

CITY OF NEWTON
IN BOARD OF ALDERMEN
FINANCE COMMITTEE AGENDA

MONDAY, APRIL 8, 2013

7:00 PM
Room 222

Chairman's Note: There will be an update on the F.A. Day Middle School Project finances.

ITEMS SCHEDULED FOR DISCUSSION:

- #116-13 HIS HONOR THE MAYOR requesting authorization to appropriate the sum of four hundred thirty five thousand five hundred ten dollars (\$435,510) from the March 7, 2013 Declaration of Overlay Surplus as declared by the Chairman of the Board of Assessors to the Reserve for Statutory Interest on Property Tax Abatements. [03/11/13 @ 5:43 PM]
- #78-10(2) HIS HONOR THE MAYOR requesting amendments to the Financial Management Guidelines approved by the Board of Aldermen on April 12, 2011. [03/11/13 @ 5:43 PM]
- #118-13 HIS HONOR THE MAYOR requesting authorization to expend of ninety-six thousand dollars (\$96,000) from the Federal Emergency Management Agency (FEMA) FY 2012 Assistance to Firefighter Grant Program and to transfer the sum of twenty-four thousand dollars (\$24,000) from Fiscal Year 2013 Fire Department Operating Budget to meet the local match requirement for the purpose of training and certifying 24 Fire Department personnel to the highest level of "Technical Rescue" specialization. [03/11/13 @ 5:43 PM]

REFERRED TO PUBLIC FACILITIES AND FINANCE COMMITTEES

- #135-13 HIS HONOR THE MAYOR requesting authorization to appropriate the sum of seven hundred fifty thousand dollars (\$750,000) from Free Cash to the Department of Public Works Snow and Ice Removal accounts.
PUBLIC FACILITIES APPROVED 5-0 (Lappin not voting) on 04/03/13
- #133-13 HIS HONOR THE MAYOR requesting authorization to appropriate the sum of one thousand dollars (\$1,000) from Free Cash to the Veterans' Services Full-Time Salary Account for the purpose of rectify an error in the Veteran Services Officer Salary line item. [03/25/13 @ 3:58 PM]

The location of this meeting is handicap accessible, and reasonable accommodations will be provided to persons requiring assistance. If you have a special accommodation need, please contact the Newton ADA Coordinator Trisha Guditiz, 617-796-1156, via email at TGuditiz@newtonma.gov or via TDD/TTY at (617) 796-1089 at least two days in advance of the meeting date.

- #134-13 HIS HONOR THE MAYOR requesting authorization to transfer the sum of thirty-seven thousand five hundred dollars (\$37,500) from the Newton Free Library Full-Time Salaries Account to a capital equipment account for the purpose of funding security cameras at the Newton Free Library. [03/25/13 @ 3:58 PM]
- #209-10(4) HIS HONOR THE MAYOR requesting that the Board of Aldermen establish an irrevocable Other Post Employment Benefits Trust Agreement. [02/25/13 @ 6:32 PM]
- #209-10(5) HIS HONOR THE MAYOR requesting that the Board of Aldermen direct the City Treasurer/Collector acting as custodian of the City's OPEB trust to invest all City OPEB trust funds with the State Retiree Benefits Trust Fund pursuant to Massachusetts General Law Chapter 32A, Section 24. [03/12/13 @ 4:03 PM]
- #14-13(2) HIS HONOR THE MAYOR requesting amendment of the Municipal Whistleblower Policy, which was approved by the Board of Aldermen on February 4, 2013, to provide a more consistent policy. [03/11/13 @ 5:43 PM]

ITEMS NOT SCHEDULED FOR DISCUSSION:

- #132-13 ALD. HESS-MAHAN & YATES proposing a Resolution to request that the Mayor adopt the provisions of Massachusetts General Laws Chapter 59 Section 5C, which provides for a local property tax exemption of up to 20% of the average assessed value of residential properties which are the principal residences of taxpayers. [03/13/13 2:29 PM]

REFERRED TO PUB. FACIL., PROG. & SERV. AND FINANCE COMMITTEES

- #138-13 HIS HONOR THE MAYOR requesting authorization to appropriate an amount that is yet to be determined from bonded indebtedness for the purpose of funding the Carr School renovation project. [03/25/13 @ 3:58 PM]

REFERRED TO PUBLIC FACILITIES AND FINANCE COMMITTEES

- #137-13 HIS HONOR THE MAYOR requesting authorization to appropriate an amount that is yet to be determined from bonded indebtedness for the purpose of installing a sprinkler fire protection system at the Mason-Rice Elementary School. [03/25/13 @ 3:58 PM]

REFERRED TO PUBLIC FACILITIES AND FINANCE COMMITTEES

- #136-13 HIS HONOR THE MAYOR requesting authorization to appropriate an amount that is yet to be determined from bonded indebtedness for the installation of up to ten modular classrooms at the Burr, Horace Mann, Mason-Rice and Bowen Elementary Schools. [03/25/13 @ 3:58 PM]

