



**To:** Raynham Board of Selectmen

**From:** Frank Gervasio, Project Manager  
Jared Curtis, Project Manager

**Date:** October 28, 2020

**Re:** Financial Structure Review

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At the request of the Board of Selectmen, the Division of Local Services (DLS) completed a Financial Structure Review for the Town of Raynham. The recommendations are based on interviews with local officials and information gathered by our Technical Assistance Bureau (TAB) team. We appreciate the time and effort of the board of selectmen, town administrator, treasurer/collector, assessing department, finance committee, interim town accountant and others throughout this process. These conversations were the primary resource used to inform the recommendations in this review.

We strongly suggest that the board of selectmen, town administrator and other local officials consider our recommendations as they move forward with a strategy to improve the town's financial management structure. It is important that Raynham discuss these recommendations and give serious consideration to implementing them, as we believe they are in the best interest of the Town.

If you have any questions regarding the report, please contact Zack Blake, Chief of the Division's Technical Assistance Bureau, at 617-626-2358 or at [blakez@dor.state.ma.us](mailto:blakez@dor.state.ma.us).

## Overview

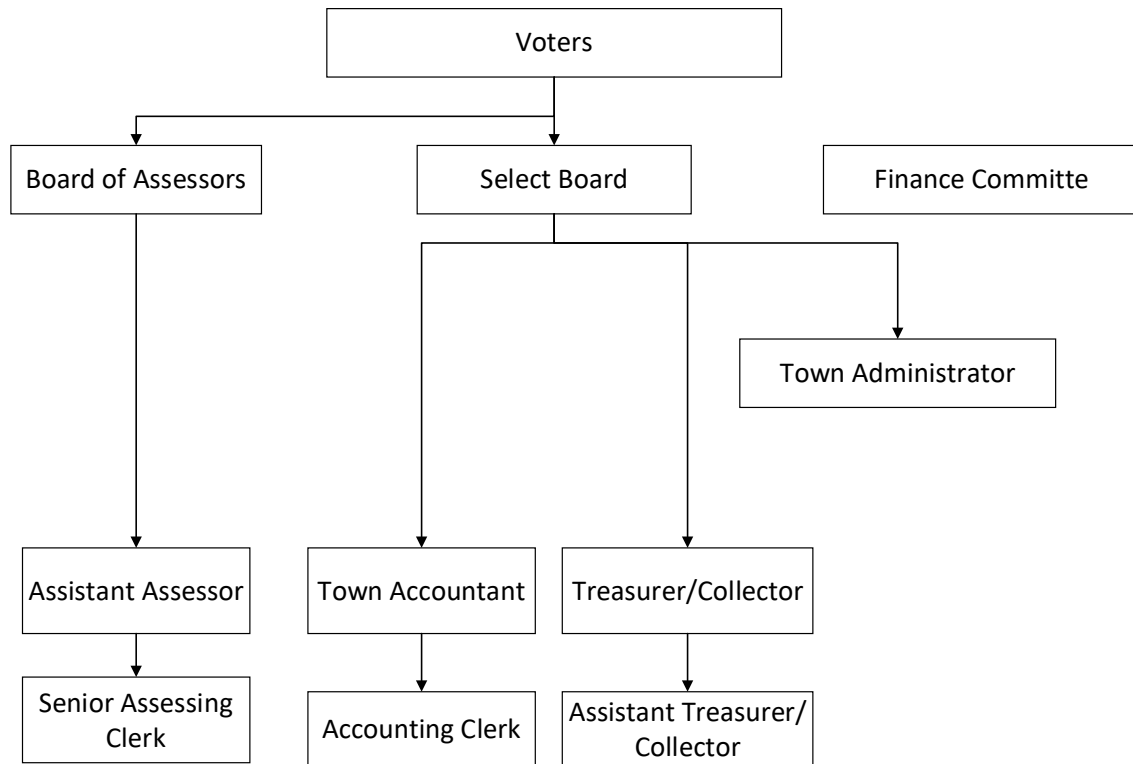
The Town of Raynham has a population of 14,313 and is located approximately 37 miles south of Boston at the junctions of Interstate 495, Route 24 and Route 44.

