



DLS Report – Finance Department

July 12, 2023
Select Board



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01

About our department

Centrally organized department responsible for all aspects of Town's Financial Management

Finance Admin

Comptroller

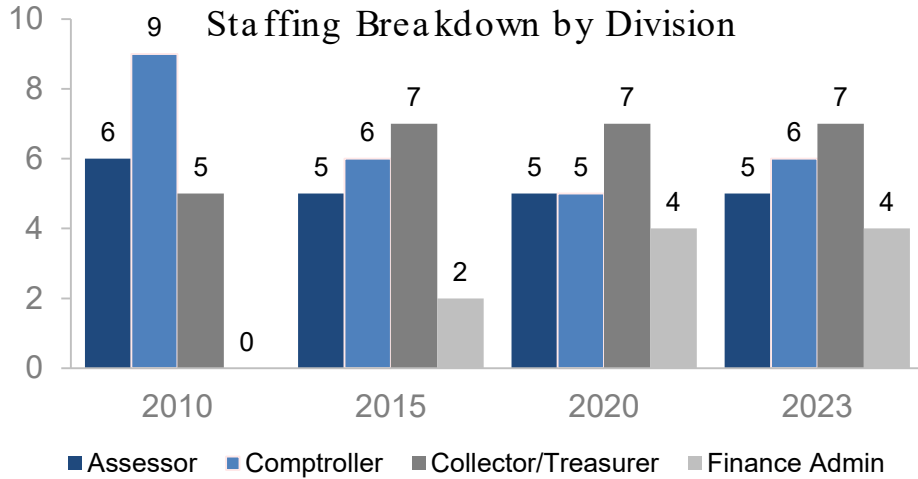
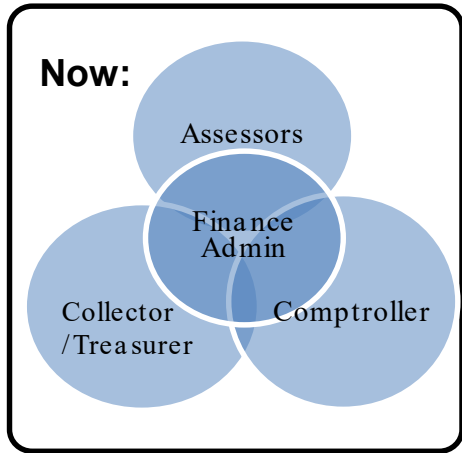
Collector/Treasurer