REFERRED TO ZONING & PLANNING AND FINANCE COMMITTEES

- #316-12(2) COMMUNITY PRESERVATION COMMITTEE recommending the
(#55-13) appropriation of four hundred seventy-five thousand dollars (\$475,000) to the Planning and Development Department to continue the Newton Homebuyer Assistance Program as described in the proposal amended in December 2012.
[01/25/13 @ 12:33 PM]
ZONING & PLANNING APPROVED 6-0 ON 02/11/13

REFERRED TO PUBLIC FACILITIES AND FINANCE COMMITTEES

- #41-13 ALD. CROSSLEY, FULLER AND SALVUCCI requesting a discussion with the administration to review how the city inventories, plans for, budgets and accounts for needed smaller capital expenditures (currently set at under \$75,000), which are excluded from the Capital Improvement Plan (CIP); how to make these non-CIP capital maintenance items visible, and how to integrate them with the overall planning, CIP, and budgeting processes. [01/14/13 @ 5:02 PM]
- #40-13(2) FINANCE COMMITTEE requesting an amendment to the City of Newton Ordinances to establish a fine for failure to comply with the sidewalk café ordinance. [02/28/13 @ 4:17PM]
- #15-13 FINANCIAL AUDIT ADVISORY COMMITTEE requesting review and acceptance of the revised City of Newton Investment Policy. [12/18/12 @ 9:31 AM]
- #12-13 ALD. YATES requesting that the City's Treasurer/Collector accept credit cards as a method of payment for municipal bills.

REFERRED TO PUBLIC SAFETY & TRANS. AND FINANCE COMMITTEES

- #428-12 ALD. CICCONE & FULLER requesting a discussion with the Executive Office and the Police Department regarding police staffing and overtime costs.
[12/07/12 @ 1:34 PM]
- #412-12 HIS HONOR THE MAYOR requesting a discussion regarding updating the City's departmental fees and fines. [11/27/12 @ 12:45 PM]

REFERRED TO FINANCE AND APPROPRIATE COMMITTEES

- #322-12 HIS HONOR THE MAYOR submitting the FY14-FY18 Capital Improvement Program pursuant to section 5-3 of the Newton City Charter. [10/09/12 @ 2:38 PM]

REFERRED TO PUBLIC SAFETY/TRANSPORTATION & FINANCE COMMITTEES

- #281-12 HARRY SANDERS requesting creation of an ordinance to allow pawnbrokers in the City of Newton pursuant to G.L. c. 140 section 70 with potential for non-fixed location of business. Secured property storage would not entail retail walk-in; model would entail possible satellite locations enabling the possibility of integrating Newton students. [08-31-12 @ 12:25 PM]

REFERRED TO ZONING & PLANNING, LAND USE & FINANCE COMMITTEES

- #273-12 ALD. CROSSLEY & HESS-MAHAN requesting a restructuring and increase in fees for permits charged by the Inspectional Services Department and fees charged by the Planning Department and City Clerk to assure that fees are both sufficient to fund related services provided and simple to administer. [09-10-12 @1:17 PM]

REFERRED TO FINANCE AND APPROPRIATE COMMITTEES

- #257-12 RECODIFICATION COMMITTEE recommending (1) review of the Fees, Civil Fines/Non-Criminal Disposition contained in Chapter 17 LICENSING AND PERMITS GENERALLY and Chapter 20 CIVIL FINES/NON-CRIMINAL DISPOSITION CIVIL FINES to ensure they are in accordance with what is being charged and (2) review of the acceptance of G.L. c. 40 §22F, accepted on July 9, 2001, which allows certain municipal boards and officers to fix reasonable fees for the issuance of certain licenses, permits, or certificates.

REFERRED TO PROG & SERV, PUB. FAC., ZAP, AND FINANCE COMMITTEES

- #256-12 ALD. HESS-MAHAN, SANGIOLO & SWISTON proposing an ordinance promoting economic development and the mobile food truck industry in the City of Newton. [08/06/12 @4:46 PM]

REFERRED TO PROGRAMS & SERVICES AND FINANCE COMMITTEES

- #254-12 ALD. HESS-MAHAN, SANGIOLO, DANBERG, KALIS, CROSSLEY proposing an ordinance relating to plastic bag reduction that would add a fee to single-use plastic and paper bags that are not at least 40% post-consumer recycled content, at certain retail establishments in Newton. [07/18/12 @4:34 PM]
- #248-12 RECODIFICATION COMMITTEE recommending that **ARTICLE IV. PURCHASES AND CONTRACTS, Secs. 2-182 through 2-205**, be amended to make it consistent with state law.
- #247-12 RECODIFICATION COMMITTEE recommending that Chapter 18 MEMORIAL FUNDS AND TRUSTS be reviewed relative to the consequences and practices of special legislation passed by the General Court in 2007, Chapter 75 of the Acts of 2007, in which the City sought and was granted an exemption from G.L. Chapter 44 §54, which intent was to allow the City greater flexibility in terms of investments.

