

WORCESTER, MA - Chief Financial Officer

Position Statement



Summary

The City of Worcester, MA, seeks to fill the position of Chief Financial Officer. The Chief Financial Officer is an Executive Manager and Cabinet member reporting directly to the City Manager. The CFO performs highly responsible professional work directing the preparation and administration of annual and capital budgets, devises methods for the study of administrative systems, policies and work methods, schedules practices and procedures of the municipal organization and related work as required and directed by the City Manager. This position oversees the divisions of: Treasury and Collection, Budget, Assessing, and Purchasing.

The position of Chief Financial Officer has responsibility for:

- preparation and administration of the annual operating and capital budgets;
- long-range fiscal planning within the guidelines established by the City Manager;
- the initiation, conduct and implementation of administrative research studies;
- the operational analysis of programs, systems and procedures to provide a basis for management improvement, control and decision making;
- directing a staff of analysts and assistants and monitoring financial departments of the City.



The Community

Worcester is a City of approximately 185,000 residents located in the center of Massachusetts, between Boston and Springfield. [Worcester](#), known as the “Heart of the Commonwealth,” was incorporated as a town in 1722 and as a city in 1848. It is the second most populous city in New England following Boston. Worcester is approximately 40 west of Boston, 50 miles east of Springfield, and 40 miles north of Providence, R.I. The City has a total area of 38.6 square miles. It is bordered by the communities of Auburn, Grafton, Holden, Leicester, Millbury, Paxton, Shrewsbury, and West Boylston.



Worcester is a vibrant, bustling, and growing community. It has successfully emerged as a leader in advanced manufacturing, biotechnology, information technology, education, financial services, health care, and medical research. UMass Medical School as well as UMass Memorial Health Care and Saint Vincent Hospital are located in Worcester. The City is also home to numerous colleges, including College of the Holy Cross, Clark University, Worcester Polytechnic Institute, Worcester State University, Assumption College, Becker College, and a campus of the Massachusetts College of Pharmacy and Health Sciences. In the late 1990s, a convention center was built in downtown Worcester and in 2000 Union Station was reopened following a \$32 million renovation.

During the turn of the 19th century, Worcester’s economy first moved into manufacturing. Factories were built along the Blackstone River producing textiles, clothing, and shoes. When the Blackstone Canal was built in 1828, followed by the Worcester and Boston Railroad in 1835, the manufacturing industry began to thrive. Immigrants seeking a more prosperous life were attracted to the City due to the numerous job opportunities. Worcester also became a manufacturer of machinery, wire products, and power looms. In the 20th century, manufacturing began to move overseas sparking an economic downturn. In the late 20th century, the local economy began to recover as the City expanded into the biotechnology and healthcare fields.



Today, there is more than \$2.6 billion in private and public investment underway in Worcester. The \$565 million, multi-phased [CitySquare](#) project, located in the heart of Worcester, includes 365 housing units, 168 hotel rooms, and 550 parking spaces. New office buildings, a hospital expansion, retail, and restaurants are also part of the overall project.

Construction is underway for a state-of-the-art [ballpark](#) to host the Worcester Red Sox; additional [Green Island and Canal District](#) development will include retail and restaurant space as well as a 500-space municipal parking garage; and Kelley Square will be redesigned to make it safer for drivers, cyclists, and pedestrians. Additionally, two [major high school projects](#) are in the works with other school projects recently completed; an \$11 million reconstruction of [Main Street](#) is beginning; and a [two-phase project](#) replacing an existing 1930's steel water main that transfers water between the Quinapoxet Reservoir and the Kendall Reservoir in the Town of Holden is edging toward completion.

Worcester offers the best of both large and small cities with its diverse neighborhoods, quality public schools, renowned colleges and universities, access to a vibrant and diverse arts and culture scene, sports, concert halls, restaurants and entertainment, reliable local and regional transportation, and a proud tradition of innovation and enterprise.

Worcester At A Glance

- Population: 185,877 (est.)
- Households: 71,145
- Total Annual Budget FY20: \$685.7 million
- Land Area: 37.37 square miles
- Road Miles: 523.37
- Median Home Value: \$233,400
- Median Household Income: \$46,407 (est.)
- Government Type: Council-Manager

