional staffing or a creative solution (i.e., a part-time shared or floating position). Consequently, performing more assessing work in-house could reduce the town's revaluation costs and enable the assessing office to be more directly accountable for producing property values.

We also recommend that the data collector's position be funded through an annual appropriation in the assessing budget. Because the cyclical and permit inspections are a necessary and ongoing activity of the office, the position's funding should be in the office's operating budget rather than expensed through the triennial revaluation appropriation.

ACCOUNTANT'S OFFICE

An accountant, assistant accountant, full-time clerk and part-time clerk staff the accountant's office. The primary responsibility of the office is to maintain the town's general ledger and to perform the accounting functions. Typical accounting functions include preparing warrants; producing trial balances, revenue and expenditure reports; maintaining information on town debt; tracking construction projects; and reconciling cash and receivables with the treasurer/collector. The accountant's office prepares costing analyses for the water and sewer services and allocates the town's health insurance costs (by department) annually. The accountant prepares annual reports required by DOR including the town's Schedule A and its balance sheet, and he assists the director of assessing in the preparation of the tax recapitulation sheet and backup documentation.

The accounting office is responsible for implementing the Government Accounting Standards Board (GASB) Statement 34. GASB Statement 34 is a new accounting and reporting standard that requires all governments to maintain a capital asset and infrastructure inventory which is reported on the entity's financial statements. Due to the amount of annual revenues, Stoneham is a "tier-two" community and has through FY03 to complete this project; however, the accountant already has collected and valued the capital assets and infrastructure information needed to comply. This project required the accounting staff to perform additional work beyond the normal activities to implement GASB Statement 34, and it will require the staff to perform additional work annually to maintain the information. Despite completing this project a year early, the accountant will not include the fixed assets information in the town's FY02 financial statements. He will include them in the FY03 financial statements as required by GASB Statement 34.

As previously stated, over time this office has assumed additional responsibilities. This includes the town's payroll system. While the treasurer/collector's office handles payroll withholding and deductions, the accountant's office is responsible for the management of the payroll processing and files for town employees and retirees, and monitors the school department payroll. The assistant accountant has assumed computer-related responsibilities, which were addressed in the MIS department section. The accountant's office is also responsible for processing unemployment and workers' compensation claims; providing assistance and coordination during the budget process; maintaining the town's multi-year forecast; and overseeing its purchase order system. In addition, the accountant serves as an ex-officio member of the town's retirement system.

It is our overall conclusion that despite the auxiliary responsibilities performed by the staff the town accountant's office functions well. Consequently, we have made no recommendations.

APPENDIX A:

COMPARABLE COMMUNITIES WITH CONSOLIDATED FINANCE DEPARTMENTS

Community	FY2002 Tax Recap	2000 EQV	2000 Census	FY2002 Ave. SF Tax Bill	Form of Government	Consolidated Finance Dept.
Stoneham	53,184,483	1,779,255,000	22,219	3,576	Selectmen-Administrator	No
Acton	55,316,901	2,122,387,100	20,331	5,754	Selectmen-Manager	Yes
Amherst	55,508,140	1,176,492,400	34,874	3,764	Selectmen-Manager	Yes
Bedford	50,915,299	1,794,674,400	12,595	4,089	Selectmen-Administrator	Yes
Canton	56,554,818	2,134,909,700	20,775	3,482	Selectmen-Executive Secretary	Yes
Dartmouth	54,199,859	2,376,604,800	30,666	2,241	Selectmen-Administrator	Yes
Dracut	53,118,928	1,494,819,200	28,562	2,537	Selectmen-Manager	Yes
Marblehead	51,413,388	2,811,457,400	20,377	4,392	Selectmen-Administrator	Yes
Sandwich	50,925,744	1,953,686,200	20,136	3,006	Selectmen-Administrator	No
Walpole	54,660,459	2,001,530,200	22,824	3,981	Selectmen-Administrator	Yes
Westborough	55,886,209	2,123,381,700	17,997	4,123	Selectmen-Coordinator	No
Wilmington	56,672,123	2,059,670,500	21,363	2,866	Selectmen-Manager	Yes

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Donna Pagliarulo, Assistant Town Accountant
Patricia Queeney, Office Assistant
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