REFERRED TO PROGRAMS & SERVICES AND FINANCE COMMITTEES

- #185-12 ALD. BAKER, BLAZAR, SANGIOLO, LINSKY, ALBRIGHT & DANBERG requesting that the Board of Aldermen adopt a RESOLUTION to His Honor the Mayor asking that, when the Mayor seeks future Board approval for bonding the cost of additional capital facilities or equipment for the schools, he include in that funding request, as well as in the city-wide Capital Improvement Plan, the estimated costs needed for funding the capital technology needs of the Newton Schools, including the appropriate portions of the estimated project costs of the School Committee's three-year district-wide technology plan not anticipated to be funded by the Information Technology Department budget; the anticipated

technology grants from Boston College for the elementary schools; and/or estimated revenue from the E-rate Technology Reimbursement Program.

[06/11/12 @ 11:23 PM]

PROG & SERV APPROVED 6-0 on 07/11/12

#102-12 HIS HONOR THE MAYOR requesting authorization to appropriate the sum of five hundred thousand dollars (\$500,000) from cable contract receipts for the purpose of constructing Phase I of III to connect all city facilities with high-speed fiber infrastructure for continued reliance on the IT network. [04-09-12 @ 3:40 PM]

#140-11 ALD. HESS-MAHAN requesting acceptance of MGL Chapter 59 §5c which allows communities to shift the tax burden away from homeowners who live in lower than average valued single and multi-family homes to owners of higher valued homes, second homes, and most apartment buildings. {04-15-11 @ 3:07 PM]

REFERRED TO PUBLIC FACILITIES AND FINANCE COMMITTEES

#311-10(A) HIS HONOR THE MAYOR requesting an appropriation in the amount of three million three hundred thirty-five thousand dollars (\$3,035,000) from bonded indebtedness for the purpose of funding the FY 2011 Capital Improvement Plan projects as follows: [11/29/ 10 @ 3:23 PM]
Architectural Design and Engineering/ Next Scheduled Fire Station \$400,000
A-2 - HELD 6-0 \$270,000 for final design bidding and construction admin on 12/08/10

REFERRED TO LAND USE & FINANCE COMMITTEES

#276-10 ALD. FULLER, CROSSLEY, DANBERG, LINSKY requesting a review of guidelines for mitigation fund provisions to maximize the use of such funds on behalf of the city together with mechanisms by which the city can better track such funds to ensure they are used in a timely fashion.

REFERRED TO FINANCE AND PROGRAMS AND SERVICES COMMITTEES

#245-06 ALD. JOHNSON AND HESS-MAHAN requesting an amendment to the City Charter to require the Mayor annually to prepare and submit to the Board of Aldermen a long-term financial forecast of anticipated revenue, expenditures and the general financial condition of the City, including, but not limited to identification of any factors which will affect the financial condition of the City; projected revenue and expenditure trends; potential sources of new or expanded revenues; anticipated municipal needs likely to require major expenditures; and a strategic plan for meeting anticipated municipal needs, to include, but not be limited to, any long or short-term actions that may be taken to enhance the financial condition of the City.

Respectfully submitted,

Leonard J. Gentile, Chairman

#116-13

Telephone
(617) 796-1100

Facsimile
(617) 796-1113

TDD/TTY
(617) 796-1089

E-mail
swarren@newtonma.gov



SETTI D. WARREN
MAYOR

City of Newton, Massachusetts
Office of the Mayor

RECEIVED
Newton City Clerk
2013 MAR 11 PM 5:43
David A. Olson, CMC
Newton, MA 02459

March 11, 2013

Honorable Board of Aldermen
Newton City Hall
1000 Commonwealth Avenue
Newton Centre, MA 02459

Ladies and Gentlemen:

I write to request that your Honorable Board docket for consideration a request to appropriate the sum of \$435,510 from Overlay Surplus as declared on March 7, 2013 by Elizabeth Dromey, Chairman, Board of Assessors, to the Reserve for Statutory Interest on Property Tax Abatements.

As you know, I have submitted a request to amend the City's Financial Management Guidelines to establish a reserve for statutory interest on property tax abatements to cover interest obligations of the City that result from property tax refunds ordered by the Courts or the Massachusetts Appellate Tax Board (ATB). The requested amount would cover all interest that would be due from the City through June 30, 2013, should the ATB rule against the City in each of the City's Utility Abatement cases.

Thank you for your consideration of this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Setti D. Warren", written over the word "Sincerely,".

