

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 newly 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.

Analyze financial data to inform the strategic decision-making process

While we have recognized for some time that the areas of Payroll and Financial Services needed additional staff, we focused our efforts and funding on other key areas in the delivery of services to the residents of this good City. However, this year Mayor Fuller has made a commitment to address this area of significant need.

In March 2021, we engaged the services of CliftonLarsonAllen (CLA), the City's outside Auditing Firm, to conduct an assessment of the financial areas of the City with a focus on:

- Payroll Related Processes,
- Financial Capabilities and Organizational Structure,
- Financial Reporting and Analysis Capabilities,
- Segregation of Duties in Payroll

Upon completion of this Assessment in late April 2021, CLA presented their findings and recommendations to the Mayor. These findings include the recommendation that the City establish a Financial Services Department consisting of a Payroll Division and a Financial Planning and Analysis (FP&A) Division, with both divisions reporting to a Director/Chief Financial Officer. CLA also recommends substantially increasing the staffing levels so the City of Newton has sufficient ability to do these important functions sustainably. As part of this budget process, Mayor Fuller has docketed a plan to disband our current Financial Information Systems Department and to establish a Financial Services Department.

In order to accomplish this work, CLA recommends that the Payroll Division be staffed with five employees consisting of a Payroll Manager, Assistant Manager, Senior Payroll

Analyst, and two Payroll Analysts, while the FP & A Division will have four employees including a Manager of FP & A, Assistant Manager, and two Financial Analysts.

In total, it is recommended to be a nine-person department. We expect several key members of our staff will become a part of this new department, and we will utilize several key vacancies to hire new staff who will bring the knowledge and expertise that the City requires. It is our expectation that this organization will ultimately result in the creation of three new full-time equivalent positions.

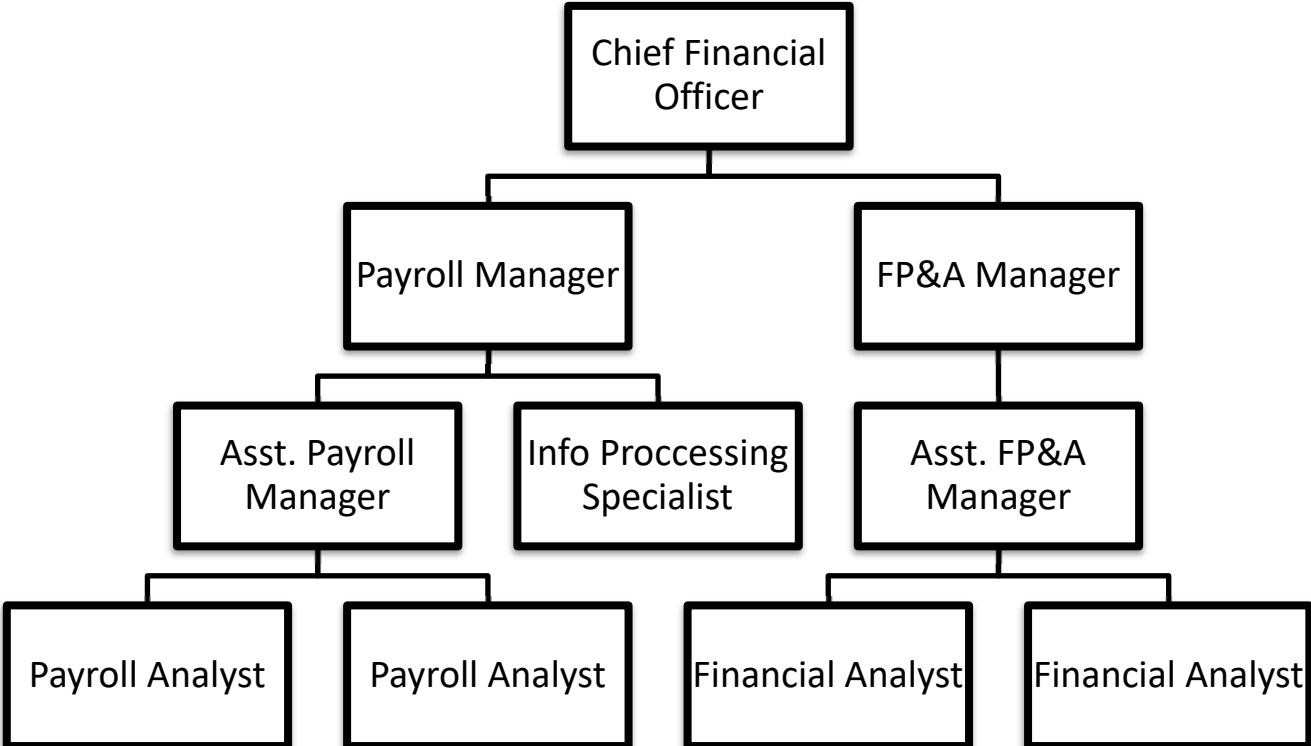
We are very excited about building a financial team and infrastructure that will strengthen the payroll and financial planning functions and play a critical role in providing City leadership with the data and analysis necessary to make financially informed decisions to ensure the long-term sustainability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

Maureen Lemieux

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Chief Financial Office

Financial Services



Financial Services Department

Fiscal Year 2022 Outcomes and Strategies

Outcome 1

Secure Talent, Establish, and Build the Payroll Division of the Financial Services Department

manner, that all withholdings are properly reported, and that all transactions are conducted in compliance with federal, state, and local payroll wage and hour laws.

Perhaps the most immediate strategy for the Financial Services Department in the first few months of Fiscal Year 2022 will be to staff the vacant positions with qualified, knowledgeable, experienced individuals, particularly for the Payroll Division. We will need to find proven leaders who will be able to ensure that our payroll is processed in a timely and accurate

Outcome 2

Assess Payroll Needs, Ensure Compliance and Provide Training

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.

Following onboarding of the Payroll Division leadership, it will be critical to assess strengths, weaknesses, opportunities, and risks of the payroll process here in the City of Newton. Following that assessment by the new Payroll Manager, we will need to quickly establish standard operating procedures that are

Establishing and staffing the Financial Planning & Analysis (FP & A) Division will also be crucial. The Long-Range Financial Plan, and the Five Year FY2023 – FY2027 Capital Improvement Plan will be due within months of the creation of this department. Schedules and timelines will need to be established quickly in order to ensure that these documents are published in a timely and accurate manner.

Outcome 3

Publish the Long-Range Financial Plan, Five-Year Capital Improvement Plan & FY2023 Annual Operating Budget

Financial Services Department

Fiscal Year 2022 Outcomes and Strategies

An important new requirement of the staff of the FP & A Division will be 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. This division will be responsible for submitting all federal, state, and locally required documentation for all grants and reimbursements due to the City of Newton.

Outcome 4

Track and Manage All COVID-19 Grants and Reimbursements in a Transparent Manner

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.

Outcome 5

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

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

CITY OF NEWTON BUDGET
 DEPARTMENT LEGAL LEVEL OF CONTROL

	ACTUAL 2018	ACTUAL 2019	ACTUAL 2020	ORIGINAL 2021	RECOMMENDED 2022	CHANGE 2021 to 2022
FINANCIAL SERVICES SUMMARY						
51 - PERSONNEL SERVICES	0	0	0	0	689,518	689,518
52 - EXPENSES	0	0	0	0	66,513	66,513
57 - FRINGE BENEFITS	0	0	0	0	115,392	115,392
TOTAL DEPARTMENT	0	0	0	0	871,423	871,423
FINANCIAL SERVICES						
51 - PERSONNEL SERVICES	0	0	0	0	689,518	689,518
52 - EXPENSES	0	0	0	0	66,513	66,513
57 - FRINGE BENEFITS	0	0	0	0	115,392	115,392
TOTAL FINANCIAL SERVICES	0	0	0	0	871,423	871,423

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

CITY OF NEWTON BUDGET
DEPARTMENTAL DETAIL

	ACTUAL 2018	ACTUAL 2019	ACTUAL 2020	ORIGINAL 2021	RECOMMENDED 2022	CHANGE 2021 to 2022
110 - FINANCIAL SERVICES						
0111049 - FINANCIAL SERVICES						
PERSONNEL SERVICES						
511001 FULL TIME SALARIES	0	0	0	0	674,518	674,518
514001 LONGEVITY	0	0	0	0	1,500	1,500
514309 OTHER STIPENDS	0	0	0	0	13,500	13,500
TOTAL PERSONNEL SERVICES	0	0	0	0	689,518	689,518
EXPENSES						
524010 OFFICE EQUIPMENT R-M	0	0	0	0	4,000	4,000
524050 COMPUTER EQUIPMT R-M	0	0	0	0	3,000	3,000
524080 DEPARTMENTAL EQUIP R-	0	0	0	0	800	800
530100 CONSULTANTS	0	0	0	0	50,000	50,000
531900 TRAINING EXPENSES	0	0	0	0	2,500	2,500
534100 POSTAGE	0	0	0	0	100	100
542000 OFFICE SUPPLIES	0	0	0	0	1,000	1,000
558500 COMPUTER SUPPLIES	0	0	0	0	4,113	4,113
571100 IN-STATE CONFERENCES	0	0	0	0	500	500
573000 DUES & SUBSCRIPTIONS	0	0	0	0	500	500
TOTAL EXPENSES	0	0	0	0	66,513	66,513
FRINGE BENEFITS						
57DENT DENTAL INSURANCE	0	0	0	0	2,108	2,108
57HLTH HEALTH INSURANCE	0	0	0	0	86,796	86,796
57LIFE BASIC LIFE INSURANCE	0	0	0	0	228	228
57MEDA MEDICARE PAYROLL TAX	0	0	0	0	8,864	8,864
57OPEB OPEB CONTRIBUTION	0	0	0	0	17,395	17,395
TOTAL FRINGE BENEFITS	0	0	0	0	115,392	115,392
TOTAL FINANCIAL SERVICES	0	0	0	0	871,423	871,423
TOTAL FINANCIAL SERVICES	0	0	0	0	871,423	871,423