

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.

The City of Newton Financial Services Department includes a Payroll Division and a Financial Planning & Analysis Division (FP & A).

The Payroll Division:

- (1) Manages the City's computerized payroll system in accordance with Federal, State, and City regulations, policies and procedures.
- (2) Provides accurate and timely processing of weekly, semi-monthly, and other payrolls.
- (3) Ensures compliance with federal, state, and local payroll, wage, and hour laws.
- (4) Processes garnishments, child support payments, benefit adjustments, annual leave payments and all other payroll related adjustments in accordance with federal and state regulations.
- (5) Manages 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) Provides assistance and advice to all departments, payroll representatives, and employees on payroll policies and procedures.

The Financial Planning and Analysis Division:

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

This year, FY2024, was the third year of operation of the Financial Services Department. The Financial Services Department consists of a Payroll Division and a Financial Planning and Analysis (FP&A) Division.

Throughout this past year, the Financial Services Department has worked collaboratively with numerous City departments to implement more effective and efficient software in a timely and error free manner.

In August 2023, the IT Department spearheaded the City's upgrade to MUNIS 2021. This required significant training of both the city timekeepers and central payroll team. In the short time we have been using this updated software, the efficiency and capabilities of our payroll operation has increased.

Additionally, in the winter of 2024, we completed implementation of our Employee Self Service (ESS) portal. This portal allows employees to view their paystubs and year-end W2's, and make basic changes to their employee status, such as dependents, address changes, and other personal information. To meet this goal, Financial Services, IT, Treasury, and HR met weekly over the course of several months to ensure a smooth transition.

Financial Planning & Analysis' 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 and Supplemental Capital Improvement Plan 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 round out our first fiscal year under our new health insurance provider, Blue Cross Blue Shield.

Additionally, after completing our first twelve-month period with Paymode-X, we continue to

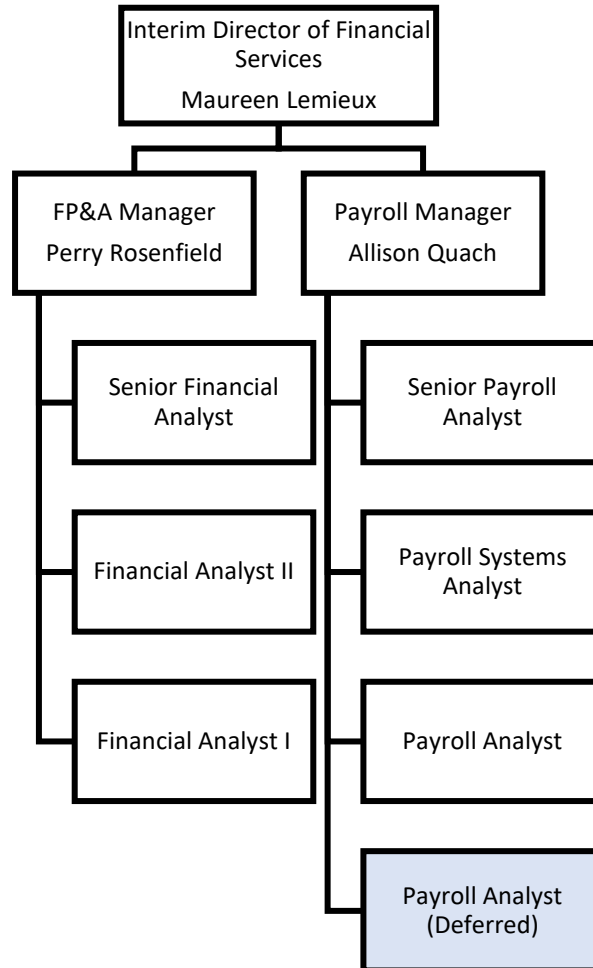
work closely with the Treasury and Comptroller staffs to improve our vendor payment process. The City utilizes Paymode-X to issue vendor payments. This allows vendors to elect to receive payments via a digital credit card, in place of a physical check, minimizing the time it takes for vendors to receive payment. As this function is still relatively new for the City, we continue to make improvements as needed, and establish new processes to streamline payments, and make the end-to-end process more efficient.

I look forward to the continued growth and development of this department as we 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
	FY2021	FY2022*	FY2023	FY2024	FY2025
Expenditure by Department					
Financial Services	\$ -	\$ 456,178	\$ 544,910	\$ 778,737	\$ 789,369
Total	\$ -	\$ 456,178	\$ 544,910	\$ 778,737	\$ 789,369
% Incr		0.00%	19.45%	42.91%	1.37%

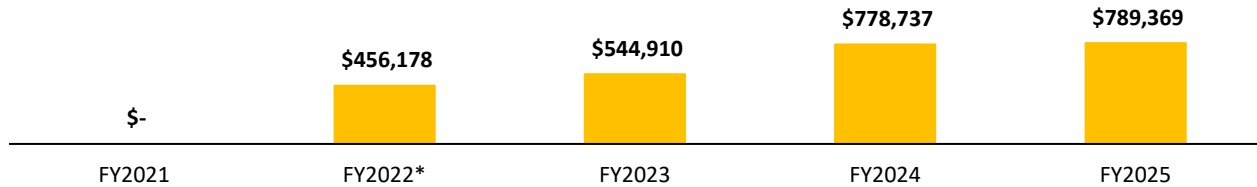
* Newly formed department to bring efficiency to the payroll and budgeting process.