Setti D. Warren
Mayor

1000 Commonwealth Avenue Newton, Massachusetts 02459

www.newtonma.gov

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City of Newton



Setti D. Warren
Mayor

ASSESSMENT ADMINISTRATION

Elizabeth Dromey, Director

Telephone
(617) 796-1160

Telefax
(617) 796-1179
tdd-tty

(617) 796-1089

Email
assessing@newtonma.gov
dromey@newtonma.gov

March 7, 2013

David C. Wilkinson, Comptroller
City of Newton
1000 Commonwealth Avenue
Newton Centre, MA 02459

Dear Mr. Wilkinson:

In accordance with Chapter 59, Section 25 of the Massachusetts General Laws, please accept this letter as formal notification of declaration of overlay surplus. This declaration covers the overlay account delineated in the table below:

ACCOUNT	AMOUNT DECLARED SURPLUS
FY 2012	\$ 386,100
FY 2011	\$ 395,000
FY 2010	\$ 300,000
FY 2007	\$ 36,200
FY 2006	\$ 26,000
FY 2005	\$ 49,000
FY 2003	\$ 2,200
FY 2002	\$ 800
FY 2001	\$ 300
FY 2000	\$ 2,500
FY 1999	\$ 800
FY 1998	\$ 900
FY 1997	\$ 200

The total amount declared surplus is **\$1,200,000**.

If you require additional information regarding this matter, please let me know.

Sincerely,

Elizabeth Dromey, Director
Assessment Administration

1000 Commonwealth Avenue, Newton, MA 02459-1449
www.newtonma.gov

cc: Mayor Setti D. Warren
Alderman Leonard J. Gentile, Finance Chairman
Maureen Lemieux, Chief Financial Officer
James G. Reardon, Treasurer/Collector

FISCAL YEAR	TAXPAYER	TAXES DISPUTED	INTEREST THRU 6/30/14
2010	VERIZON	\$368,120.40	\$122,801.05
2011		\$330,178.55	\$83,729.78
2012		\$371,562.43	\$64,417.46
2012	NSTAR	\$578,211.62	\$100,244.22
2012	NATIONAL GRID	\$370,985.99	\$64,317.79
			\$435,510.30



SETTI D. WARREN
MAYOR

City of Newton, Massachusetts
Office of the Mayor

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swarren@newtonma.gov

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Newton City Clerk
2013 MAR 11 PM 5:43
David A. Olson, CMC
Newton, MA 02459

March 11, 2013

Honorable Board of Aldermen
Newton City Hall
1000 Commonwealth Avenue
Newton Centre, MA 02459

Ladies and Gentlemen:

I write to request that your Honorable Board docket for consideration a request to amend the City's Financial Management Guidelines that were approved by the Board of Aldermen on April 12, 2011 under Board Order #78-10 as follows:

Page 11 – Closing out overlay surplus balances not needed for funding ongoing revaluation activity ***and statutory interest obligations of the City related to measurable and probable tax refunds that are expected to be made within the following twelve month period to Free Cash.***

Page 12 – Add new paragraph 2, following Property tax allowance abatements and exemptions as follows:

Reserve for statutory interest on property tax abatements: In order to provide for statutory interest obligations of the City that result from property tax refunds ordered by the Courts or the Massachusetts Appellate Tax Board (ATB), the City needs an appropriation from which such liabilities can be extinguished. Massachusetts municipal finance laws do not allow statutory interest to be charged directly to the Assessor's "Overlay" or Allowance for Abatement and Exemption Reserve.

At the same time that the Board of Assessors votes an Overlay Surplus declaration, the Board will make an estimate of the statutory interest liability of the City associated with all abatement exposures that the Board determines are likely to be resolved in the favor of taxpayers over the course of the next twelve month period. To the extent that resources have not previously been set aside to meet the statutory interest obligations, the Board shall recommend to the Mayor that all or a portion of the Overlay Surplus declaration be appropriated to a Reserve for Statutory Interest on Property Tax Abatements. All funds that are subsequently appropriated

1000 Commonwealth Avenue Newton, Massachusetts 02459

www.newtonma.gov



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by the Mayor and Board of Aldermen shall be available to satisfy statutory interest obligations of the City without any further appropriation.

Thank you for your consideration of this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott D. Warren". The signature is stylized with a large, looped initial "S" and a long, sweeping horizontal stroke at the end.

Scott D. Warren
Mayor

#118-13

Telephone
(617) 796-1100

Facsimile
(617) 796-1113

TDD/TTY
(617) 796-1089

E-mail
swarren@newtonma.gov



SETTI D. WARREN
MAYOR

City of Newton, Massachusetts
Office of the Mayor

RECEIVED
Newton City Clerk

2013 MAR 11 PM 5:43

David A. Olson, CMC
Newton, MA 02459

March 11, 2013

Honorable Board of Aldermen
Newton City Hall
1000 Commonwealth Avenue
Newton Centre, MA 02459

Ladies and Gentlemen:

I write to request that your Honorable Board docket for consideration a request to accept and appropriate the sum of \$96,000 for an "Assistance to Firefighters Grant" (AFG). Per the attached request from Fire Chief Proia, this grant has been awarded for the purpose of training and certifying 24 Newton Fire Department personnel to the highest level of specialization, "Technical Rescue".

This grant is an 80/20 split of \$120,000, leaving \$24,000 to be covered by the City of Newton. The \$24,000 is available in the FY2013 Fire Department Budget.

Thank you for your consideration of this matter.

Sincerely,

A handwritten signature in black ink, appearing to be 'Setti D. Warren'.

