

TOWN GOVERNMENT STUDY COMMITTEE (TGSC) ANNUAL REPORT 2018

The Town Government Study Committee held twenty meetings in 2018 as it continued to study and make recommendations to improve our form of government in Milton.

The Committee's primary objective this year was to complete our efforts on improving the financial management of town government. In 2013, the Massachusetts Department of Revenue had advised the town to centralize and strengthen the town's financial management. Our Committee has reviewed this recommendation over the past three years beginning with a review of the existing structure followed by a review statewide of towns of similar size concluding with meetings with more than twenty key stakeholders in Milton town government.

The Committee found the town's financial management and operations to be very fragmented without one person responsible for providing town wide financial leadership and establishing goals and priorities. The Committee agrees with the Town Administrator that a recently created Assistant Town Administrator position should be used to hire a chief financial officer (CFO) to lead a centralized finance department. (Some towns use the title "Director of Finance" for the position). Among its duties, this position would coordinate all financial reporting; prepare multiyear financial forecasts on both a cash and accrual basis; oversee investment management; draft budget guidelines and develop revenue and expense assumptions; formulate the annual budget for the Town Administrator and the Select Board and assist the other elected boards in the preparation of their annual budgets.

The Town's accounting, treasury (cash management, investment management, bonding and debt service management), tax and fee collections, purchasing and information technology functions would report in to the CFO. The inclusion of the treasury and collection functions would require the conversion of the elected Treasurer's position to an appointed position which is consistent with the practice in more than 80% of Massachusetts towns with a population greater than 10,000.

Members of the Committee received positive and supportive feedback during our interview process for this centralized financial structure from both the key stakeholders in the other similar communities and the key stakeholders in Milton.

The Committee made a recommendation to Town Meeting to adopt this centralized financial management model and it was approved in 2018. The next step is the placement of a ballot question on the next annual town election (April 2019) ballot requesting the approval by the voters to change the Treasurer's position from an elected position to an appointed position effective in April 2020 in order for the Treasurer to become part of the Finance Department under the direction of a chief financial officer (CFO).

The Committee expresses its appreciation for his service to former member Ted Hayes who resigned during the year.

The Committee also expresses its appreciation to all boards, committees, and department staff for their cooperation and assistance and in particular would like to thank Town Administrator Mike Dennehy Town Counsel John Flynn, and the staff of the Select Board for their assistance.

Respectfully submitted,

Richard B. Neely, Chairman

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