Personnel

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

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

Total Financial Services Expenditures



Operational Highlights

- Payroll payments processed FYTD*: 82,337
- Vendor payments processed FYTD*: 15,878
- Audited Healthcare Insurance, totaling 5,243 members
- Union members under active contract**: 703 employees

* As of March 11, 2024

**Active contract through end of FY24

Financial Services Department

Fiscal Year 2025 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 2025 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 & FY2025 Annual Operating Budget

Developing and publishing the Five-Year Financial Forecast and Long-Range Financial Plan, the Five-year Capital Improvement Plan, and the Annual City of Newton Operating Budget are the core functions of the FP&A Division. As such, we are aggressively building out our financial team to ensure that the financial planning function plays 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 2025 Outcomes and Strategies

The City of Newton received \$63.6 million in ARPA funding due to the COVID Pandemic. Mid-way through FY2025, we will reach our first major deadline of the ARPA program. All ARPA funds received must be fully obligated by December 31, 2024. As such, FP&A continues to meet monthly with the Executive Office, and all applicable departments to ensure that we meet this requirement. Once obligated, all funds must be expended by December 31, 2026. FP&A will continue to work with the Mayor's and Comptroller's Offices to ensure timely and accurate filing of all U.S. Treasury Compliance Reports.

Outcome 4

Track and Manage ARPA Grants and Reimbursements with a Focus on Upcoming Deadlines

Outcome 5

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

We work every day to develop and foster 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 is our practice.

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

CITY OF NEWTON BUDGET
 DEPARTMENT LEGAL LEVEL OF CONTROL

	ACTUAL 2021	ACTUAL 2022	ACTUAL 2023	ORIGINAL 2024	RECOMMENDED 2025	CHANGE 2024 to 2025
FINANCIAL SERVICES SUMMARY						
51 - PERSONNEL SERVICES	0	384,512	477,221	637,547	653,843	16,296
52 - EXPENSES	0	19,155	12,423	36,900	34,400	-2,500
57 - FRINGE BENEFITS	0	52,511	55,266	104,290	101,126	-3,164
TOTAL DEPARTMENT	0	456,178	544,910	778,737	789,369	10,632
FINANCIAL SERVICES						
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FUND: 0001 - GENERAL FUND
DEPARTMENT: 110 - FINANCIAL SERVICES

CITY OF NEWTON BUDGET
DEPARTMENTAL DETAIL

	ACTUAL 2021	ACTUAL 2022	ACTUAL 2023	ORIGINAL 2024	RECOMMENDED 2025	CHANGE 2024 to 2025
110 - FINANCIAL SERVICES						
0111049 - FINANCIAL SERVICES						
PERSONNEL SERVICES						
511001 FULL TIME SALARIES	0	374,105	469,106	637,547	653,843	16,296
514309 OTHER STIPENDS	0	10,074	0	0	0	0
515006 VACATION BUY BACK	0	0	8,115	0	0	0
515101 CLOTHING ALLOWANCE		333	0	0	0	0
TOTAL PERSONNEL SERVICES	0	384,512	477,221	637,547	653,843	16,296
EXPENSES						
524010 OFFICE EQUIPMENT R-M	0	3,651	2,947	3,000	3,000	0
524050 COMPUTER EQUIPMT R-M	0	0	0	2,500	2,500	0
524080 DEPARTMENTAL EQUIP R-	0	0	0	800	800	0
530100 CONSULTANTS	0	1,000	0	7,500	5,000	-2,500
531900 TRAINING EXPENSES	0	0	3,410	5,000	5,000	0
534010 TELEPHONE	0	76	67	100	100	0
534100 POSTAGE	0	4,923	1,732	5,000	5,000	0
534200 PRINTING	0	5,780	3,464	6,000	6,000	0
534300 ADVERTISING/PUBLICATIO	0	250	0	0	0	0
542000 OFFICE SUPPLIES	0	760	252	1,000	1,000	0
558500 COMPUTER SUPPLIES	0	1,581	551	4,000	4,000	0
571100 IN-STATE CONFERENCES	0	825	0	1,500	1,500	0
573000 DUES & SUBSCRIPTIONS	0	310	0	500	500	0
TOTAL EXPENSES	0	19,155	12,423	36,900	34,400	-2,500
FRINGE BENEFITS						
57DENT DENTAL INSURANCE	0	975	1,063	1,906	1,816	-90
57HLTH HEALTH INSURANCE	0	36,018	35,999	73,092	69,370	-3,722
57LIFE BASIC LIFE INSURANCE	0	61	57	119	170	51
57MEDA MEDICARE PAYROLL TAX	0	5,159	6,626	9,280	9,481	201
57OPEB OPEB CONTRIBUTION	0	10,298	11,521	19,893	20,289	396
TOTAL FRINGE BENEFITS	0	52,511	55,266	104,290	101,126	-3,164
TOTAL FINANCIAL SERVICES	0	456,178	544,910	778,737	789,369	10,632
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