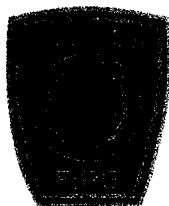
Setti D. Warren
Mayor

1000 Commonwealth Avenue Newton, Massachusetts 02459

www.newtonma.gov



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Bruce A. Proia
Chief

**CITY OF NEWTON, MASSACHUSETTS
FIRE DEPARTMENT HEADQUARTERS**

**1164 Centre Street, Newton Center, MA 02459-1584
Chief: (617) 796-2210 Fire Prevention: (617) 796-2230
FAX: (617) 796-2211 EMERGENCY: 911**



Setti D. Warren
Mayor

To the Honorable Mayor Setti D. Warren

Dear Mayor Warren,

The Newton Fire Department has been awarded an Assistance to Firefighters Grant (AFG) in the amount of \$120,000. The grant has been awarded for the purpose of training and certifying 24 Newton Fire Department personnel to the highest level of specialization, "Technical Rescue". Among the subject matters covered in the training are:

- * High angle rescue
- * Low angle rescue
- * Confined space rescue
- * Rope rescue
- * Trench rescue
- * Structural collapse
- * Water and ice rescue
- * Specialized extrication.

Once the personnel have been trained, they will be able to assist in training the rest of the department to the operational level of Technical Rescue to further the proficiency of support at incidents requiring specialized rescue. This will serve the dual purpose of raising the professional level of skill at the Department, and increasing Newton's self-sufficiency, so that we are less reliant on emergency assistance from outside the Department in the future. Prior to this Administration's tenure, we have experienced multiple ceiling collapses, including those at the Atrium Mall and the former Jordan Marsh warehouse on Grove Street. In addition, personnel certified in Technical Rescue would have significantly expedited the recovery operations at the fatal MBTA Greenline crash; Technical Rescue certified firefighters will be able to improve efficiency and reduce risks to victims and Newton Firefighters in future rescue endeavors.

We are also experiencing severe weather events on a more frequent basis. As you know, this year alone witnessed many storms, two of which were categorized as historical weather events by Massachusetts Emergency Management Agency (MEMA). This severe weather trend is expected to continue.

As Fire Chief, I share your vision of unparalleled public safety. This training award will go a long way in upholding your administration's ongoing commitment to public safety, if you approve the matching portion of this grant. FEMA (DHS) offers an 80/20 split, covering \$ 96,000 of the training costs, leaving a contribution of only \$ 24,000 by the City of Newton.

I request that you approve the complementary portion of this grant, so that we may advance the mission of the Newton Fire Department, and continue to improve service to the community. This grant was awarded on March 8th and has a 30 day term of acceptance.

Thank you, very much, for your consideration.

A handwritten signature in black ink, appearing to read 'B. Proia', with a stylized flourish at the end.

Bruce A. Proia
Chief of Department

Cc: Maureen Lemieux
Robert Rooney
File

U.S. Department of Homeland Security
Washington, D.C. 20472



FEMA

Mr. Bruce Proia
NEWTON FIRE DEPARTMENT
1164 centre street
Newton, Massachusetts 02459-1584

Re: Grant No.EMW-2012-FO-04625

Dear Mr. Proia:

On behalf of the Federal Emergency Management Agency (FEMA) and the Department of Homeland Security (DHS), I am pleased to inform you that your grant application submitted under the FY 2012 Assistance to Firefighters Grant has been approved. FEMA's Grant Programs Directorate (GPD), in consultation with the U.S. Fire Administration (USFA), carries out the Federal responsibilities of administering your grant. The approved project costs total to \$120,000.00. The Federal share is 80 percent or \$96,000.00 of the approved amount and your share of the costs is 20 percent or \$24,000.00.

As part of your award package, you will find Grant Agreement Articles. Please make sure you read and understand the Articles as they outline the terms and conditions of your grant award. Maintain a copy of these documents for your official file. **You establish acceptance of the grant and Grant Agreement Articles when you formally receive the award through the AFG online system.** By accepting the grant, you agree not to deviate from the approved scope of work without prior written approval from FEMA.

If your SF 1199A has been reviewed and approved, you will be able to request payments online. Remember, you should request funds when you have an immediate cash need.

If you have any questions or concerns regarding the awards process or how to request your grant funds, please call the helpdesk at 1-866-274-0960.

Sincerely,

A handwritten signature in black ink, appearing to read "Timothy W. Manning".

