

Department of Financial Services

Mission

To manage the timely and accurate preparation of the City's Long-Range Financial Plan, Annual Budget, and five-year Capital Improvement Plan and to ensure the accurate and timely processing and reporting of all payrolls in compliance with federal, state, and local payroll, wage, and hour laws.

FINANCIAL SERVICES

The City of Newton Financial Services Department is a recently established department comprised of a Payroll Division and a Financial Planning & Analysis Division (FP & A).

The Payroll Division shall:

- (1) Manage the City's computerized payroll system in accordance with Federal, State, and City regulations, policies and procedures.
- (2) Ensure the accurate and timely processing of weekly, semi-monthly, and other payrolls.
- (3) Ensure compliance with federal, state, and local payroll, wage, and hour laws.
- (4) Process garnishments, child support payments, benefit adjustments, annual leave payments and all other payroll related adjustments in accordance with federal and state regulations.
- (5) Manage the payment and reporting of federal and state withholding taxes and the preparation of related reports. (W-2's, 941's, and all related reports)
- (6) Provide assistance and advice to all departments, payroll representatives, and employees on payroll policies and procedures.

The Financial Planning and Analysis Division shall:

- (1) Manage the timely and accurate development and preparation of the annual long -range financial plan.
- (2) Manage the timely and accurate development and preparation of the annual operating budget.
- (3) Manage the timely and accurate development and preparation of the capital improvement plan and the supplemental capital improvement plan.
- (4) Analyze financial data to inform the strategic decision-making process

This year, FY2023, was the second year of operation of the recently created Financial Services Department. This Department's structure was based on recommendations of consultants from our external auditing firm, following the performance of an assessment of the City's financial infrastructure. The Financial Services Department consists of a Payroll Division and a Financial Planning and Analysis (FP&A) Division.

Over the past year, we have experienced change, within the department's staffing, as we have worked to fill the positions with qualified individuals. We continue to recruit for the remaining vacancies, and we believe that when those final positions are filled, we will have a very strong team of professionals, within both the Payroll and FP&A divisions.

Perry Rosenfield, the City's FP&A Manager, joined the City in the summer of 2020. Perry came to us after serving as the Accounting Manager at the Encore Boston Harbor where he oversaw the accounting for the 18-outlet food and beverage department. He had prior experience with forecast and budgeting.

Perry brings not only his financial knowledge but also an exceptional work ethic, attention to detail, and a willingness to take on any task at hand. He has become an invaluable employee of the City in the almost three years that he has been here.

Allison Quach, the City's Payroll Manager, came to us, in August of 2021, from the City of Malden, where she had many years of experience. This included more than a decade of experience supervising the processing of City and School payrolls for more than 1,900 employees.

Allison has brought payroll knowledge, analytical skills, attention to detail, and technology savvy to the City of Newton. In the last year, she has continued to develop critical

policies and procedures, in compliance with State and Federal payroll regulations.

Together, Perry and Allison have lead this department with best practices on our payroll, budgeting, and financial reporting processes.

In October 2022, the IT Department spearheaded the City's upgrade to MUNIS 2019. This required significant training, of both the city timekeepers, and central payroll team. Even in the short time we have used this updated software, it has increased both the efficiency and capabilities of our payroll operation.

Additionally, we are in the process of implementing an Employee Self Service (ESS) portal. This portal will allow employees to view their paystubs, year-end W2's and make basic changes to their employee status, such as dependents, address changes, and other personal information.

Financial Planning & Analysis' main priorities each year are accurate and timely development of the Five-Year Forecast and Long-Range Financial Plan and the Capital Improvement Plan in the fall, and the City of Newton Operating Budget in the spring.

Additionally, FP&A, in conjunction with Human Resources, has expanded our analysis of the health insurance trust fund. This is especially pertinent this year, as we went out to bid, in March, for the City's health insurance administrator.

Lastly, in February of this year, the City implemented Paymode-X, through Citizen's Bank, to issue vendor payments. This allows vendors to elect to receive payments via digital credit card, in place of a physical check, minimizing the time it takes for vendors to receive payment. As this function is still relatively new for the City, FP&A continues to work closely with both Treasury and the