Raynham's three-member elected board of selectmen-open town meeting form of government is laid out in a series of local bylaws, as there is no town charter. The board of selectmen appoints a seven-member finance committee, town administrator, town accountant, and treasurer/collector, while the elected three-member board of assessors appoints the assessing director.

Despite the current COVID-19 environment, Raynham is in a position of strong financial health—operating revenue and expenditure levels remain consistent and manageable, reserve levels are strong, and the town enjoys a robust commercial property tax base. As with many Massachusetts communities, the town has seen considerable growth in recent decades. From 2000 to 2018, Raynham's population has grown by nearly 22%, the second highest rate of growth in Bristol County. Over that same time, the town's Equalized Valuation (EQV), which is a measure of overall property wealth, grew by 160%, and by 192% between 2000 and 2020. And, since Fiscal Year 2004, Raynham's budget, excluding the sewer enterprise, has more than doubled from \$23.8 million to \$48.9 million.

More recently, the town has taken steps to adjust its management structure to reflect its changing needs. A government study committee was appointed by the board of selectmen to evaluate the town's current management structure and operations, and to identify areas where changes were warranted. The Committee submitted its recommendations to the board of selectmen at the beginning of 2020. During this period, the board hired the current town administrator with the intention of transitioning the positions through job description from a "weak" to "strong" administrative role with greater authority and autonomy.

In our view, the town must follow through on additional steps to modernize its financial management operations to maintain its strong financial footing. Current practices are antiquated and have resulted in a flat and decentralized organization, depicted in the organizational chart below:



This has resulted in inconsistent lines of accountability and lack of a cohesive vision for the town. This conclusion has helped us develop the following recommendations for Raynham’s board of selectmen to consider.

Our recommendations include formalizing and further strengthening the role of the town administrator, creating a finance director position, establishing financial management team meetings, reviewing staffing levels in the accounting office, and establishing a bylaw review committee. These recommendations will help to centralize and strengthen fiscal operations for the Town of Raynham into the future.

The recommended structure for the town’s accounting operations is not only backed by what TAB views as a best practice, but is compatible to the structure in place in Raynham’s peer communities. To help shape our recommendation, we conducted a survey of 19 peer communities for the town based on total budget, population, and EQV. Detailed information about the survey results are provided in our recommendation regarding the town’s accounting department and in the Appendix of this document.

## Recommendations

**Strengthen Role of Town Administrator:** To ensure operational and financial management responsibilities are performed effectively, we recommend that Raynham formalize the town administrator's role and responsibilities in a bylaw. This will help to centralize the financial management structure and support the town's ability to grow and develop. The town administrator's position should be strengthened to ensure coordinated financial management and oversight over all municipal operations. The current position lacks formal authority, which fosters a decentralized approach to decision-making. Under our proposed structure, the town administrator would recommend department heads to the board of selectmen for their appointment, but report to the town administrator on a day-to-day basis.

During the recent hiring process of the current town administrator, the position's job description was updated to transition the role from a "weak" to "strong" style administrator. However, this was as far as the transition went. This change should be formalized in the town's Bylaws. The absence of a bylaw can create confusion as to the extent of the town administrator's responsibilities.

Furthermore, based on our review, it appears that the current town administrator's authority is still very limited in the actual day-to-day administration of the town. The town needs to commit to this transition in practice. A "strong" town administrator would create clear lines of accountability among department heads and allow the town to begin an effective performance management and town-wide goal setting program. While we will make further recommendations about the town's fiscal operations, we also believe it is imperative for the town administrator to play a role in the operating and capital budget processes.