Sources: U.S. Census and City of Worcester



City Government

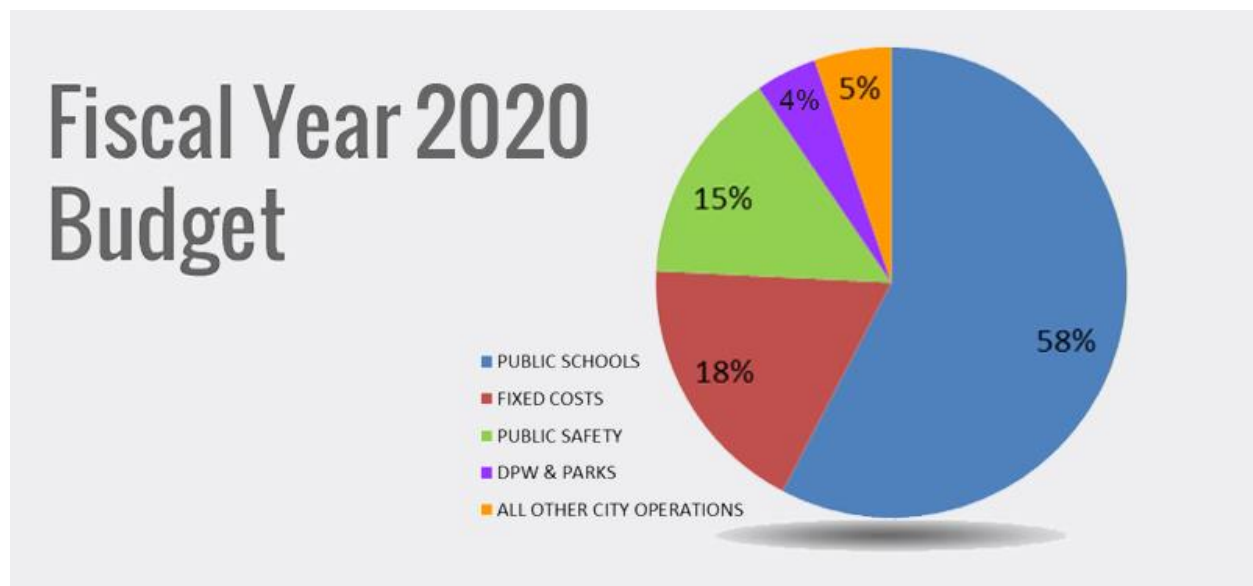
The City of Worcester continues to further its reputation as a well-run, financially sound municipal organization. Worcester is governed by a Council-Manager, or Plan E, form of government with a popularly elected Mayor, 11 City Council members, and a City Manager. The Chief Financial Officer position reports directly to the [City Manager](#).

Worcester is a diverse governmental body, consisting of numerous departments, divisions, and sections all working together to serve the residents of Worcester. The main goal of each department, division, and section is simple: to provide the best services possible each day in order to produce a comfortable environment in which to live, work, and visit.

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City Finances

Worcester's [FY20 budget](#) is \$685.7 million, which reflects an increase from the previous year of 5%, the majority of which was committed to the Worcester Public Schools. The City has a Standard & Poor's rating of AA- and a Moody's rating of Aa3, both with stable outlooks. Worcester has a sizeable tax base, anchored by multiple health and higher education institutions along with strong redevelopment potential and considerable redevelopment that is currently occurring. Moody's recently noted that the City has stable financial operations with satisfactory reserves supported by formally adopted fiscal policies and conservative budgeting. Worcester's Comprehensive Annual Financial Reports, Federal Programs Audit Reports, and Management Letters can be located on the [City Auditor's page](#) of the City's website.



In FY20, Worcester’s revenues are:

Fiscal Year 2020 Revenue by Source		
Revenue Source	Amount	% of Total
Tax Levy	316,125,865	40.30
State Aid	330,904,977	42.18
Local Receipts	122,665,855	15.64
Other Available	14,738,695	1.88
Total	784,435,392	

Source: Massachusetts Department of Revenue, Division of Local Services

Worcester’s Budget and Capital improvement Plan are constructed to align with the City’s four strategic goals:

- Promote strong neighborhoods
- Create vibrancy
- Provide opportunities for all
- Maintain fiscal responsibility

The budget focuses on key initiatives designed to support those priorities. The investments made serve to elevate the quality of life for all. Key initiatives include public safety, parks and youth development, Office of Urban Innovation, ESCo and green initiatives, and succession planning. Information that delves into the specifics of the City’s prioritized investments are detailed within the [FY20 budget](#).

The five-year [Capital Improvement Plan](#) for FY20 takes into account the collective priorities of the community, City Council, and City Manager’s administration following the vision of the Strategic Plan – “To be the country’s most vibrant and livable mid-size city.” A total capital spending budget of \$166.4 million was recommended for FY20, which includes \$135.2 million in general obligation bonds and \$31.1 million in grant funding. Details of the City’s five-year debt service projections can be found in the FY20 Capital Improvement Plan.