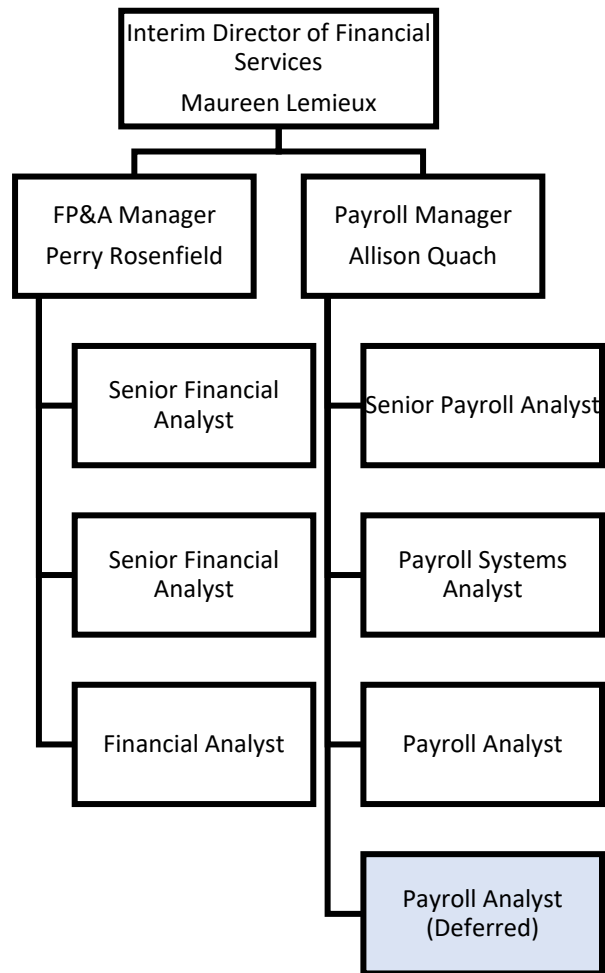
Comptroller's Office , to streamline the payment process, and make it more efficient.

I look forward to the continued growth and development of this department. I am confident that we will be able to institutionalize a robust financial infrastructure in these two critical areas that will serve the City for decades to come.

Maureen Lemieux

Maureen Lemieux
Chief Financial Officer

Financial Services



Financial and Operating Highlights

Financial Highlights

	< -----Actual ----->				Original	Proposed
	FY2019	FY2020	FY2021	FY2022*	FY2023	FY2024
Expenditure by Department						
Financial Services	\$ -	\$ -	\$ -	\$ 455,928	\$ 774,479	\$ 778,737
Total	\$ -	\$ -	\$ -	\$ 455,928	\$ 774,479	\$ 778,737
% Incr	0.00%	0.00%	0.00%	0.00%	69.87%	0.55%

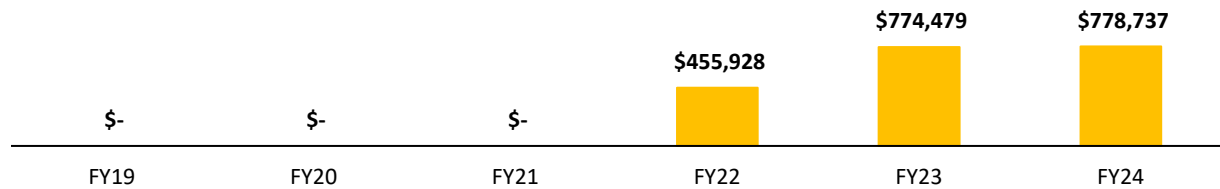
* Newly formed department to bring efficiency to the payroll and budgeting process.

Personnel

Full-Time	0	0	0	9	8**	8**
Part-Time	0	0	0	0	0	0
Total	0	0	0	9	8	8

**Includes one (1) frozen Analyst FTE, to be reinstated in the future

Total Financial Services Expenditures



Operational Highlights

- Payroll payments processed FYTD*: 98,845
- Vendor payments processed FYTD*: 15,254
- Audited Healthcare Insurance, totaling 5,206 members

* As of April 25th 2023

Financial Services Department

Fiscal Year 2024 Outcomes and Strategies

Outcome 1

Secure Talent, and Build Both the FP&A and the Payroll Divisions of the Financial Services Department

Our most immediate goal for the Financial Services Department in 2024 continues to be staffing the remaining vacant positions with qualified, knowledgeable, and eager individuals. We have experienced leaders, within both the Payroll and Financial Planning divisions, and are working to supplement them with a strong team of analysts. We will focus on training these team members and growing the capacity of the department.

We will continue to assess strengths, weaknesses, opportunities, and risks of the payroll process here in the City of Newton. We will continue to establish standard operating procedures that are compliant with all Federal, State, and Local payroll wage and hour laws, and provide training and support to all members of staff who are part of the payroll process throughout the City. This requires that we continue a top-down audit of the MUNIS Payroll system, including pay and deduction codes, to ensure that we are being as efficient in our processes as possible. This will allow us to ensure that our payroll is processed in a timely and accurate manner, that all withholdings are properly reported, and that all transactions are conducted in compliance with applicable wage and hour laws.