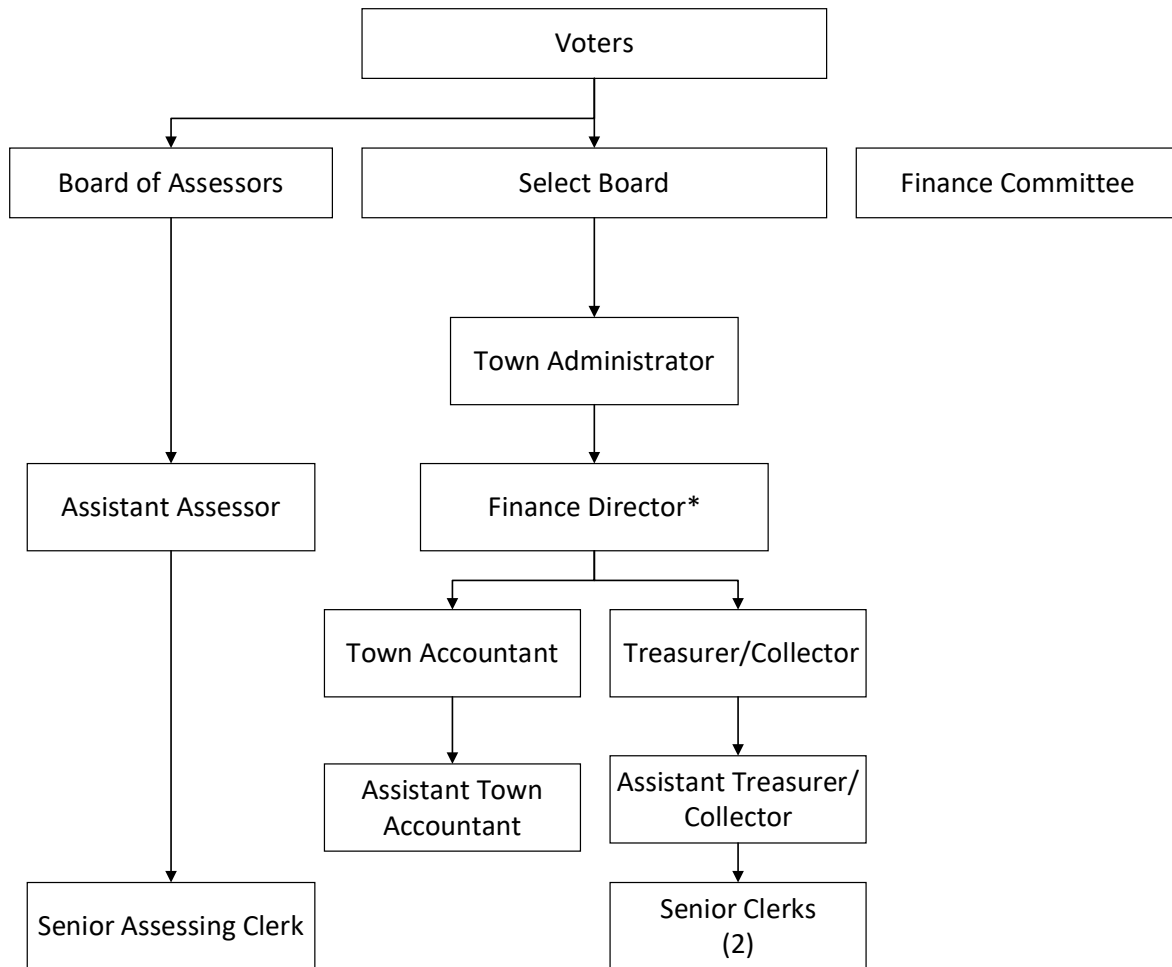
**Create Finance Director Position:** As Raynham continues to grow and develop, so do the complexities of the financial challenges facing the town. We recommend that the board of selectmen create a new Finance Director position to consolidate coordination of the town's fiscal operations. By bringing together fiscal operations under one individual, the town will be better positioned to administer its financial management activities more efficiently and effectively. Given our understanding of Raynham's situation, we recommend that this position be combined with the current role of town accountant or treasurer/collector.