FY20 Capital Spending Financed

Funding Source	Remaining Prior Year Authorization	FY20 New Authorization	FY20 Borrowing	Other Funding (Grants, etc.)
Tax Levy	3,846,132	37,148,122	33,844,254	8,150,000
Off-Street Parking	5,000,000	9,535,000	14,535,000	23,000,000
Water Enterprise	-	21,600,000	21,600,000	-
Sewer Enterprise	-	18,550,000	18,550,000	-
DCU	22,027,750	-	1,809,000	-
ESCo	-	21,954,482	8,000,000	-
Pilot	1,500,000	7,500,000	9,000,000	-
Ball Park	69,485,000	-	27,864,000	-
Solar	-	61,900	61,900	-
Grand Total	101,858,882	116,349,504	135,264,154	31,150,000

Source: City of Worcester

In FY20, Worcester has an available Proposition 2½ levy capacity of approximately \$335.6 million and an unused levy capacity of approximately \$19.4 million. It experienced new growth of about \$6.5 million. The total assessed valuation of the City is approximately \$14.64 billion, including about \$10.9 billion in residential, \$2.28 billion in commercial, \$876.2 million in personal property, and \$536.6 million in industrial. The FY20 overlay reserve fund is \$4.4 million and in FY20 free cash is \$5.9 million.

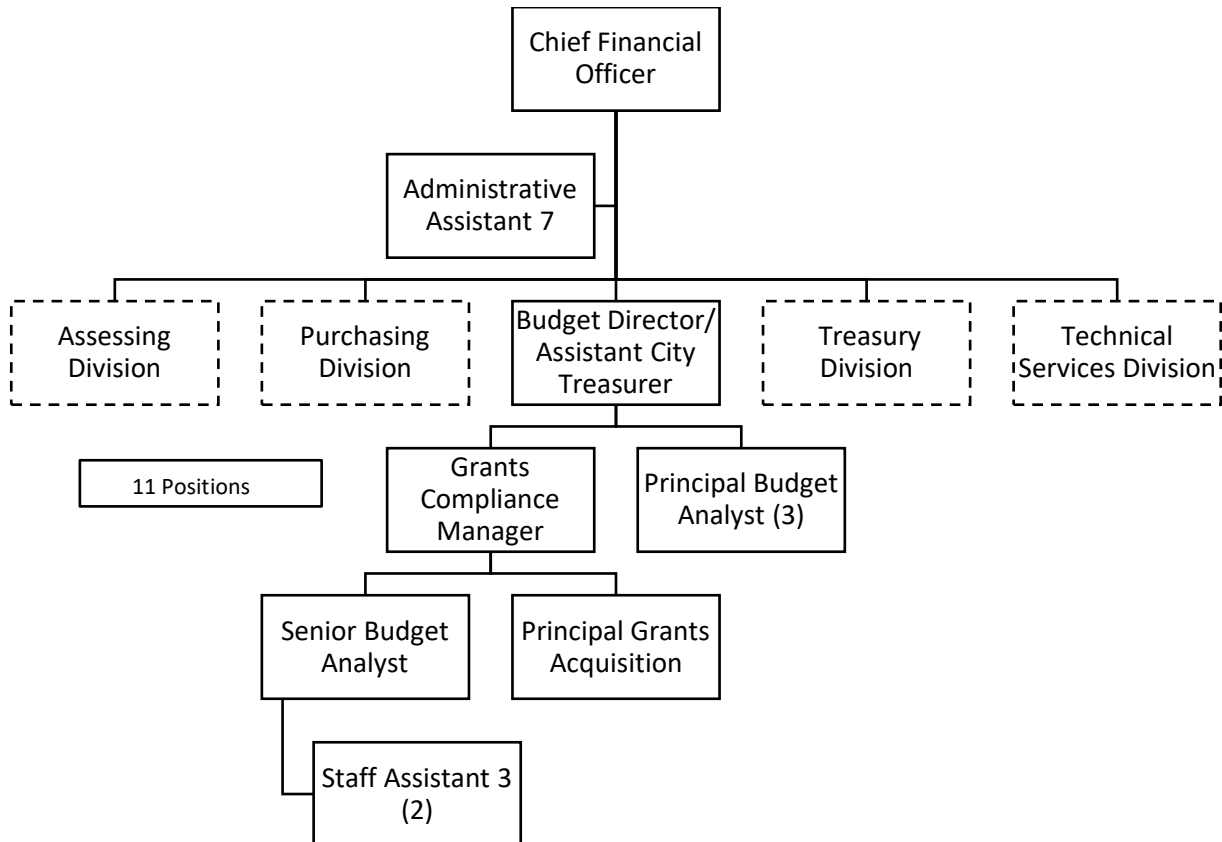
The average single-family tax bill is \$4,228 and the City has 25,369 single-family parcels with an average assessed value of \$248,697, according to the Massachusetts Department of Revenue’s Division of Local Services.