Timothy W. Manning
Deputy Administrator for National Preparedness and Protection

Agreement Articles

**FEMA**U.S. Department of Homeland Security
Washington, D.C. 20472**AGREEMENT ARTICLES****ASSISTANCE TO FIREFIGHTERS GRANT PROGRAM - Operations and Safety program****GRANTEE: NEWTON FIRE DEPARTMENT****PROGRAM: Operations and Safety****AGREEMENT NUMBER: EMW-2012-FO-04625****AMENDMENT NUMBER:****TABLE OF CONTENTS**

Article I	Project Description
Article II	Grantee Concurrence
Article III	Period of Performance
Article IV	Amount Awarded
Article V	Financial Guidelines
Article VI	Prohibition on Using Federal Funds
Article VII	GPD Allocations
Article VIII	Financial Reporting
Article IX	FEMA Officials
Article X	Central Contractor Registration (CCR)

Article I - Project Description

The purpose of the Assistance to Firefighters Program is to protect the health and safety of the public and firefighting personnel against fire and fire-related hazards. After careful consideration, FEMA has determined that the grantee's project submitted as part of the grantee's application, and detailed in the project narrative as well as the request details section of the application - including budget information - is consistent with the program's purpose and worthy of award. Therefore, the grantee shall perform the work described in the approved grant application as itemized in the request details section of the application and further described in the grant application's narrative. These sections of the application are made a part of these grant agreement articles by reference. The grantee may not change or make any material deviations from the approved scope of work outlined in the above referenced sections of the application without prior written approval from FEMA.

Article II - Grantee Concurrence

By providing the Primary Contact's electronic signature and indicating acceptance of the award, the grantee accepts and agrees to abide by the terms and conditions of the grant as set forth in this document and the documents identified below. Grantees agree that they will use the funds provided through the Fiscal Year 2012 Assistance to Firefighters Grant Program in accordance with these Articles of Agreement and the program guidelines provided in the Fiscal Year 2012 Assistance to Firefighters Grant program guidance. All documents

submitted as part of the application are made a part of this agreement by reference.

Article III - Period of Performance

The period of performance shall be from **01-MAR-13 to 28-FEB-14**.

Article IV - Amount Awarded

The amount of the award is detailed on the Obligating Document for the Award attached to these articles. Following are the budgeted estimates for each object class of this grant (including Federal share plus grantee match):

Personnel	\$0.00
Fringe Benefits	\$0.00
Travel	\$0.00
Equipment	\$0.00
Supplies	\$0.00
Contractual	\$120,000.00
Construction	\$0.00
Other	\$0.00
Indirect Charges	\$0.00
Total	\$120,000.00

NEGOTIATION COMMENTS IF APPLICABLE

Any questions pertaining to your award package, please contact your GPD Grants Management Specialist: Ramesa Pitts at Ramesa.Pitts@dhs.gov

Article V - Financial Guidelines

The grantee and any subgrantee shall comply with the most recent version of the Administrative Requirements, Cost Principles, and Audit Requirements. A non-exclusive list of regulations commonly applicable to FEMA grants are listed below:

A. Administrative Requirements

1. 44 CFR Part 13, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments
2. 2 CFR Part 215, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations (OMB Circular A-110)

B. Cost Principles

1. 2 CFR Part 225, Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A-87)
2. 2 CFR Part 220, Cost Principles for Educational Institutions (OMB Circular A-21)
3. 2 CFR Part 230, Cost Principles for Nonprofit Organizations (OMB Circular A-122)
4. Federal Acquisition Regulations (FAR), Part 31.2 Contract Cost Principles and Procedures, Contracts with Commercial Organizations

C. Audit Requirements

1. OMB Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations

Article VI - Prohibition on Using Federal Funds

Recipient understands and agrees that it cannot use any federal funds, either directly or indirectly, in support of the enactment, repeal, modification or adoption of any law, regulation or policy, at any level of government, without the express prior written approval of FEMA.

Article VII - GPD Allocations

The recipient agrees that all allocations and use of funds under this grant will be in accordance with the FY 2012 Assistance to Firefighters Grant Program guidance and application kit.

Article VIII - Financial Reporting

Recipients of any Assistance to Firefighters Grants will be required to submit a semi-annual Federal Financial Report (FFR) via the automated system on the Standard Form 425. The FFR is intended to provide Federal agencies and grant recipients with a standard format and consistent reporting requirements throughout the government. The FFR, to be submitted using the online e-grant system, will be due semi-annually based on the calendar year beginning with the period after the award is made. Grant recipients will be required to submit a FFR throughout the entire period of performance of the grant.

The reporting periods for the FFR are January 1 through June 30 (Report due by July 31), and July 1 through December 31 (Report due by January 30).

At the end of the grant's period of performance, all grantees are required to produce a final report on how the grant funding was used and the benefits realized from the award. Grantees must submit a final financial report and a final performance report within 90 days after the end of the period of performance.

Article IX - FEMA Officials

Program Officer: Catherine Patterson is the Program Officer for the Assistance to Firefighters Grant Program. The Program Officer is responsible for the technical monitoring of the stages of work and technical performance of the activities described in the approved grant application.

Grants Assistance Officer: Andrea Day is the Assistance Officer for this grant program. The Assistance Officer is the Federal official responsible for negotiating, administering, and executing all grant business matters. If you have any questions regarding your grant please call ASK-GMD at 866-927-5646 to be directed to a specialist.