Survey results from peer communities support our recommendation. Ten of 19 similarly sized communities identified as having a finance director position. Of those 10 communities with a finance director, three split the role of finance director with the treasurer/collector, while the other seven

have a finance director/town accountant. A finance director/town accountant in one community also shares the title of budget director.

Under our proposed structure, the finance director would coordinate the operating and capital budget processes with elected officials and professional staff, monitor fiscal performance throughout the year, analyze and execute financial policies, and prepare a financial forecast. Having a “point person” for the town’s finances would help build a cohesive financial team among the town’s financial officers and establish a central role responsible for advising and supporting the town’s various boards, committees, and policymakers on financial matters.

Proposed financial management structure:



\*The Treasurer/Collector or Town Accountant would serve simultaneously as Finance Director

A finance director would also enhance the town's ability to coordinate responses to several ongoing issues. During conversations with local officials, DLS learned of several matters that require a well-coordinated response by the town, including managing the transition to a centralized payroll system for town employees and spearheading the effort to reinforce organization-wide internal controls. This individual could further support any efforts to consolidate the town's two water districts into a new Town department.

**Accounting Office Staffing:** Regardless of Raynham's direction with a finance director, we recommend that the accounting department be staffed with a minimum of two full-time individuals. In recent years, the role of the town accountant has been both a full- and part-time position. While the position was part-time, local officials expressed difficulty in getting answers to question until the accountant was in the office. Given the increasing workload and growing complexities in the accounting department, the town would benefit by moving forward with two full-time staff members.

In establishing the two full-time positions in the office, we recommend the town elevate the existing clerk into an assistant town accountant. As a necessary back up to the town accountant, an assistant town accountant will be especially important in the event the town were to move forward with a finance director/town accountant. The assistant town accountant would handle the day-to-day accounting requirements, while the town accountant could concentrate on the general accounting oversight and performing other related duties. Regardless of whether the town accountant also serves as the finance director, a full-time assistant town accountant will also contribute more to the department than the data entry responsibilities of the current accounting clerk. This individual can perform crucial duties such as approval of accounts payable and payroll warrants in the absence of the town accountant and manage the general ledger and balance sheet. This new position will also assists the town in succession planning for the accounting department.

This recommendation is perceived by us as a best practice based on the town's size and is consistent with the structure of 19 communities we surveyed that are comparable to Raynham. Based on the results, 17 communities have a full-time town accountant (35-40 hours/week) and 14 have a full-time assistant town accountant. Only three communities surveyed did not have an assistant town accountant, and one currently plans to transition its current clerk position into an assistant town accountant in 2021. Ten peer communities also have a third full- or part-time support staff person in their accounting office. We have included the full results of this community peer survey in the Appendix.

**Financial Management Team Meetings:** The structure of local government is bound together by statutes, local charters, and bylaws intended to create relationships, independent and overlapping

responsibilities, as well as checks and balances that collectively ensure the smooth administration of the town's business. At the same time, effective financial management requires continuous interaction and cooperation among the town's policymakers and financial officers. The ingredients of success are reflected most by open and willing communication and by the systematic and timely exchange of accurate information

To advance these goals, we recommend that the town establish regular financial management team meetings consisting of the town administrator, finance director, treasurer/collector, town accountant, and assessing assistant. A centralized management team with monthly meetings helps to create open lines of communication and provides an opportunity to consider strategies to deal with anticipated areas of concern and establish agreement about goals, objectives, and deadlines. We want to emphasize that this recommendation is not intended to place the town administrator or finance officers in a policymaking role. Rather, it is intended to provide formal channels of communication and a vehicle for coordinating financial management.

**Bylaw Review Committee:** Based on the Government Study Committee's report, we recommend that Raynham establish a bylaw review committee to evaluate its current bylaws. Bylaws are created to describe and define government structure, appointing authorities, procedures, and local prohibitions. Raynham's current bylaws seem archaic and offer only limited information on the town's financial operations, duties, and budget process. A bylaw review committee would be charged with performing a comprehensive review of the town's existing bylaws to offer suggested changes for local adoption. Additionally, any changes made in practice should also be made in the town's bylaws. For instance, the recent move to a "strong" town administrator was only detailed in the position's job description and not reflected in a bylaw. If Raynham decides to move in the direction of a finance director, similar updates would be needed to include his/her roles and responsibilities in a bylaw.