Assessor



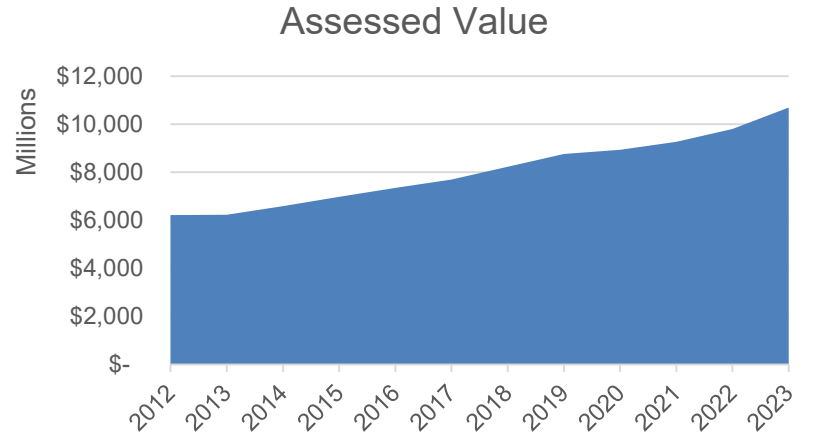
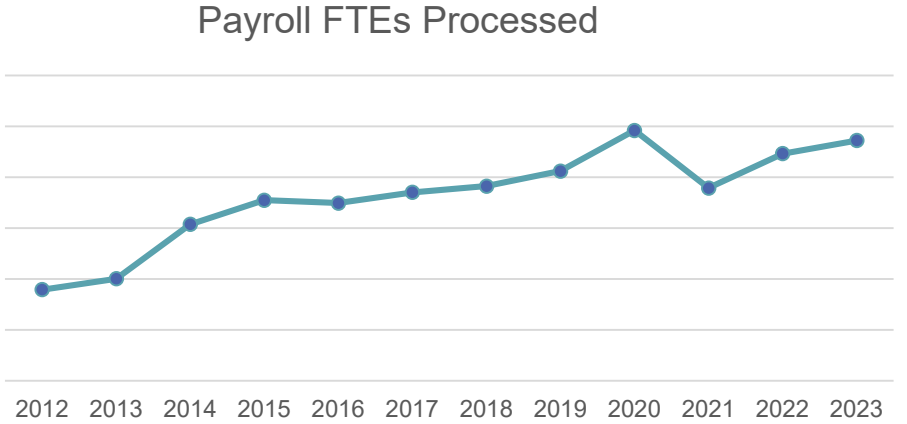
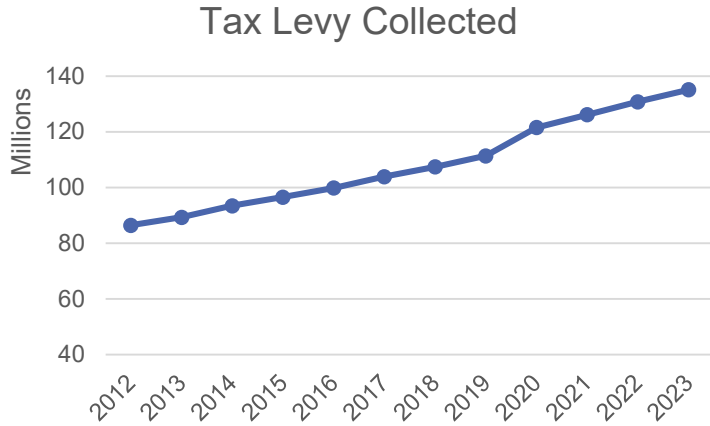
Structure & Staffing



Reorganization in 2012 Spring to consolidate Assessors, Collector/Treasurer, Comptroller within a Town Agency, known as Finance Department and under the direction of Deputy TA/Finance Director




Total # of Finance Employees	
2010	20
2015	20
2020	21
2023	22

Natick – Financial Indicators



- 
- 
- Property Evaluation Assessing
 - Taxation & Exemption
 - Budget & Financial Planning
 - Federal / State Grants
 - Municipal Bonds
 - Tax Billing and Collection
 - Town Investment
 - Payroll Administration
 - General Ledger
 - Auditing Compliance
 - Cash Management
 - Banking
 - Revenue/Expenditure Monitor
- 

What Does the Finance Department Actually Do?



Safeguarding the Town's
Finance and Assets

Assessors

Staff : Eric Henderson,
Ann Hansberry, Dana Rankin,
Mark Obrien, Terri Reddoch

Residents

- Property valuation
- Field Inspections
- Process Abatements & Exemptions
- Commit Betterment & Special Assessment
- Customer Consultant
- Senior Programs
- Supplemental Bills

Other Divisions in Finance Department

- Collaborate Budgeting, Revenue Forecasting
- Provide Tax Bills to Collector
- Coordinate deposit & management of property tax

Board of Assessing

- Host Board Meetings
- Overlay Management

Other Boards, Agencies & Committees

- Tax Rate Classification – Select Board
- Exemptions – Town Meeting
- New Growth –Town Meeting
- DOR Filings
- ATB Cases

Comptroller

Staff : Michelle Laramée,
Francesse Dorval,
Cindy Tomasetti , Tom Mui,
Lee Swenson, Aline Colnago

Vendors

- Reconcile Transactions & Invoice
- Process Payments

Auditors

- Financial Reporting Compliance & Regulations
- Internal Control

Other Divisions in Finance Department

- Maintain Integrity of ERP System
- General Ledger
- DOR Reporting
- Reconciliation of Cash to general ledger

Town of Natick Employees

- Payroll Process
- Tax Withholding & Compliance
- Review & Approval Employee Expenses
- Year end close
- Accounts payable
- Monthly Budget Monitor of Depts.

Collector/Treasurer

Residents

- Tax Billing and Collection
- Tax Lien & Foreclosure
- Customer Services
- Water Bill Collection & Consultant

Other Departments

- Turnovers
- Bank Reconciliation

Staff : Debbie Sherman, Meghan Hennigan,
Tina Pilla, Cathy Phillipson, Nick Pagano

Other Finance Divisions

- Collaborate deposits reconciliation & turnovers
- Coordinate tax and excise billing
- Maintain Cashbook

Financial Advisors

- Investment policy update
- Oversee investment account

Finance Admin

Staff : John Townsend,
Tien Nguyen, Gloria Huang

Board & Committee

- Quarterly Financial Review
- Annual Financial Analysis & Forecasting
- Budget Hearings
- Budget Meetings

Town Meeting

- Budget Presentations
- Prepare and present Financial Articles

Other Finance Divisions

- Coordinate all divisions in various interactions on daily basis
- Overall Financial Management

Other Departments

- Annual Budgeting
- Year-round budget support

FY 2023 Year -End Expectation

\$164,927,851 \$165.9M – 99.42%

General Fund Operating Revenue



On Track

Due 6/15/2023

94%

of Overall General Fund Operating Budget **was spent to date**
(year-end close expected within budget, monitored closely by Comptroller)

Due 6/15/2023

\$ 6,182,942

Excise Tax Committed, **+4%**
over Historical Average from FY1822

Due 6/30/2023

\$21,573,100

Worth of Municipal BAN/Bond was issued, with **54** Capital Projects Financed, Budgeted & Monitored

Due 6/30/2023

1309 FTEs
Payroll Processed

Comparing to **1270**
in FY 2022

Due 6/30/2023

1,212
Number of Abatements Processed, with the value of **\$193,587**

Due 6/30/2023

\$276,284

Or **223** Number of Exemptions Granted

Due 6/30/2023



02 Values & Goals

To improve, standardize
and sustain.



Efficiency

- Automate and Simplify Finance Processes
- Improve Workflows



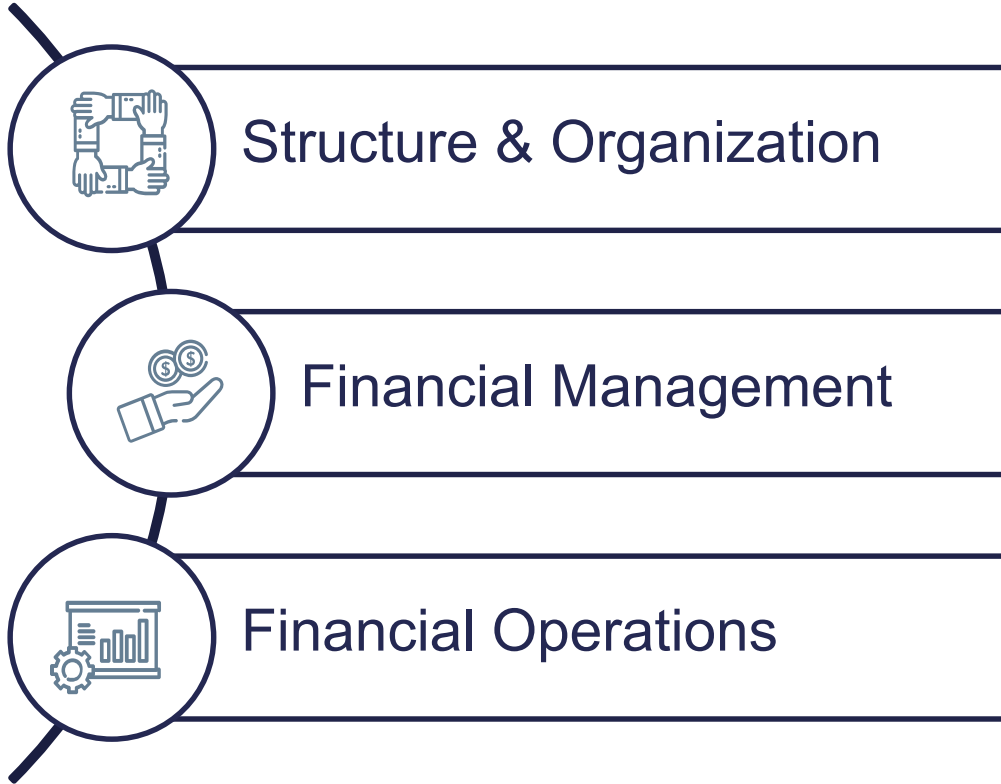
Consistency

- Complete System Setups & Integration
- Document Policies and Procedures
- Customer Services-Reduce Transaction Friction



Reliability

- Prudent Financial Management
- Enhanced Communications
- Strengthen Internal Control



03

DLS Report

Potential Issues &
Opportunities



DLS Report



A. Structure & Organization

- Structure Reassessment
- Business Application Manager
- Appointed Board of Assessors
- Succession Planning
- Trainings & Development
- Workflow



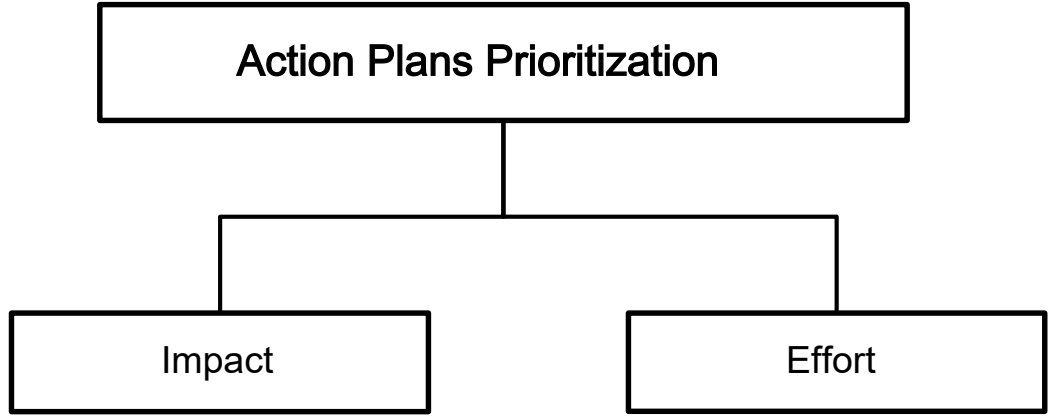
B. Financial Management

- One-time Fund
- Financial Policies
- Credit-card
- Auditing



C. Financial Operations

- Communications
- Capital Planning
- Payroll
- Cashbook
- Police Detail
- Water Billing



High-impact Action Plan would be:

- The action needs to happen in order to achieve the desired long-term vision
- The plan will significantly increase costeffectiveness

The “effort” criteria is assessed based on:

- Ease of implementation
- Time frame required
- Resources required (number of people, capital investment, etc.)

04

Action Plans & Timeline

Take the opportunities to improve

What Accomplished so far...

A.6. Finance Manual Update



- Organize Workflows and Make Recommendation for all teams
- Separate Procedures and Workflows from Policy Manual
- Update Finance Manual & MUNIS/Software Library

B.2. Financial Policies into Budget Process



- Incorporate Forecasting into Budgeting
- Incorporate Financial Policies in budget creation & Strategic planning

B.1. One-time Funding Management



- Limit the Operational Use of one-time fund
- Utilize for Capital Spending
- Replenish Stabilizations

C.1. Finance Team Meeting



- Maintain the Bi-weekly Finance Team Meeting
- Adequate & Efficient Communications on Daily Basis

Continued...

Debt Management



- 2023 S&P Credit Rating Affirmed at AAA
- 2023 Fitch Credit Rating Affirmed at AAA
- On-going Collaboration between Deputy TA Operations, Department Heads and Finance Team
- Real-time Financing of Capital Projects
- Flexibility and Efficiency in choosing financing sources
- Implementation of DebtBook
- Closely Monitor Debt Limit and Debt Ratio

C.2. Finance & Capital Planning



- Internal Control over Capital Accounts
- Debt Projection incorporated into Capital Planning
- Prudent in selecting financing sources

Customer Services



- Improved External & Internal Communications
- Transparency – Provide Financial & Budgetary Information in more accessible formats and update on regular basis
- Created Q&A Pages to reduce the traffic and wait time at the physical windows

C.8. & C.9. HR & Payroll



- Add Payroll Coordinator in 2022
- Review & Audit Payroll Process
- Maximize the use of ESS (Employee Self Services)
- Position Control MUNIS Module Implementation

Systems Evolution



2019

IAS Real Estate Conversion

Univers to IAS

- Upgraded to web & Cloud-based

2021

Full Conversion to MUNIS

Accounts Receivables
Utility Billing

2023

MUNIS Cloud Migration

Cloud-Based
Upgrade to Latest Version

Personal Property Conversion

Patriot Assess to RRC

- Conversion to web & cloud-based

1997

MUNIS

General Ledger
Payroll
Accounts Payable

2020

ClearGov

Cloud-based Digitized
Budgeting

- Enhanced Flexibility of interactions
- Efficiency
- Transparency




2022

DebtBook

Internal Maintained Database
to DebtBook Management

- Long-term Projection
- Debt Analysis and Management

**Better
Management,
Visualization,
Accuracy &
Transparency**




Values Delivered	 
Respond to DLS	Structure 

Action Plans – High Priority

1. Review Finance Department Structure and Reassess Responsibilities <A.1.>

- Job Description Review and Update
- Salary Analysis & Employee Retention
- Review Town’s Bylaws and Charter to define & codify the department structure
- Build Strong Relationship and Collaboration between teams
- Reevaluate Staffing




Benefits	Strategic alignment	Resources	Substantial Completion
Avoid overlapping responsibilities and redundant workflows	Maximize Skillsets by reallocating resources Improve Operation Efficiency by reaffirm structure	Town Administration Finance Department Town Meeting Select Board Finance Committee	2023 Fall / FY25 Budgeting Season

Values Delivered	 
Respond to DLS	Structure 

2. Conduct Workflow Analysis <A.6.>

- Analyze and document the workflow for a whole cycle of projects / regular working responsibilities
- Involve Division Heads in evaluation of workflow and seek for potential improvements




Benefits	Strategic alignment	Resources	Substantial Completion
Identify areas of improvement	Succession Planning Standardize interactions across departments	Division Heads & Finance Dept. Personnel	2023 Fall

Values Delivered	 
Respond to DLS	Structure 

3. Update Policies and Procedures Manual <A.6.>

- According to the workflows submitted and revised, update Finance Manual
- Separate Procedure Manual from Policy Manual for flexibility of future adjustments
- Present the Financial Policies to the Board for the final approval
- Implement Procedures Manual for staff reference
- Create MUNIS/Software Library for staff reference




Benefits	Strategic alignment	Resources	Substantial Completion
Update and Complete the prior version of manual	Succession Planning Standardize interactions across departments	Finance Admin oversees the creation & update; Finance Division heads Select Board	2023 Fall

Values Delivered	 
Respond to DLS	Financial Operations 

4. Improve Cash Management <C.10. & C.11.>

- Simplify and Automate Cashbook Functions
- Implement Bank Reconciliation Module in MUNIS
- Reconcile Cashbook and Receivables Monthly
- Simplify and automate Department Turnover Processes

Benefits	Strategic alignment	Resources	Substantial Completion
Standardize Turnover Processes; On-time Reconciliation Respond to Audit Finding	Improve Efficiency	Collector/Treasurer Finance Admin Other Town Departments	2023 Fall

Values Delivered	 
Respond to DLS	Financial Operations 

5. Update Payroll Processes <C.8. & C.9.>

- Implement Position Control Module in MUNIS
- Standardize Format and Content for Bi-weekly Payroll Entry Submission
- Streamline & Simplify the Payroll submission
- Review & Evaluate improvements in Payroll / Time Management

Benefits	Strategic alignment	Resources	Substantial Completion
Control Positions to correctly reflect budget; Simplify & Streamline Payroll Procedures	Improve Efficiency Enhance Communications between Finance & HR	Payroll Finance Admin Other Town Departments	2023 Winter

What to expect next...

Priority – issues tied to other issues, need high priority or important

1. Implement Corrective Action Plan Following Annual Audit <B.6.>
2. Succession Planning<A.4.>
3. Establish Employee Trainings and Professional Development <A.5.>
4. Standardize Fee Structures for Third -Party Credit Card Processing <B.3.>
5. Procure New Auditing Services <B.5.>
6. Process Tax Work-Off Program Abatements Through Payroll <C.6.>
7. Consolidate Responsibilities within Office Staff <C.12.>
8. Shift Responsibility for Water Billing to Water Department <C.14.>
9. Move Responsibility for Police Detail Billing to Police Department <C.15.>

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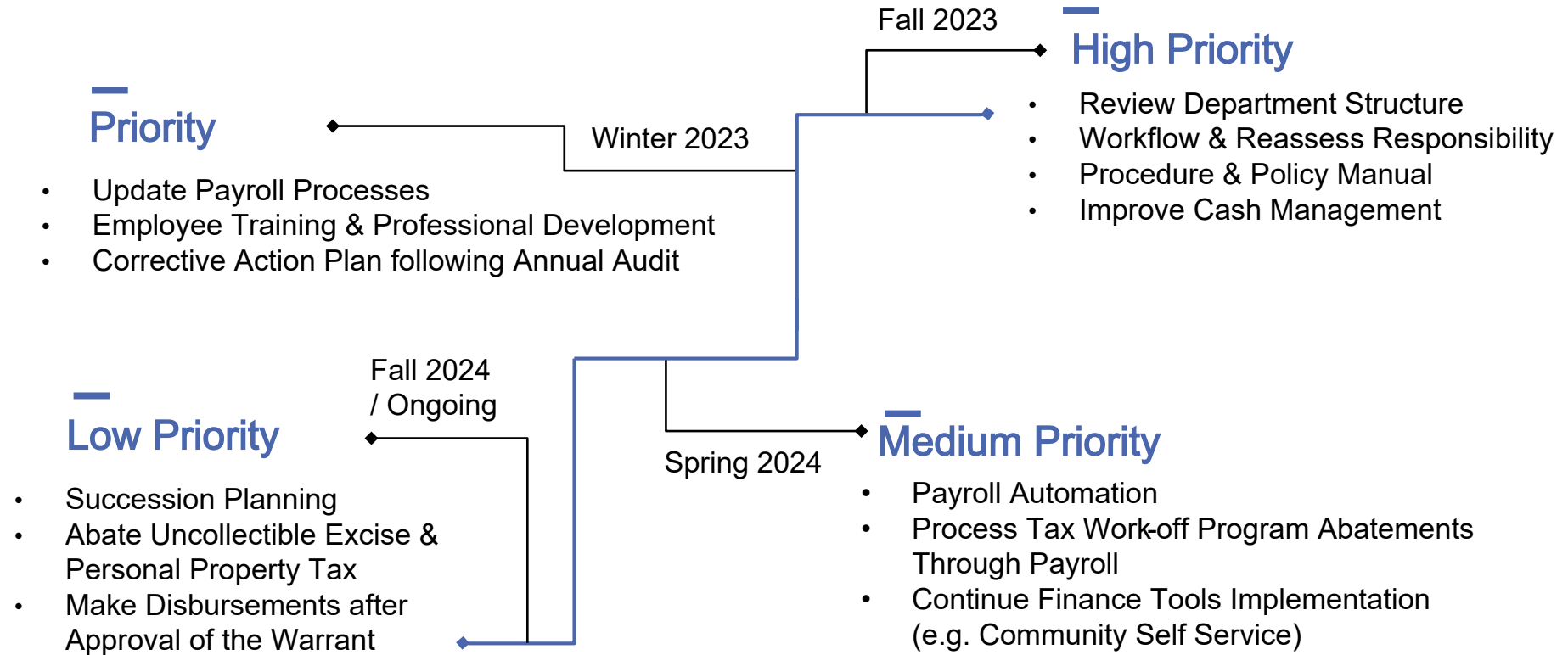
Medium Priority – Need to do but can wait until higher priority completed

1. Create a Business Applications Manager Position <A.2.>
2. Convert to an Appointed Board of Assessors <A.3.>
3. Abate Uncollectible Excise and Personal Property Tax <C.7.>
4. Make Disbursements After Approval of the Warrant <C.13.>

Low Priority – done, currently working on

1. Assign Internal Audit Responsibilities for Digitized Procedures <C.4.>
2. Reinstate Legal Services for Assessing Operations <C.5.>-- Done
3. Assign Additional Staff to Payroll <C.8.>-- Done
4. Reduce Reliance on One-Time Revenue for Operational Funding <B.1.>-- Done
5. Incorporate Finance Policies into the Budget Process <B.2.>-- Done
6. Hold Monthly Financial Team Meetings <C.1.>- Done
7. Involve Finance Team in Capital Planning <C.2.> -- Done

Timeline



Thank you!