Grants Management Division POC: The Grants Management Specialist shall be contacted to address all financial and administrative grant business matters for this award. If you have any questions regarding your grant please call ASK-GMD at 866-927-5646 to be directed to a specialist.

Article X - Central Contractor Registration (CCR)

Recipients of an AFG grant are required Central Contractor Registration (CCR) in the SAM.gov system. Active registration in the Central Contractor Registry ensures grantees are compliant with Federal regulations under Federal Financial Accountability and Transparency Act (FFATA). CCR registration is free, and may take up to 5 to 10 business days to process. For help with registering in the CCR, please visit SAM.gov for more information.

FEDERAL EMERGENCY MANAGEMENT AGENCY OBLIGATING DOCUMENT FOR AWARD/AMENDMENT

1a. AGREEMENT NO. EMW-2012-FO-04625	2. AMENDMENT NO. 0	3. RECIPIENT NO. 04-6001404	4. TYPE OF ACTION AWARD	5. CONTROL NO. W279230N
6. RECIPIENT NAME AND ADDRESS NEWTON FIRE DEPARTMENT 1164 Centre Street Newton Massachusetts, 02459-1584	7. ISSUING OFFICE AND ADDRESS Grant Programs Directorate 500 C Street, S.W. Washington DC, 20528-7000 POC: Andrea Day	8. PAYMENT OFFICE AND ADDRESS FEMA, Financial Services Branch 500 C Street, S.W., Room 723 Washington DC, 20472		
9. NAME OF RECIPIENT PROJECT OFFICER Bruce Proia	PHONE NO. 6177962210	10. NAME OF PROJECT COORDINATOR Catherine Patterson	PHONE NO. 1-866-274-0960	
11. EFFECTIVE DATE OF THIS ACTION 01-MAR-13	12. METHOD OF PAYMENT SF-270	13. ASSISTANCE ARRANGEMENT Cost Sharing	14. PERFORMANCE PERIOD From:01-MAR-13 To:28-FEB-14	

Budget Period
From:01-NOV-12 To:30-SEP-13

15. DESCRIPTION OF ACTION

a. (Indicate funding data for awards or financial changes)

PROGRAM NAME ACRONYM	CFDA NO.	ACCOUNTING DATA (ACCS CODE) XXXX-XXX-XXXXXX-XXXX- XXXX-XXXX-X	PRIOR TOTAL AWARD	AMOUNT AWARDED THIS ACTION + OR (-)	CURRENT TOTAL AWARD	CUMMULATIVE NON- FEDERAL COMMITMENT
AFG	97.044	2013-1C-C111-P4000000- 4101-D	\$0.00	\$96,000.00	\$96,000.00	\$24,000.00
TOTALS			\$0.00	\$96,000.00	\$96,000.00	\$24,000.00

b. To describe changes other than funding data or financial changes, attach schedule and check here.
N/A

16a. FOR NON-DISASTER PROGRAMS: RECIPIENT IS REQUIRED TO SIGN AND RETURN THREE (3) COPIES OF THIS DOCUMENT TO FEMA (See Block 7 for address)

Assistance to Firefighters Grant recipients are not required to sign and return copies of this document. However, recipients should print and keep a copy of this document for their records.

16b. FOR DISASTER PROGRAMS: RECIPIENT IS NOT REQUIRED TO SIGN

This assistance is subject to terms and conditions attached to this award notice or by incorporated reference in program legislation cited above.

17. RECIPIENT SIGNATORY OFFICIAL (Name and Title)
N/ADATE
N/A18. FEMA SIGNATORY OFFICIAL (Name and Title)
Andrea DayDATE
22-FEB-13

Go Back



SETTI D. WARREN
MAYOR

City of Newton, Massachusetts
Office of the Mayor

#135-13

Telephone
(617) 796-1100

Facsimile
(617) 796-1113

TDD/TTY
(617) 796-1089

E-mail
swarren@newtonma.gov

March 25, 2013

Honorable Board of Aldermen
Newton City Hall
1000 Commonwealth Avenue
Newton Centre, MA 02459

Ladies and Gentlemen:

I write to request that your Honorable Board docket for consideration a request to transfer the sum of \$750,000 from June 30, 2012 Free Cash to Acct # 0140110-5273 Snow/Ice Removal.

The Department of Public Works has now spent more than \$3.5 million. With the Board's approval of this action \$500,000 remains in Free Cash and \$500,000 in the Inclement Weather Reserve set aside should the City need additional funding for Snow Removal.

Thank you for your consideration of this matter.

