

## Work of Douglas finance department pays off

By Matthew Wojcik  
Town Administrator

It's not unusual for a group of employees to work hard, achieve good results, and not get a whole lot of praise because so few are able to observe, or care to understand, what those employees do behind the scenes.

There are towns not far from Douglas that have struggled to find qualified, proactive finance staff. In those cases, townspeople do come to realize how important the town accountant, treasurer, tax collector, assessor and all their supporting staff are in the effort to hit financial deadlines, including clean audits. It's appropriate for Douglas residents to turn their attention to how fortunate their town is to have an energetic, professional team already in place, and to recognize the good work done every day by our staff.

At the last meeting of the board of selectmen, there was a brief but very important presentation from the town's financial advisor and finance director regarding the refunding of some of the town's long term debt. Refunding a bond

involves calling in all the redeemable portion of the debt and reissuing the bond at lower interest rates, saving the town money. Complicated? Not really – think of it simply as refinancing your mortgage to take advantage of lower interest rates.

Since the town borrows money in large amounts and interest rates may be heading back up, those bonds eligible for refunding must be dealt with before the opportunity passes. The Douglas finance director, well aware of the situation and having it as part of her plan to act as soon as feasible, set the town on the proper course. The result of refunding some of the borrowing done for school projects could be as large as five percent (5%) of the remaining principal, which is about \$700,000 over the remaining life of the bond. Since the bond is so-called "excluded debt," the impact of these savings goes directly to your tax bill, not the general fund.

Our accounting staff typically turns vendor payments around

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within seven (7) days of receiving them. Sounds like a good practice, but so what? The town participates in state wide contracts for many items that typically save you money on purchase prices, but also allow for as much as a five percent (5%) discount for prompt payment. Five percent of a lot, is a lot.

The treasurer/collector's office has taken a business-like stance on collection of past due taxes. While there are a few who are unhappy about that posture, most

should be happy with it. Accurate tax bills that are collected on time help the town prove its credit-worthiness to the bond markets, keeping our interest rates competitive. The fundamental fairness issues raised by taxation and collection are secured by a process that does not allow things to slide. With a collection rate that is typically at or above 99% and efforts underway to clean up old accounts, the proof is in the performance.

Therefore – thank you to the Douglas finance department for all the hard work.

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