Strong bylaws help define the expectations placed on town government and should identify and describe the role and responsibilities of local officials, departments, and committees. In general, the bylaws should also include more details about how both the operating and capital budget processes are performed.

## Appendix

### Raynham Peer Community Comparison Group – Survey Results

Municipality	Fiscal Year	Total Budget	Population	EQV	EQV / Capita	Total Levy	RO Levy as a % of Total	CIP Levy as a % of Total	Accountant / Assist Accountant	FT / PT	# of Accounting Staff	Finance Director
Carver	2020	49,642,225	11,629	1,394,846,000	119,945	27,076,294	74.45	25.55	Yes / Yes	FT / PT	3	Yes
East Bridgewater	2020	50,597,311	14,343	1,751,566,500	122,120	31,367,484	89.28	10.72	Yes / Yes	FT / FT	2	No
Fairhaven	2020	57,202,702	16,140	2,181,956,700	135,189	29,352,673	75.48	24.52	Yes / No	FT / NA	3	Yes
Holden	2020	55,455,440	18,645	2,377,246,900	127,501	42,681,771	94.32	5.68	Yes / Yes	FT / FT	3	No
Hull	2020	43,617,141	10,491	2,266,165,500	216,010	30,386,276	95.78	4.22	Yes / No	PT / PT	2	No
Ipswich	2020	57,080,259	13,804	2,987,460,300	216,420	42,931,265	89.63	10.37	Yes / Yes	FT / FT	3	Yes
Kingston	2020	51,591,454	13,301	2,120,211,600	159,402	35,499,020	88.31	11.69	Yes / Yes	FT / FT	2	Yes
Littleton	2020	57,035,171	9,912	1,969,238,900	198,672	41,490,620	68.81	31.19	Yes / Yes	FT / FT	3	Yes
Maynard	2020	46,912,899	10,676	1,386,638,200	129,884	32,663,840	88.30	11.70	Yes / Yes	FT / FT	2	Yes
Millbury	2020	46,685,675	13,537	1,670,266,000	123,385	27,888,243	78.26	21.74	Yes / Yes	FT / FT	2	Yes
Norfolk	2020	44,258,454	11,908	1,805,854,300	151,651	34,471,929	93.08	6.92	Yes / Yes	FT / FT	3	Yes
Raynham	2020	48,955,502	13,797	2,254,098,800	163,376	37,385,102	69.43	30.57	Yes / No	PT / PT	2	No
Southborough	2020	54,756,285	10,038	2,581,928,000	257,215	43,739,989	80.51	19.49	Yes / Yes	FT / FT	2	No
Sturbridge	2020	43,221,301	9,514	1,304,272,900	137,090	26,043,483	81.55	18.45	Yes / No	FT / NA	2	Yes
Swansea	2020	50,215,954	16,387	2,243,617,600	136,914	35,443,121	79.33	20.67	Yes / Yes	PT / PT	3	No
Tyngsborough	2020	44,000,047	12,267	1,683,280,600	137,220	28,895,175	87.56	12.44	Yes / Yes	FT / FT	2	No
Uxbridge	2020	49,424,473	13,892	1,755,491,600	126,367	30,897,800	83.46	16.54	Yes / Yes	FT / FT	3	No
Westport	2020	44,115,465	15,814	3,393,226,100	214,571	29,494,856	92.02	7.98	Yes / Yes	FT / FT	2	No
Wilbraham	2020	47,284,426	14,638	1,748,349,400	119,439	39,428,023	88.61	11.39	Yes / Yes	FT / FT	3	No
Wrentham	2020	47,148,874	11,548	2,225,687,600	192,734	34,808,693	76.27	23.73	Yes / Yes	FT / FT	3	Yes