Outcome 2

Assess Payroll Needs, Ensure Compliance and Provide Training

Outcome 3

Develop the Long-Range Financial Plan, Five-Year Capital Improvement Plan & FY2024 Annual Operating Budget

We are very excited about building out our financial team and infrastructure to strengthen the financial planning function and play a critical role in providing City leadership with the data and analysis necessary to make financially informed decisions to ensure the long-term sustainability of the City for decades to come.

Financial Services Department

Fiscal Year 2024 Outcomes and Strategies

An important requirement of the staff of the FP&A Division is the tracking, recording, and reporting of all costs and expenditures that the City has incurred in response to, or as a result of, the Coronavirus Pandemic. The division had previously been responsible for submitting all required documentation for CARES and FEMA reimbursement. Now that the reimbursement period for those grants have concluded, the department has its full attention on ARPA compliance through the Dept of Treasury. FP&A, in working with the Mayor's and Comptroller's Offices, is responsible for ensuring that our quarterly compliance reports, are filed on-time and accurately.

Outcome 4

Track and Manage ARPA Grants and Reimbursements in a Transparent and Accurate Manner

Outcome 5

Develop a Departmentwide Culture that encourages Communication, Problem Solving, Customer Service and Decision Making

Develop a departmentwide culture that encourages communication, problem solving, and decision making, where individuals clearly understand their role, as well as the roles of others in the department, where professional development will be encouraged, and where each member truly feels included and respected. A climate of customer service will be our practice.

FUND: 0001 - GENERAL FUND
 DEPARTMENT: 110 - FINANCIAL SERVICES

CITY OF NEWTON BUDGET
 DEPARTMENT LEGAL LEVEL OF CONTROL

	ACTUAL 2020	ACTUAL 2021	ACTUAL 2022	ORIGINAL 2023	RECOMMENDED 2024	CHANGE 2023 to 2024
FINANCIAL SERVICES SUMMARY						
51 - PERSONNEL SERVICES		0	384,512	626,616	637,547	10,931
52 - EXPENSES		0	18,905	61,395	36,900	-24,495
57 - FRINGE BENEFITS		0	52,511	86,468	104,290	17,822
TOTAL DEPARTMENT		0	455,928	774,479	778,737	4,258
FINANCIAL SERVICES						
51 - PERSONNEL SERVICES		0	384,512	626,616	637,547	10,931
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TOTAL FINANCIAL SERVICES		0	455,928	774,479	778,737	4,258

FUND: 0001 - GENERAL FUND
DEPARTMENT: 110 - FINANCIAL SERVICES

CITY OF NEWTON BUDGET
DEPARTMENTAL DETAIL

	ACTUAL 2020	ACTUAL 2021	ACTUAL 2022	ORIGINAL 2023	RECOMMENDED 2024	CHANGE 2023 to 2024
110 - FINANCIAL SERVICES						
0111049 - FINANCIAL SERVICES						
PERSONNEL SERVICES						
511001 FULL TIME SALARIES		0	374,105	625,866	637,547	11,681
514001 LONGEVITY		0	0	750	0	-750
514309 OTHER STIPENDS		0	10,074	0	0	0
515101 CLOTHING ALLOWANCE			333	0	0	0
TOTAL PERSONNEL SERVICES		0	384,512	626,616	637,547	10,931
EXPENSES						
524010 OFFICE EQUIPMENT R-M		0	3,651	4,000	3,000	-1,000
524050 COMPUTER EQUIPMT R-M		0	0	3,000	2,500	-500
524080 DEPARTMENTAL EQUIP R-		0	0	800	800	0
530100 CONSULTANTS		0	1,000	40,000	7,500	-32,500
531900 TRAINING EXPENSES		0	0	2,500	5,000	2,500
534010 TELEPHONE		0	76	0	100	100
534100 POSTAGE		0	4,923	100	5,000	4,900
534200 PRINTING		0	5,780	5,000	6,000	1,000
542000 OFFICE SUPPLIES		0	760	995	1,000	5
558500 COMPUTER SUPPLIES		0	1,581	4,000	4,000	0
571100 IN-STATE CONFERENCES		0	825	500	1,500	1,000
573000 DUES & SUBSCRIPTIONS		0	310	500	500	0
TOTAL EXPENSES		0	18,905	61,395	36,900	-24,495
FRINGE BENEFITS						
57DENT DENTAL INSURANCE		0	975	1,607	1,906	299
57HLTH HEALTH INSURANCE		0	36,018	61,657	73,092	11,435
57LIFE BASIC LIFE INSURANCE		0	61	57	119	62
57MEDA MEDICARE PAYROLL TAX		0	5,159	9,086	9,280	194
57OPEB OPEB CONTRIBUTION		0	10,298	14,061	19,893	5,832
TOTAL FRINGE BENEFITS		0	52,511	86,468	104,290	17,822
TOTAL FINANCIAL SERVICES		0	455,928	774,479	778,737	4,258
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