Worcester has approved budget and finance policies, including the City’s [Five Point Financial Plan](#) which was intended to improve its long-term financial stability. The Five Point Plan, adopted in 2007, included short- and long-term goals and procedures to be followed during budget preparation as well as on-going monitoring. A sample of Plan actions include: established a dedicated reserve building funding source, established an annual borrowing cap, established a reserve policy, and required that 30% of net free cash be deposited into the City’s OPEB liability trust fund.



Position of Chief Financial Officer

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Worcester seeks an honest and forthright Chief Financial Officer who will treat department heads as part of the team and foster a strong sense of teamwork. The CFO should be a leader who is confident in their own abilities and willing to assist employees in gaining new skills, improving their capabilities, and creating new career paths. Preferred candidates will be highly motivated and excited at the chance to join a dynamic, enthusiastic team that continues to move the City forward. The positions of Budget Director and Assessor will have new hires on board.

The next CFO will be involved with such projects as financing [two new high schools](#), a new [ballpark](#) and downtown revitalization efforts, financing a new DPW facility, and building up the organization. The City is investigating the purchase of a new financial software system and the next CFO will be expected to seek out vendors and embrace implementing software that will assist in modernizing the financial system as well as improving its resiliency.

As a member of the City Manager’s Cabinet, the Chief Financial Officer has critical responsibilities within the City administration. The CFO advises and makes recommendation to the City Manager and assumes a leadership role in the design, implementation, and monitoring of internal controls; acts as one of the City Manager’s principal representatives before the City Council relative to financial management of City activities; and conducts hearings with department and agency heads to resolve differences and facilitate decision making by the City Manager.

The CFO reviews recommendations on major projects and participates with the departmental and agency heads in implementation of recommendations; approves major fiscal projects providing guidance as to the scope of the projects and approach to be followed; and oversees the establishment of controls to ensure compliance with budget appropriations, bond covenants, grant requirements, and state and local financial regulations. The CFO also oversees the City’s borrowing and financing strategies including cash flow management, financing of capital projects, and refinancing debt; participates in bond rating issuance processes; oversees the citywide payroll system; and serves as an ex-officio trustee of the OPEB Board.

Required Qualifications

- Extensive knowledge of the principles, methods, and practices of municipal finance and accounting and GAAP.
- Ability to establish and maintain effective working relationships with subordinates, city officials, members of the banking community, governmental representatives, and the general public.
- Ability to work with a high level of detail, and an ability to prioritize and manage multiple tasks and deal effectively with complex challenges, often under considerable pressure.
- Complete command of, and skill in using, computer applications for accounting and financial management.
- Must be a critical thinker and possess the ability to administer complex financial management systems and to analyze and interpret financial data and present clearly in multiple forums.
- Extensive knowledge of the principles and practices of public administration.
- Ability to analyze financial statements, data, trends, and forecasts to formulate plans and strategies.
- Ability to analyze, interpret, organize, and supervise the work of a finance staff.
- Maintains current knowledge of new legislation, regulations, and changes in accounting procedures through publications review, attendance at profession associations training programs and ensure training opportunities for department staff to ensure compliance with applicable laws related to municipal finance.

Compensation

Annual Salary: \$160K+/-, commensurate with qualifications. An attractive benefits package, including health and retirement plans, is part of the compensation package.

Education and Experience

- Master's degree in Accounting, Finance, or related field, or any equivalent combination of experience and training which provides the required knowledge, skills, and abilities.
- 10 years' progressive experience in financial management or leadership for a major company or division of a large government entity or corporation.
- At least 5 years' experience with GAAP.
- At least 5 years' experience dealing with bond rating agencies and municipal debt.
- At least 5 years' experience working with large financially complex projects.
- High level of written and oral communication skills with over 5 years' experience speaking at large professional or public meetings.

Preferred

- 5-7 years' experience in financial leadership position within a government organization, preferably in Massachusetts.
- Certified Public Accountant.
- 10 years' experience with GAAP.
- 10 years' experience dealing with bond rating agencies & municipal debt.
- At least 5 years' experience working with large, financially complex projects in a government setting.

How To Apply

Interested applicants should send a cover letter and résumé, in confidence, via email to:

Apply@communityparadigm.com

Subject: Worcester CFO Search

Submit a single PDF containing both cover letter and résumé.

Position is Open Until Filled with a first round of résumé reviews on April 27, 2020. Résumés will be reviewed according to the outlined qualifications. Applicants chosen to interview for the position will be contacted by Community Paradigm Associates. Finalists will be asked to submit references and for approval of background reviews before their name is advanced to the City Manager.

Questions regarding the position should be directed to:

Bernard Lynch, Principal
Community Paradigm Associates
BLynch@communityparadigm.com
978-621-6733

The City of Worcester, Mass., is an Equal Opportunity/Affirmative Action Employer.