Sincerely,

Setti D. Warren
Mayor

RECEIVED
Newton City Clerk
2013 MAR 25 PM 3:58
David A. Olson, CMC
Newton, MA 02459

1000 Commonwealth Avenue Newton, Massachusetts 02459

www.newtonma.gov



DEDICATED TO COMMUNITY EXCELLENCE

Public Works Department
FY13 Snow and Ice Projected Spending Through Thursday March 19, 2013

#135-13

DESCRIPTION	A	B	C=A+B	D	E	F	G=C-F	
							EXPENDED, ENCUMBERED AND TO BE PROCESSED	EST. FOR STORM OF 3.19.13 (8.5 inches)
0140110	ORIGINAL FY13 APPROPRIATION	TRANSFERS AND BOARD ORDERS	REVISED APPROPRIATION				TOTAL PROJECTED SNOW & ICE SPENDING	AVAILABLE
511001 SALARY WAGES	\$0	\$10,700	\$10,700	10,632	0	10,632		\$68
511002 FULL TIME WAGES/HOURLY	\$0	\$0	\$0	0	0	0		\$0
513001 REGULAR OVERTIME	197,800	\$356,000	\$553,800	698,961	40,840	739,801		(\$186,001)
513001A REGULAR OVERTIME - BUILDINGS/SCHOOLS	30,000	\$22,000	\$52,000	62,567	4,500	67,067		(\$15,067)
513004 WORK BY OTHER DEPARTMENTS - OVERTIME	1,000	\$8,000	\$9,000	8,194	1,500	9,694		(\$694)
514311 DRIVING BONUS/STAND-BY SNOW PAY	30,000	\$39,000	\$69,000	95,332	9,676	105,008		(\$36,008)
514318 SNOW/WATCH PAY	20,000	\$0	\$20,000	16,665	700	17,365		\$2,635
514321 PROMPTNESS PAY STIPEND	1,200	\$0	\$1,200	2,017	0	2,017		(\$817)
5273 RENTAL: VEHICLE & EQUIPMENT	200,000	\$1,700,000	\$1,900,000	1,586,969	228,524	1,813,493		\$86,507
5273A RENTAL: VEHICLE & EQUIPMENT BUILDINGS/SCHOOLS	100,000	\$0	\$100,000	457,345	64,400	521,745		(\$421,745)
5386 WEATHER FORECAST SERVICE	1,655	\$0	\$1,655	1,655	0	1,655		\$0
5480 GASOLINE	34,425	\$0	\$34,425	14,672	4,400	19,072		\$15,353
5481 DIESEL FUEL	63,930	\$0	\$63,930	23,036	8,200	31,236		\$32,694
5484 VEHICLE REPAIR PARTS	75,000	\$0	\$75,000	93,719	4,000	97,719		(\$22,719)
5532 SAND AND SALT	239,990	(\$25,000)	\$214,990	497,096	30,000	527,096		(\$312,106)
5712 MEALS	0	\$0	\$0	0	0	0		\$0
5763 PRIVATE PROPERTY DAMAGE	5,000	\$0	\$5,000	0	0	0		\$5,000
57MEDA MEDICARE PAYROLL TAX	0	\$0	\$0	9,493	1,000	10,493		(\$10,493)
TOTALS	\$1,000,000	\$2,110,700	\$3,110,700	\$3,578,353	\$395,740	\$3,974,093		(\$863,393)



SETTI D. WARREN
MAYOR

City of Newton, Massachusetts
Office of the Mayor

#133-13

Telephone
(617) 796-1100

Facsimile
(617) 796-1113

TDD/TTY
(617) 796-1089

E-mail
swarren@newtonma.gov

March 25, 2013

Honorable Board of Aldermen
Newton City Hall
1000 Commonwealth Avenue
Newton Centre, MA 02459

Ladies and Gentlemen:

I write to request that your Honorable Board docket for consideration a request to transfer the sum of \$1,000 from June 30, 2012 Free Cash to Acct # 0150301-511001 Full-Time Salaries – Veterans' Benefits.

This transfer is necessary due to a recently detected error in the Veteran Services Officer Salary as requested in the FY2013 Budget.

Thank you for your consideration of this matter.

Sincerely,

Setti D. Warren
Mayor

RECEIVED
Newton City Clerk
2013 MAR 25 PM 3:58
David A. Olson, CMC
Newton, MA 02459

1000 Commonwealth Avenue Newton, Massachusetts 02459

www.newtonma.gov



DEDICATED TO COMMUNITY EXCELLENCE

#134-13



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E-mail
swarren@newtonma.gov

March 25, 2013

Honorable Board of Aldermen
Newton City Hall
1000 Commonwealth Avenue
Newton Centre, MA 02459

Ladies and Gentlemen:

I write to request that your Honorable Board docket for consideration a request to transfer the sum of \$37,500 from Acct # 0160103-511001 Full-Time Salaries to a Capital Equipment Account for the purpose of funding security cameras at the Newton Free Library.

Thank you for your consideration of this matter.

Sincerely,

A handwritten signature in black ink, appearing to be "Setti D. Warren", written over the word "Sincerely,".

Setti D. Warren
Mayor

RECEIVED
Newton City Clerk
2013 MAR 25 PM 3:58
David A. Olson, CMC
Newton, MA 02459

1000 Commonwealth Avenue Newton, Massachusetts 02459

www.newtonma.gov



DEDICATED TO COMMUNITY EXCELLENCE



Newton Free Library

The door to your imagination

Library Director
Philip E. McNulty



Mayor
Setti D. