Town of Somerset

Review of the Treasurer's and the Tax Collector's Offices

Division of Local Services / Technical Assistance Section

January 2014

Massachusetts Department of Revenue *Division of Local Services*
Amy A. Pitter, Commissioner *Robert G. Nunes, Deputy Commissioner & Director of Municipal Affairs*

January 28, 2014

Board of Selectmen
Town of Somerset
140 Wood Street
Somerset, MA 02726

Dear Board Members:

It is with pleasure that I transmit to you the enclosed Review of the Treasurer's and the Tax Collector's Offices completed by the Division of Local Services for the Town of Somerset. 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.

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: Mr. Dennis Luttrell, Town Administrator
Senator Michael J. Rodrigues
Representative Patricia A. Haddad

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Table of Contents

Introduction 1

Background 2

Recommendations 6

1. Revisit Question to Combine and Appoint Treasurer's and Tax Collector's Positions 6
2. Maintain Cash Book 7
3. Reconcile Cash Monthly.....7
4. Develop Standardized Turnover Sheet 7
5. Post Receipts and Prepare Statements of Receipts Timely for the Accountant.....8
6. Charge Other Funds Monthly 8
7. Consolidate Bank Accounts.....8
8. Create a Cash Flow Projection.....9
9. Pursue Tailings 9
10. Develop Standardized Payroll Cover Sheet.....10
11. Maintain Personal Time Balances in the Harper Payroll Service System.....10
12. Consider Biweekly Payroll and Direct Deposit.....10
13. Develop a Parking Ticket Write-Off Policy 11
14. Move Sale of Graves to Public Works.....11
15. Continue to Reconcile Tax Collector's Bank Statements to Cash Book.....11
16. Streamline Tax Collector's Records.....12
17. Review Outstanding Receivables Monthly.....12
18. Establish a Town Deputy Collector Account 12
19. Review Tax Commitment Carefully Before Issuing Bills.....13
20. Abate Older Excise Charges.....13

Appendix A: Somerset Historical Finance-Related Information 14

Appendix B: Treasurer's Cash and Reconciliation Procedures 15

Appendix C: Electronic Cash Book and Bank Account Reconciliation Templates 19

Appendix D: MLBCPA, LLP letter dated February 27, 2013.....20

Appendix E: Comparable Communities (2012 Population and FY2013 Budget) and Office Responsibilities.....23

Acknowledgements 24

Introduction

This limited scope report responds to the board of selectmen's request that the Department of Revenue's Division of Local Services (DLS) complete a review of the town treasurer's and the tax collector's offices. The request was initiated because the current treasurer was cited for material weaknesses in cash reconciliation and treasury operations and the tax collector was found to have a significant deficiency in the reconciliation of the collector's cash.

For this review, a team of DLS staff from the Technical Assistance Section and Bureau of Accounts made on-site visits on November 26 and December 10, and conducted telephone interviews about the treasurer's and tax collector's operations and the noted problems in each office. We spoke with town officials and staff, who are listed in the Acknowledgements section of this report. We also reviewed audit reports and spoke with the town's audit firm, Powers & Sullivan CPA, LLC, and discussed with the town's financial consultant, Lynch, Malloy, Marini, CPA, LLP (formerly MLBCPA, LLP) the scope and results of its engagement with the town.

At the onset of this review, DOR sent a detailed document and data request to the town for FY2013 and FY2014 on November 14, 2013. These included: town bylaws, locally adopted general laws, and special acts of the legislature; job descriptions for the treasurer's and tax collector's staffs; information on the deputy collector; tax and excise receivable reports; the tax collector's cash book and turnover reports; debt records; and revenue and expenditure reports. We studied examples of the work that the financial consultant provided, the detailed practices and procedures recommended for the treasurer's office, and the specific step-by-step actions to be performed by the treasurer's office for processing cash receipts and conducting reconciliations. We also requested from the treasurer copies of: statements of receipts to the accountant, bank statements, cash book, cash reconciliations, and cash flow budget. While some materials were collected when visiting the town, the most germane documents were not received until a month into the engagement. Most notably, the FY2013 and FY2014 treasurer's cash books were not readily available and only six months (January 2013-June 2013) were eventually provided on December 20th. Similarly, the copies of the bank statements were sent on December 17th and December 24th.

This report provides the town with an assessment of the current operations and provides a series of recommendations to resolve the existing problems cited and to help guide the town moving forward.

Background

The Town of Somerset operates under an open town meeting-board of selectmen-town administrator structure of government. The tax collector and the treasurer are among the town's elected officials and, as a result, have no direct reporting relationship to either the selectmen or town administrator. The tax collector was first elected in May 2004 and manages a staff of one, full-time assistant collector and has the town hall floating clerical position in the office about 14 hours/week. The current treasurer was elected in May 2011 and has two full-time staff, an assistant treasurer/group insurance coordinator and a payroll clerk. The treasurer and the tax collector have duties and responsibilities that are common and consistent with those of their peers. In the case of the treasurer, the responsibilities to serve as Veteran's Agent and to manage the sale of recycle bins have been reassigned to other municipal departments. The treasurer's duty of the sale of cemetery lots also should be reassigned (see Recommendation 14).

Despite past fiscal accomplishments (see Appendix A), financial issues started to emerge in 2007 that focused primarily on the then treasurer. The town's audit firm, Powers & Sullivan, CPA, LLC, cited Somerset for material weaknesses in the treasury operation and specifically with cash reconciliations. The long-time prior treasurer's cash book was manual, time consuming to maintain and difficult for others to follow. The prior treasurer had unresolved variances and did not consistently reconcile his cash balances to bank statements or to the accountant's general ledger. There were significant delays in the reporting of receipts and deposits to the accountant, which hampered the accountant's ability to produce reliable revenue reports or fund balance analyses, to close the town's books and make timely submissions to DOR. The reporting lapses also delayed the completion of audits and resulted in the discontinuation of the town's comprehensive annual financial reports (CAFR), for which Somerset received the Certificate of Achievement for Excellence in Financial Reporting awarded by the Government Finance Officers Association for FY2006 and FY2007.

Following the advice of its auditor, the town hired a separate audit firm to help resolve the material weakness finding in the treasurer's office. In September 2010, MLBCPA was engaged to perform a review of the treasurer's office, focusing on the completion of cash reconciliations and bringing the office up-to-date in anticipation of the treasurer's and his assistant's retirements.

Soon after the current treasurer took office in May 2011, MLBCPA had reconciled cash through April 2011 and stayed on to help train her. MLBCPA worked with her reviewing detailed procedures for maintaining the cash book and reconciling cash (see Appendix B), and provided templates in Excel (see Appendix C). MLBCPA was called back in September to complete cash reconciliations for May and June 2011 and reported finding inadequate documentation of an audit trail of turnovers to deposits kept by the new treasurer's office. MLBCPA again reviewed procedures for maintaining a cash book and reconciling cash, and also worked with her on using the VADAR cash module.

Despite the additional training, the town requested in February 2012 that MLBCPA help the treasurer with her reconciliations for the first half of FY2012. MLBCPA subsequently returned to the town three more times in 2012 (May, October and December) to perform similar work so that the accountant could close the town's books, get free cash certified, and commence the FY2012 audit.

In a letter dated February 27, 2013 to the town administrator (see Appendix D), MLBCPA summarized its involvement with the treasurer's office, its opinion of the treasurer's progress, and recommendations for the future.

After a year and a half, it was MLBCPA's opinion that the current treasurer has had ample time of transition into the office, yet she still was unable to complete her statutory duties of reconciling cash in-house. MLBCPA viewed her reliance on outside consultants to complete this key responsibility as a material weakness in internal controls under accounting and auditing standards. MLBCPA did not see "any change in the current status unless there is a change in the organizational structure of the Town (i.e. appointed treasurer) or the current office identifying the cash reconciliation process as a priority and making a commitment to fully understand the process and complete the reconciliations."

Adding to this problem, the tax collector also has had a couple of issues. The tax collector's monthly receivables reports to the accountant have had variances and credit balances that needed to be resolved. She also transferred her primary banking account from one institution to another during FY2012 that resulted in an overdraft in the old account of about $10,000. While the tax collector had been reconciling the deposit and withdrawal activity in her account to her cash book, she had not completed reconciliations to the monthly bank statement balance.

When the FY2012 audit was completed and released in March 2013, the management letter noted that the current treasurer had automated her cash book and had begun using a cash receipts module that is integrated with the town's general ledger, but shortcomings remained. These related to the timeliness of cash book to bank account reconciliations, the ability to close out receipts for a given month, and the reliance on outside consultants to perform the work. Somerset was again cited for a material weakness finding for the treasurer's reconciliation and treasury operations. In addition, the tax collector was cited for a significant deficiency in the reconciliation of her cash due to the overdraft on her bank account.

As town officials began to digest the latest management letter, the town received notice that the officers' bonds would be cancelled. NGM Insurance Co. in Keene, N.H. informed the town that the treasurer's, tax collector's and town clerk's bonds were being cancelled due to "Qualifications Unacceptable." Before performing any duties of the office, a collector (GL c. 60, §13) and a treasurer (GL c. 41, §35) must furnish a performance bond from a surety company. A performance bond protects the municipality from any loss that might occur during the transfer or handling of

money. Minimum bond amounts are assigned in accordance with a schedule promulgated by the Commissioner of Revenue.

While the officials were able to secure replacement bonds, the performance of these offices remained in question. The selectmen subsequently presented an article to special town meeting in October 2013 to combine and appoint the treasurer's and tax collector's offices, but the measure failed. Despite town meeting rejection of the proposed organizational changes, the selectmen remain troubled that the community is not adequately structured to manage itself going forward. The selectmen contacted the Department of Revenue's Division of Local Services, requesting this focused review of the treasurer's and the tax collector's offices.

Prior to commencing this review, DLS was aware that the treasurer's office was behind in its work. In the summer of 2012, DLS' Bureau of Accounts conducted a cash reconciliation project. At that time, the current treasurer had been on the job for about a year, and the town had implemented the VADAR cash module and automated the cash book, abandoning the time consuming practice of manual posting and record keeping and improving efficiency and productivity in the treasurer's office. She was reconciled through February 2012, which had been achieved with the on-going help of MLBCPA, and there was a general belief that cash management was taking place. Unfortunately, as of December 2013, DOR found that the situation had not improved.

While the current treasurer has had extensive training and professional assistance to bring her cash book and reconciliations up-to-date, she repeatedly fell behind after the consultant's departure. The treasurer informed DOR that she is reconciled through September 2012 and sent her October and November work to MLBCPA, who as a courtesy and at no charge to the town, responded back in writing with nearly a dozen issues. These included questions about entries in the cash book that are not reported on the statements of receipts to the accountant as well as amounts reported to the accountant but not recorded in the cash book, entries without explanation, unresolved variances between the cash book and bank statements, and closed bank accounts that have outstanding checks, or tailings, that have not been resolved.

At DOR's request, the treasurer provided copies of her January 2013-June 2013 cash books, copies of her cash reports to the treasurer for FY2013 and the first 4½ months of FY2014, and the accountant provided emails between his office and the treasurer for FY2013 activity. DOR found that the treasurer's office continues to have significant problems preparing statements of receipts for the accountant, maintaining a current cash book, conducting timely reconciliations to the bank statements and the accountant's general ledger. Based on our review, DOR found:

- Departmental revenues and receipts are not accounted for and reported by the treasurer to the accountant timely. Based on a review of emails and original FY2013 statements of receipts submissions, the accountant's office continues to have to make repeated corrections

in the dollar amounts and account number, request missing documentation, and/or send it back for further explanation. The fire department also discovered over $100,000 in ambulance service fees that went back more than six months had not been posted in VADAR, which were finally entered and reported to the accountant in March 2013. And lastly, some treasurer's receipts, including investment income, state aid, payroll withholdings, and electric transfer of funds deposited into the treasurer's bank accounts, took a month or more to be posted in VADAR and reported, and the FY2013 interest income was reported on the June 2013 statements of receipts that were prepared in December 2013.

- The treasurer's cash book is not maintained. DOR found entries in the cash book were not chronological or were missing dates, did not have reference numbers, lacked descriptions, interest was not posted, and beginning balances did not consistently tie back to prior month ending balances. It was very difficult to follow and lacked evidence that accounts had been reconciled with the bank statements.

- Cash is not reconciled timely. While the treasurer stated to DOR that she had reconciled accounts through September 2012, she had not reconciled to date because she was waiting for the financial consultant to get back to her with starting balances. From DOR's perspective, had the treasurer consistently reported all receipts received and reconciled the activity between the cash book and each bank statement timely each month then the reconciled 2012 balances would have carried forward and cash would be reconciled.

In conclusion, DOR agrees with the auditor's and the financial consultant's opinions that had the treasurer made cash the primary focus of her duties, the town would not be victim of its current circumstances. In the absence of cash reconciliations, the accountant does not know if all cash taken in has been reported to him and so he has not closed the town's FY2013 books.

In the attached report, we have made a series to recommendations for both the tax collector's and the treasurer's offices on current operations and proposed some changes going forward. Chief among them is the reconsideration to combine and appoint the treasurer's and tax collector's positions. The complexity of municipal government requires treasurers and collectors with professional experience and training. Moving to appointed positions, in particular, represents the best option to ensure that Somerset can address the ongoing problems of the treasurer's office and to best position itself moving forward.

Recommendations

1. Revisit Question to Combine and Appoint Treasurer's and Tax Collector's Positions

The current treasurer was elected even though she had no municipal finance experience or knowledge. She moved into a position that, once duties related to the Veteran's agent, recycle bins and (potentially) cemetery lots had been reassigned, carried responsibilities no greater than those of municipal treasurers throughout the Commonwealth. To help her learn the job, the town extended its relationship with its outside consultant to provide on-site training and support. But after 2½ years of additional professional support and expending the majority of $130,000 in consultant fees on the current treasurer, she has shown little improvement in fulfilling fundamental duties of the office.

More than anything else, the current situation underscores that the treasurer's position, like the tax collector's, is an office where specific skill sets are required. But, when the position is elected, the town gambles that a qualified person resides within its boundaries and is willing to campaign for a job. It is not unreasonable to expect any new office holder to require some training, but in this case, the absence of progress is well documented.

We recognize that as recently as October 2013 town meeting rejected the idea of combining and appointing the treasurer's and tax collector's offices. Despite this and a prior effort, the rationale for the change has become more compelling and current circumstances will inevitably force the issue to the forefront again. We believe the town should not delay. Therefore, we recommend that the treasurer's and tax collector's offices be combined and appointed. To help support this conclusion we have included a survey of 18 communities (see Appendix E) similar in size to Somerset with information concerning treasurers and collectors. We found that 15 of the 18 communities have a combined treasurer/collector and also appoint the position as we are recommending.

In the meantime, the town has no choice but to take the steps necessary to put its financial records in order so that it can close its books and prepare for an independent audit. If the town lacks the in-house capacity to resolve current issues, it will again be forced to engage an outside consultant at a cost. Even as the town attempts to resolve its issues, we are ultimately in agreement with Robert Lynch of MLBCPA. Continually hiring outside consultants to essentially do the treasurer's job represents a material weakness in the preparation of financial statements and is not in the best interest of the town.

2. Maintain Cash Book

The treasurer has failed to maintain a current, proper cash book. The cash book is the source of original entry for recording receipts, transfers and deposits and disbursements as summarized by payroll and accounts payable warrants. It tracks the total cash position of the town. A cash book is also an essential check and balance but only when it is routinely reconciled to bank statements, cash on hand, and the accountant's general ledger balance on a monthly basis. Since many of the accounting records flow from this source document, the cash book is legally considered a permanent record and a critical component of financial management.

Whether the treasurer continues to use the Excel spreadsheets developed by the financial consultant or considers implementing the VADAR cash book, the treasurer needs to make the careful maintenance of the cash book a priority. The cash book should be reconciled to bank statements internally and then externally with the accountant soon after the close of each month.

3. Reconcile Cash Monthly

We recommend that the treasurer and accountant agree on a day each month when cash reconciliations will occur. In order for this to be successful, the treasurer must stay current with the posting of departmental receipts, make the necessary interfund transfers, and transmit statements of receipts to the accountant at least weekly. The treasurer must then reconcile her cash book and records of bank activity with bank statements when they arrive. Once complete, we recommend that the treasurer send a report of her reconciled cash book balances to the town administrator and to the accountant. Then the accountant should independently send his general ledger balances for the same funds to the town administrator.

At the monthly meeting, the accountant and treasurer compare balances and resolve any variances by matching entrees to source documents (e.g., turnover sheets, adjustments, etc.), reviewing entries for accuracy, verifying that the treasurer's own departmental receipts have been included, and accounting for timing issues. A reconciliation worksheet showing how the variances are resolved would be forwarded to the town administrator, who would keep the selectmen informed as to the process and/or completion each month.

4. Develop Standardized Turnover Sheet

We recommend that the treasurer develop a standardized turnover sheet for all departments using Excel. It would be customized to the extent that a department's name, the list of revenue codes specific to the department would be used, plus spaces for the department head signature as well as the total of cash versus checks being turned over. If completed in Excel, a formula can automatically total the entries and the cells protected to prevent changes.

5. Post Receipts and Prepare Statements of Receipts Timely for the Accountant

We recommend that the treasurer's office post all receipts daily or as received and then prepare and submit weekly statements of receipts for all activity to the accountant. Under GL c. 41, §35, it is the treasurer's duty to receive, take charge of and account for all monies belonging to the town and to report the same to the accountant. The treasurer must regularly monitor her bank activity for state aid deposits, investment income and other electronic funds transfer deposits. This will often require that she communicate with other departments to verify the purpose of the funds received and the fund or account to which it should be credited.

6. Charge Other Funds Monthly

We recommend that the treasurer make all transfers between accounts monthly. In Somerset, this issue has particular significance relative to charging expenditures to appropriate accounts. Typically, the general operating account covers expenditures approved in payroll and accounts payable warrants, with the expectation that amounts will be backfilled from funds against which the expenditure should be lawfully charged. The problem in Somerset arises from general fund payments and the absence of proper transfer from the school lunch program and the water enterprise fund. While warrants clearly indicated amounts that should be charged to each fund, a review of the treasurer's cash book indicates haphazard transfers in varying amounts for the water enterprise fund and no transfers at all from the school lunch account. Consequently the balances in both were overstated.

While the water department keeps its own records and was able to identify variances with the reported balances from the treasurer's office, the school department had not kept accurate account information and relied only on the balance provided by the treasurer. Because the amounts paid from the general fund had not been charged to the school lunch account, the school department spent more than was available, resulting in an estimated deficit of over $137,000 based on the latest available information.

Moving forward, the treasurer must, as part of the monthly reconciliation process, make the necessary transfers to ensure bank balances are accurate and will reconcile with the accountant's record of fund activity. For its part, the school department has a duty to maintain its own, independent revenue and expenditure records to avoid these types of deficits.

7. Consolidate Bank Accounts

We recommend that the treasurer reduce the number of town bank accounts, of which there currently appear to be over 80. While the town has a concentration of bank accounts that combines

11 different funds and allocates investment income monthly, other trusts and grant programs are kept separately in different bank accounts. To the extent possible, the treasurer should work toward further consolidating her accounts to avoid time consuming account reviews and reconciliations.

8. Create a Cash Flow Projection

We recommend that the treasurer create and maintain a monthly cash flow projection budget. It is the responsibility of the treasurer to manage the town's cash and ensure that account balances are sufficient to cover town obligations as they arise. In this regard, a cash flow budget is a useful tool that can help anticipate periods of low cash balances and better manage short-term investment and borrowing.

A simple spreadsheet can be devised in Excel to serve as a cash flow budget. By applying past patterns of monthly spending and collections (as evidenced by warrants and monthly revenue reports) to current year appropriations, and overlaying projected debt service obligations, a reasonable forecast of the town's cash flow will emerge. Through the course of the year, the cash flow forecast can be adjusted for unexpected circumstances, and actual monthly costs and revenues should replace estimates. See examples of cash flow projection templates on the TA website. Go to Financial Calculators and Sample Forms, found on DLS' website under Financial Management Assistance.

9. Pursue Tailings

We recommend that the treasurer address her inherited and accumulating tailing balances. A tailing refers to a returned check or one that otherwise remains uncashed, which when neglected, represents a debit liability on the town's books. A tailing can arise from any check disbursed by the treasurer to pay an employee or vendor, to refund a municipal tax or charge, or to pay any other municipal obligation. GL c. 200A dictates the steps municipalities must take to deal with an uncashed check, which is a form of unclaimed property.

Because Somerset accepted GL c. 200A, §9A, it is allowed to print a one year expiration date on checks it issues. The treasurer will still have to provide notice to original payees by first class mail at their last known address or on the town's website for 60 days. Procedures for reclaiming checks must be included. If unclaimed within 60 days, the treasurer must still publish a list in a newspaper of general circulation. However, another notice must be published for checks of $100 or more that are not claimed within 60 days and the deadline for claims is extended for an additional year. If notice and publication requirements are met and a check remains unclaimed, the amount can be returned to the general fund with the expectation that it will close to free cash at year-end.

10. Develop Standardized Payroll Cover Sheet

We recommend that a standardized payroll cover sheet be developed for all departments. A payroll cover sheet, signed by the department head, would list each department employee and total hours worked during the pay period attributable to regular time or to sick, vacation, personal or other compensated time as recorded on individual timesheets. Individual timesheets with day-by-day detail should remain with the department head or board that oversees the department. Due to the complexity of work schedules for some departments (e.g., police, fire, and public works), some flexibility in the format should be allowed, but information should be consistent throughout. Once reviewed by the accountant, the payroll cover sheet would be forwarded to the treasurer for entry on an exception basis into the Harpers Payroll Services system. Sample forms can be copied from the DLS website (http://www.mass.gov/dor/local-officials/municipal-data-and-financial-management/financial-mgt-assistance/calcandforms.html).

11. Maintain Personal Time Balances in the Harper Payroll Service System

We recommend that the town use the Harpers Payroll Service system to centrally track employee sick, vacation, and other compensated time accruals and usage. Currently, department managers maintain their own employees' accrued time and usage. The treasurer's office would work with Harpers to build the leave accrual tables and work with departments to verify existing balances for each employee. Once developed, compensated time usage would be reported on the payroll cover sheet and input into the Harpers system with each payroll, enabling the system to automatically track leave earned and used. As an added feature, available balance information would be printed on pay stubs.

12. Consider Biweekly Payroll and Direct Deposit

We recommend that the town adopt biweekly payroll for all town employees. The current payroll system is weekly for town employees and biweekly for the school department. An increasing number of employers in both the public and private sectors, including the Commonwealth, compensate employees on a biweekly basis. A move to a bi-weekly payroll period will require collective bargaining with the town's labor unions, a 90-day notice to employees, and any changes should be included in the personnel by-law. However, converting to a bi-weekly payroll process offers a number of advantages. It reduces processing time and workload in the treasurer's and accountant's offices, eliminates paperwork, and saves money. More importantly, staff would then be freed up to perform other activities.

We also recommend that the town require direct deposit of payroll for all employees. Direct deposit for all employees would reduce the cost of issuing checks, eliminate the need to reissue checks when lost, and simplify the reconciliation of the payroll bank accounts because there would be no

outstanding checks. Employees benefit because money generally is deposited in the bank account overnight, is available immediately, and trips to the bank are no longer necessary.

13. Develop a Parking Ticket Write-Off Policy

We recommend that the town develop written policies and procedures for identifying uncollectible parking tickets and removing them from the town's financial records. The treasurer uses an outside vendor, Complus Data Innovations, to computerize parking tickets issued, enable online payments, pursue delinquents, and assist with marking at the Registry of Motor Vehicles. The vendor has also assisted with pursuing older violations, obtaining money owed the town or provides evidence that the accounts are uncollectible. Once determined to be uncollectable, the town should have a policy that dictates the process for abating these charges. For further guidance on managing parking tickets, see GL c. 90, § 20A½.

14. Move Sale of Graves to Public Works

We recommend that the sale of cemetery lots be assigned to the public works department. According to town officials, the prior treasurer wore many hats and had additional responsibilities beyond his primary job—veterans' agent, recycling bin sales, and cemetery lot sales. Recognizing that municipal finance has become more complex, a separate veterans' agent was appointed upon the prior treasurer's retirement, and the recycling bins were eventually relocated to the public works department.

Management and sale of cemetery lots remains with the treasurer's office. While not many lots are sold annually, having to locate the correct lot for a burial can be time consuming. The cemetery records are a poorly maintained collection of historical ledgers and recent excel spreadsheets. In a recent unfortunate situation, it was determined that an internment occurred in the wrong lot location, which took time to resolve for all the parties involved. It raised questions as to the accuracy of the cemetery records. We suggest transferring this responsibility to the public works department, which is responsible for maintaining the town cemeteries and handling burials. This department would be more familiar with the layout of the cemeteries, be able to verify the existing plot ownership against internments, and manage the operation going forward.

15. Continue to Reconcile Tax Collector's Bank Statements to Cash Book

We recommend that the tax collector continue to reconcile her cash book to her bank statements monthly. Providing reports to the town administrator that she has reconciled the bank activity and the cash book successfully each month (without variances) should resolve the FY2012 management letter finding.

16. Streamline Tax Collector's Records

We recommend that the tax collector's office develop electronic spreadsheets to streamline its daily/weekly collection reporting system. Currently, the staff take in payments by mail, through the lockbox and over the counter and posts them into VADAR. Daily, each person cashes out and reconciles to her VADAR batch report of the day's work. Each staff member then manually enters summary collection information (principal, interest, and fees) by tax/excise type onto a sheet for the day. A second sheet is manually prepared that reports principal, interest, and fees taken in by fiscal year for each day of the week. At the bottom of this sheet, subtotals by payment type/fiscal year are manually calculated and a total for the week is rendered, which is compared to the VADAR receivable total report for the week. The tax collector then prepares a turnover report for the treasurer in Excel, transfers the funds electronically from her bank account to the treasurer's, and submits the report with proof of the electronic banking transfer to the treasurer.

As an alternative, a series of electric spreadsheets could be developed to track daily activity, summarize weekly totals, and prepare a turnover report for the treasurer. Using Excel, template spreadsheets would enable the office to track payment types by fiscal year, day, and processing staff member. They would summarize the weekly subtotals and total, and allow protections to secure formulas. For ease of use and for reconciling purposes, the order of the tax/excise types and fiscal years should mirror the order in the VADAR receivable total reports (i.e., boat, motor vehicle, personal property and then real estate oldest years to the present). This would be reconciled to the weekly VADAR collection report as well as the outstanding receivable control report and, if in agreement, the turnover report to the treasurer would be generated.

17. Review Outstanding Receivables Monthly

We recommend that the tax collector review her outstanding receivables prior to reconciling with the accountant. The tax collector must review her receivable control report, verifying that payments received, abatements and exemptions granted by the assessors, and refunds issued have been posted accurately. The total commitment less these adjustments should equal the outstanding receivables. Any variances and/or credit balances must be researched and corrected timely. Once her internal reports are verified, the tax collector would then present the balances to the accountant for comparison to the general ledger. If receivable balances do not match, the tax collector and the accountant must return to their respective source documents to verify that data entries are accurate and timing issues are resolved. Through this process variances can be resolved.

18. Establish a Town Deputy Collector Account

We recommend that the tax collector establish her own account for the deposit of all amounts collected by the deputy collector. A deputy collector may not receive checks for tax, excise or other

town payments that are made out to him, nor may he endorse any instrument payable to the town. In addition, a deputy may not deposit municipal funds to a personal bank account nor may he maintain a personal bank account in the name of a community (GL c. 60, §92). Under the preferred practice, a deputy collector would prepare a turnover to the town at least weekly of all amounts he collects or deposits into the tax collector's deputy collector bank account. The deputy collector would provide an invoice for his service fees, which would be processed through the vendor warrant.

19. Review Tax Commitment Carefully Before Issuing Bills

We recommend that the tax collector carefully review her commitments before issuing tax bills. When preparing the FY2013 third-quarter personal property tax bills, the correct property value and tax rate per thousand appeared on the bills. However, the total tax due was calculated using the prior year's tax rate, resulting in understated personal property taxes due by over $2.5 million. This clerical error required that the assessors revise the assessments for each personal property account to reflect the correct tax. The tax collector then issued an explanatory stuffer with 300 revised personal property tax bills for the fourth-quarter, which indicated the May 1 balance due for each account. While no tax dollars were lost, it negatively impacted the town's cash flow.

20. Abate Older Excise Charges

We recommend that the tax collector use the services of a deputy collector to pursue outstanding boat excise. As of June 30, 2012, Somerset had $64,488 in outstanding boat excise. The deputy collector may be able to obtain money owed the town or provide evidence (e.g., death, absence, poverty, insolvency, or other inability of the person assessed to pay) that the accounts are uncollectible.

We recommend that the tax collector contact the assessing office about abating motor vehicle and boat excise determined to be uncollectible. As of June 30, 2012, the town's most recent complete balance sheet on file includes outstanding motor vehicle ($270,725) and boat excise that dates back to 1989. Abating the older amounts will help clean up and reduce the town's receivables on its balance sheet. Having previously committed all outstanding motor vehicle excise amounts to the deputy collector, any amount that eventually may be collected and turned over to the town may be easily recommitted by the assessors on a special warrant so the tax collector may accept the payment.

Appendix A: Somerset Historical Finance-Related Information

Fiscal Year	Free Cash	Stabilization Fund	Total GF Reserves	Reserves as % of Budget	Moody's Rating	Water Retained Earnings (1)	Excess Levy Capacity	Property Tax Rate Approved	Free Cash Certified	Schedule A Submitted
FY1994	1,972,984	4,329,509	6,302,493	21.1%	A1		2,502,599			
FY1995	1,971,055	4,341,191	6,312,246	20.2%	A1		2,677,728			
FY1996	2,637,174	4,224,649	6,861,823	21.7%	A1		2,729,388			
FY1997	3,013,474	4,449,929	7,463,403	21.8%	A1		2,915,274			
FY1998	3,098,821	4,671,289	7,770,110	21.9%	A1		3,384,958			
FY1999	4,777,786	4,911,443	9,689,229	26.7%	A1		3,834,344			
FY2000	5,948,995	5,166,093	11,115,088	30.1%	A1		4,639,419			11/17/00
FY2001	3,623,670	5,388,527	9,012,197	22.6%	A1		5,389,699	12/4/00	12/6/00	1/22/02
FY2002	5,776,790	5,697,051	11,473,841	27.3%	A1		5,035,927	11/1/01	11/28/01	10/7/02
FY2003	3,104,707	7,449,421	10,554,128	22.6%	Aa3		4,818,904	11/18/02	9/19/02	9/24/03
FY2004	2,456,396	7,565,103	10,021,499	20.7%	Aa3		4,090,712	12/19/03	8/6/03	10/27/04
FY2005	728,574	7,565,103	8,293,677	16.7%	Aa3		2,866,498	12/9/04	8/25/04	12/27/05
FY2006	420,471	7,565,103	7,985,574	15.9%	Aa3		2,128,338	12/14/05	8/25/05	11/27/06
FY2007	1,400,542	7,788,630	9,189,172	16.6%	Aa3		2,570,225	12/14/06	8/9/06	2/5/09
FY2008	1,424,808	8,106,336	9,531,144	17.6%	Aa3		4,107,047	12/10/07	8/21/07	2/5/09
FY2009	1,750,612	8,458,770	10,209,382	18.2%	Aa3		4,952,153	12/9/08	10/27/08	4/28/10
FY2010	2,308,569	7,953,607	10,262,176	17.2%	Aa3	264,071	5,685,389	2/22/10 (2)	10/27/09	11/17/10
FY2011	2,190,311	8,195,106	10,385,417	18.0%	Aa2	1,831,613	6,144,408	12/17/10	1/10/11	1/9/12
FY2012	7,815,504	8,998,426	16,813,930	27.1%	Aa2	3,159,067	7,189,162	12/21/11	12/6/11	1/22/13
FY2013	5,342,655	9,085,936	14,428,591	23.0%	Aa2	1,310,218	8,328,870	12/19/12	1/16/13	n/a
FY2014	n/a	n/a	n/a	n/a	Aa2	n/a	n/a	n/a	n/a	

Source: Massachusetts Department of Revenue, Division of Local Service, Data Bank reports
(1) Began collecting and reporting in the Data Bank in FY2010.
(2) The delay was due to late final property values in a certification year.

Appendix B: Treasurer's Cash and Reconciliation Procedures

Town of Somerset, Massachusetts
Treasurer's Cash Receipt and Reconciliation Procedures

According to the Treasurer's Manual issued by the Massachusetts Collectors and Treasurers Association, "The treasurer must take custody of all monies belonging to the city or town and must scrupulously account for those monies. In this accounting, the treasurer must utilize and maintain a cash book, containing a breakdown of all receipts, disbursements, and cash balances." Essentially, part of the duties of the treasurer's office is to receive of all cash receipts of the Town and maintain a cash book.

As part of receiving all of the cash receipts of the Town, the reporting of a schedule of treasurer's receipts to the town accountant is listed as a required report in the Treasurer's Manual issued by the Massachusetts Collectors and Treasurers Association. The Treasurer's Manual also further elaborates on the cash book that is to be maintained, listing the main contents of the cash book as being cash receipts, cash disbursements, and cash reconciliation. A complete reconciliation consists of a reconciliation between the cash book, bank statements, and the accounting records. There are many parts of the treasurer's office duties that work together to provide for complete and accurate cash receipt reporting and reconciliation. The following are duties of the treasurer's office with respect to the Town's cash receipts and reconciliations:

1. Turnover of cash paid directly to the office
2. Deposits of all receipts received in the office
3. Maintenance of a cash book for all of the Town's accounts
4. Reporting of cash receipts received by the Town to the accounting office
5. Reconciliation of the cash book to the bank statements each month
6. Monthly reconciliation of the treasurer's cash book to the town accountant

Each piece is listed in further detail below. See attached documents for examples of information referenced in parentheses.

1. Turnover of cash paid directly to the treasurer's office:
Certain payments to the Town are made in the treasurer's office. This includes payments such as health insurance self pays, recycling bins, and repayment of bounced checks and related fees. Notifications of wire payments made to the Town from the state are also sent directly to the treasurer's office.

- Turnover sheets should be completed by treasurer's office staff for all money coming in directly to the office, the turnover should list the source of the payment, the account number to be credited, the date received, and the amount paid
- The money and turnover sheets should be turned over to the Treasurer at least weekly
- A copy of the turnover must also be given to the accounting office
- Wire notifications should be signed by the Treasurer to acknowledge receipt and coded with an account number to be credited, a copy should then be given to the accounting office as well

2. Deposits of all receipts received in the office:
The treasurer's office is responsible for depositing all money that is turned over to the office.

- Turnovers coming in each day need to be reviewed for accuracy of the amount being turned over
- If a turnover is being made for money that has already been deposited, the deposit slip should be stapled to the front of the turnover
- Deposits should be made daily of all the money coming in, all turnovers making up a deposit should be grouped together and stapled with the deposit slip on the front
- A folder should be kept for each week and each deposit batch, turnovers including deposit slips made by the departments, and wire notifications should be included in the folder

3. Maintenance of a cash book for all of the Town's accounts:
The Treasurer is required to keep a cash book detailing all of the "ins and outs" of the money in the Town. The Treasurer's cash book is set up in a monthly Excel workbook to accommodate all of the Town's bank accounts, as well as all the activity running through the accounts each month – receipts, interest, warrants, transfers in and out, withholding receipts, and miscellaneous adjustments, such as bank fees. The cash book is set up to use the beginning balance and the monthly activity to calculate an ending balance for each account.

Beginning Balances:

- The beginning balance of each account listed in the cash book should be entered to the new month's cash book from the prior month's cash book ending balance (1a)
- Each beginning balance will flow to the monthly summary, and the treasurer's office should be sure that the beginning balance agrees with the prior months ending balance (2a)

Receipts:

- As items are put into the cash receipt folder for each week, each item should also be entered as a receipt to the appropriate bank account in the monthly cash book, this includes deposits, deposits made by departments other than the treasurer's office, and wires coming in (1b)

Warrants:

- Each week when warrants are prepared, they need to be entered in the cash book sheet for the bank account that the warrant will be paid from to record cash disbursements of the Town (1c)
- Warrants should be entered to the appropriate cash book depending on the date of the warrant
- Payroll warrants need to be offset by the withholdings for the payroll, the payroll clerk maintains a spreadsheet of the withholdings for each payroll (1d)
- Withholding warrants are generally paid in part from the payroll account (for FICA, FWT, and SWT) and from the vendor account (for all withholdings paid by check) so these warrants need to be split between each bank account in the cash book (1e)

Transfers:

- Transfers made between Town accounts need to be entered on the cash book for each account as a transfer in or out as appropriate (1f)
- Transfers out of Town accounts to make bill payments, such as debt payments, meals tax, payroll tax, etc. do not need to be entered on the cash book pages because they have been included in the warrant amounts, the treasurer's office should be sure that each wire payment listed on a warrant is recorded in the warrant column of the bank account that the payment will be made from (1g)
- At the end of the month, transfers in and out of the cash book should net to zero (2b)

Bank Statements:

- As bank statements come in, enter any items to the cash book, such as interest and fees, that have not been included with the receipts, warrants, and transfers previously entered (1h)
- Review all deposits, withdrawals, and transfers to be sure that all activity has been reflected in the cash book

4. Reporting of cash receipts received by the Town to the accounting office:
All money received by the Town is turned over to the treasurer's office, therefore, the Treasurer must report all receipts to the accounting office for reporting in the Town's ledger. This is to be done through the Vadar software.

General:

- Cash receipts should be reported in Vadar to the Town Accountant once a week
- Block numbers should be entered in the following format: Month [space] Calendar Year
- Batch numbers should be entered as C-# and be in sequential order, each month will have approximately 4 batches, one per week

Cash Receipts:

- Each day, each receipt coming in, from the Town departments or from wires, needs to be entered in to the weekly Vadar schedule
- Turnovers and deposit slips should be marked with the Vadar schedule number to help with month end reconciliations, the Vadar schedule number should also be entered as detail to each deposit line in the cash book (1i)
- Deposit dates entered into Vadar should correspond with the bank's deposit date to make it easy to trace to detail
- Interest should be reported in Vadar at the end of each month, as well as any other bank statement adjustments not previously recorded (2c)
- Change in market value should be reported to the accounting office every six months, though the Treasurer will track the activity monthly in her cash book (2d)
- As schedules are completed, the town accountant should review for proper use of account numbers, dates, etc., once the schedule has been reviewed, the treasurer can print and sign a copy for their records and for the accounting office and release the schedule to the town accountant

Withholding Receipts:

- For every payroll (Town or School) that is paid, withholdings for the payroll need to be reported to the town accountant as a cash receipt (2e)
- The payroll clerk keeps a monthly spreadsheet of all of the withholdings for the month and at the end of the month, the totals of each withholding type will be entered into a separate Vadar schedule and submitted to the accounting office
- Withholdings for the month will be reported based on the date of the payroll warrant the withholdings relate to

5. Reconciliation of the cash book to the bank statements each month:

The Treasurer must also reconcile their cash book to the bank statements on a month basis. There is an Excel template for the reconciliation summary that provides for each bank account to be reconciled between the month end bank and cash book balance.

- As bank statements come in, bank statements balances should be entered to bank balance side of the reconciliation summary (3a)
- Month end cash book balances should then be entered to the cash book side of the reconciliation summary (3b)
- The treasurer's office should be sure that the summary of all cash book balances entered in the reconciliation summary agrees with the total cash book ending balance (2f & 4a)
- For accounts with minimal activity, i.e., deposits, transfers, interest, the cash book balance will generally agree to the bank statement balances, unless there are deposits or transfers in transit at month end (3c)
- For vendor and payroll accounts, outstanding checks will be the major reconciling item (3d) other than deposit or transfers in transit, once all these items are taken into consideration, the bank statement and cash book amounts should reconcile (3e & 4b)
- Transfers in transit often include payroll warrants that have been accounted for in the cash book but have not yet been processed at the bank (3f)

- If warrants are issued close to the last day of the month, there is also a chance that the checks have not been included in the banks reconciliation or that a wire payment from the warrant has not been processed, and, in that case, those items would need to be added to the outstanding check amount
- The outstanding check list should also be reviewed for any voided checks still be included as outstanding

6. Monthly reconciliation of the treasurer's cash book to the town accountant:
After the Treasurer has reconciled her cash book to the bank statements, cash must also be reconciled to the accounting ledger. This ensures that the treasurer's office and town accountant have both properly recorded all of the months activity. The cash book summary provides a template for reconciling between the Treasurer's cash book and the accounting records.

- At the beginning of each month, the prior month's ending balance provided by the accounting office should be carried forward (2g)
- The prior months ending reconciliation items between the cash book and the accounting office should also be carried forward so that the beginning of the month shows a clean reconciliation (2h)
- At the end of each month, the accounting office should provide the treasurer's office with their beginning cash balance, the months receipts and warrants, and their ending cash balance (2i)
- Using the cash book summary, the treasurer's office should reconcile between the total cash book balances for receipts and warrants with the town accountant, taking into account interest, withholding, and adjustments reported in separate columns of the cash book (2j)
- Reconciling items, such as the change is market value (2d), which will be reported semi-annually, and timing of withholding receipts should be documented so that there is a clean reconciliation between the treasurer and town accountant

Each of the steps and pieces listed above are important details to provide for complete and accurate reporting of cash receipts and reconciliations of cash. The treasurer's office should work to distribute the responsibilities among their staff and put systematic procedures in place to ensure timely reporting and reconciliation. Keeping current and timely on all tasks will makes the process run smoothly and more efficiently. Organization of documents and consistency in procedures will also lead to more efficient receipt reporting and cash reconciliations.

Appendix C: Electronic Cash Book and Bank Account Reconciliation Templates

Cash Book Template

Account Type

Period	Decription	Beg Bal	Receipts	Interest	Warrants	Wires	Transfers In	Transfers Ou	Adjustments	Balance
										$ -
										$ -
										$ -
										$ -
										$ -
										$ -
										$ -
		-	-	-	-	-	-	-	-	-

Bank Account Reconciliation Template

Date

Item	Cashbook Balance	Bank Statement Balance
	-	-
Outstanding Checks	-	-
Deposits in Transit	-	-
(Deposits recorded on cashbook and not in statement)		
Unrecorded Deposits/Withdrawals	-	-
(Deposits/withdrawals on bank statement and not cashbook)		
Transfers in Transit	-	-
(Transfers on bank statement not recorded in cash book)		
Unrecorded Transfers	-	-
(Transfers recorded on cashbook and not in statement)		
Transfers in Transit	-	-
(Transfers on bank statement not recorded in cash book)		
Unrecorded Transfers	-	-
(Transfers recorded on cashbook and not in statement)		
Interest not booked in cashbook		-
Adjusted Balance	-	-
Variance	-	

Appendix D: MLBCPA, LLP letter dated February 27, 2013

MLBCPA, LLP
Certified Public Accountants & Advisors
www.mlbcpa.net

February 27, 2013

Mr. Dennis Luttrell
Town of Somerset
140 Wood Street
Somerset, MA 02726

Dear Dennis,

In connection with our contract to provide certified public accountant/financial services to the Town of Somerset, MA, we performed a review of operations of the Treasurer's office focusing on the completion of cash reconciliations, as you requested. We have completed most of the items included in our contract; however, due to budgetary constraints, you have requested us to focus on the cash reconciliation area. The following is a timeline of our services provided to date on the contract, relating to cash reconciliations:

- September, 2010 – Contract awarded and engagement commenced, including completion of cash reconciliations back to the start of fiscal year 2010 (July 1, 2009).
- January, 2011 – Complete reconciliations through June 30, 2010; continued on with reconciliations for fiscal year 2011 (July 1, 2010 – June 30, 2011).
- May/June, 2011 – Just after election of current treasurer (May 2011), we completed cash reconciliation through April, 2011. Also reviewed, with new treasurer, processes and procedures for maintaining cash book and completing cash reconciliations. We were available, to treasurer, for any questions and for assistance with maintaining cash book and completing cash reconciliations. At this point, the treasurer was learning the role of the new position, and there was a turn over in office personnel. We followed up with the treasurer as to the status of the cash book and reconciliations; however, we did not receive many questions or requests for assistance.
- September, 2011 – Followed up to commence completion of May and June, 2011 cash reconciliations. The reconciliation process for May and June was complicated by inadequate documentation/audit trail for turnovers to deposits. May and June, 2011 reconciliations were completed November, 2011. We again reviewed the processes and procedures for maintaining the cash book and completing the cash reconciliations with the treasurer, including utilization of the VADAR cash module. Our understanding was the treasurer would maintain the cash book and complete reconciliations, with assistance from us, as needed. Again, during this ensuing time period, there was minimal, if any requests for assistance from the treasurer.
- February, 2012 – As you requested, commenced completion of Fiscal year 2012 reconciliations, starting with July, 2011.
- March, 2012 – Completed cash reconciliations through January, 2012.

99 Longwater Circle, Suite 200
Norwell, MA 02061
781-871-5850

9 Baystate Court
Brewster, MA 02631
508-255-2240

41 West Central Street
Natick, MA 01760
508-650-0018

- May, 2012 – Completed February, 2012 reconciliation with treasurer and worked with treasurer on March, 2012 reconciliation. Treasurer was to complete March, 2012 reconciliation. Subsequently informed not to provide any additional assistance without your approval.
- October, 2012 – As you requested, commenced completion of March, 2012 reconciliation through end of fiscal year 2012 (June, 2012) as Town needed cash reconciled for certification of free cash, certification of tax rate, and commencement of audit. Reconciliations through June, 2012 completed November, 2012.
- December, 2012 – Commenced reconciliation for July, 2012, which was completed January, 2013 and copies provided to treasurer. Treasurer informed us, all accounts were reconciled for August, 2012, except payroll account. We have requested copies of August, 2012 reconciliation completed.

As noted above, the reconciliations were relatively current (April, 2011) upon the election of the current treasurer. At that time, we reviewed the reconciliation processes and procedures with the treasurer and provided supporting documentation for the reconciliations completed along with templates to be utilized to complete reconciliations going forward.

We also worked with the treasurer to utilize the VADAR cash module to enhance maintenance of the cash book and efficiency of the cash reconciliation process. Our understanding was the treasurer would commence completing the monthly reconciliations; we would be available to answer any questions that may arise and provide assistance, as needed.

As you are aware, we have continued to come back, as you have requested, to complete cash reconciliations for the Town. We are available to continue to assist the Town in this matter; however, I do not believe that to be in the best interest of the Town. Under the current organizational structure, the Town (those charge with governance) has no control over the office of the treasurer as an elected position; unfortunately, the cash reconciliations are not being performed by in-house personnel, and the Town is relying on outside consultants to complete such reconciliations.

The role and responsibilities of the office of the treasurer have continued to increase over the years. As a result, the trend in many communities has been to move from an elected to an appointed treasurer to ensure an individual with the appropriate qualifications is in place to carry out these responsibilities. This also allows those charged with governance, greater ability to assess operations and qualifications and to make actual changes as a result of these assessments. The Department of Revenue, Division of Local Services, has made this same recommendation, to convert the treasurer's position from elected to appointed, in many financial management reviews completed in other communities.

As indicated by the above timeline, the cash reconciliations have not been completed without assistance for a significant time period (dating back to , at least, July 1, 2009). While there was a transition period of personnel, in our opinion, adequate time for current personnel to prepare cash reconciliations in-house has passed. The current status is a material weakness in internal control under accounting and auditing standards. We do not see any change in the current status unless there is a change in the organizational structure of the Town (i.e. appointed treasurer) or the current office identifying the cash reconciliation process as a priority and making a commitment to fully understand the process and complete the reconciliations.

MLB
MLBCPA, LLP
Certified Public Accountants & Advisors
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If you would like to discuss in further detail, please let me know. Thank you again for the opportunity to be of service to the Town.

Sincerely,

Robert J. Lynch, CPA
Partner

MLB
MLBCPA, LLP
Certified Public Accountants & Advisors
www.mlbcpa.net

Appendix E: Comparable Communities (2012 Population and FY2013 Budget) and Office Responsibilities

Municipality	2012 Population	FY2013 Budget	FY2014 Property Tax Rate Set	FY2014 Free Cash Certified	Treasurer, collector or combined	Appointed or elected	FTE	Cash management	Payroll	Employee benefits	Workers' Comp.	Police detail	Ambulance	Distribute mail	Postage machine	Tax & excise	Water/sewer	Parking tickets	Other notes
Somerset	18,270	62,664,557	n/a	n/a	Treasurer	Elected	3.00	x	x	x	x			x	x			x	Manage and sell cemetery plots
					Tax Collector		2.40									x			
Ashland	16,993	60,476,531	12/09/2013	11/18/2013	Combined	Appointed	5.00	x	x	x		x	x			x	x	x	
Auburn	16,287	53,298,741	11/20/2013	10/02/2013	Combined	Appointed	4.50	x	x			x			x	x	x		Collects trash billing
Bellingham	16,521	55,163,608	12/11/2013	10/02/2013	Combined	Appointed	5.00	x	x	x	x				x	x	x	x	Oversees personnel administration
Bourne	19,806	71,724,620	11/27/2013	10/07/2013	Combined	Appointed	5.00	x		x						x			Collects marina, mooring and landfill charges
East Longmeadow	15,896	56,893,391	12/03/2013	10/21/2013	Combined	Appointed	3.00	x							x	x	x		Serves as town clerk
Fairhaven	15,900	52,526,015	12/12/2013	09/20/2013	Finance Director/ Treasurer	Appointed	3.00	x	x	x					x				Oversees accounting, collection, assessing and purchasing divisions
					Town Collector		4.00									x	x		
Foxborough	17,087	66,213,165	12/06/2013	10/31/2013	Combined	Appointed	4.00	x	x	x		x	x		x	x	x		Provides passport application services
Grafton	18,045	54,244,617	12/13/2013	09/12/2013	Combined	Appointed	5.00	x	x	x						x			Issues and collects sewer bills
Hopkinton	15,478	69,066,532	12/12/2013	01/15/2014	Combined	Appointed	3.25	x	x	x					x	x	x	x	
Hudson	19,481	70,521,716	12/16/2013	01/23/2014	Combined	Appointed	5.00	x	x	x				x		x	x	x	Issues and collects light & power utility bills
Longmeadow	15,835	62,878,343	11/26/2013	10/02/2013	Combined	Appointed	3.29	x				x	x	x	x	x	x		
Ludlow	21,195	57,626,603	12/18/2013	12/16/2013	Town Collector	Elected	4.00						x			x	x		Bills & collects cemetery, trailer park, board of health nursing, selectmen, and highway fees
					Treasurer		4.00	x	x	x					x				
Norton	19,310	55,201,082	11/12/2013	09/12/2013	Combined	Appointed	4.00	x	x	x		x				x			
Pembroke	17,959	57,680,412	11/27/2013	09/27/2013	Combined	Appointed	7.45	x	x	x						x	x		
Rockland	17,580	52,988,947	12/05/2013	n/a	Town Collector	Elected	3.00									x	x		Issues and collects trash bills (which are combined with water & sewer bills), and collects civil citations
					Treasurer		3.00	x	x	x									
Sandwich	20,662	72,036,589	12/12/2013	08/16/2013	Combined	Appointed	7.00	x	x	x			x		x	x			Combined in December 2012 and issues all Transfer Station stickers and Beach stickers
Scituate	18,173	72,615,729	11/21/2013	11/14/2013	Combined	Appointed	3.60	x	x	x		x	x		x	x	x	x	Collects septage fees
Southbridge	16,799	56,002,232	12/06/2013	11/07/2013	Combined	Appointed	5.70	x	x	x					x	x	x	x	Manages property & liability insurance, collects cemetery fees, and sells parking permits

Source: Massachusetts Department of Revenue, Division of Local Service, Data Bank reports and survey of listed communities.

Acknowledgements

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

Robert G. Nunes, Deputy Commissioner & Director of Municipal Affairs

Frederick E. Kingsley, Bureau Chief,
Municipal Data Management and Technical Assistance Bureau

Joe Markarian, Director, Technical Assistance Section

Melinda Ordway, Senior Financial Management Analyst, Technical Assistance Section

Zack Blake, Financial Management Analyst, Technical Assistance Section

Diane Dziura, Field Representative, Bureau of Accounts

For this review, DLS staff interviewed and/or received information from the following local officials:

Scott Lebeau, Selectman
Donald Setters, Jr., Selectman
Dennis Luttrell, Town Administrator
Joseph Bolton, Finance Director/Town Accountant
Amy Cichon, Assistant Accountant
Pamela Lee, Principal Assessor
Lisa Viana, Tax Collector
Amy Messier, Clerical Floater
Kathleen Trafka, Town Treasurer
Christine Marum, Assistant Treasurer/Group Insurance Coordinator
Ross Latham, Payroll Clerk
Susan Welker, Fire Department Administrative Assistant
Dolores Berge, Town Clerk
Nick Raffa, Advisory & Finance Committee
Robert J. Lynch, CPA, Lynch, Malloy, Marini, CPA, LLP (formerly MLBCPA, LLP)
Todd Jurczyk, CPA, Powers & Sullivan CPA, LLC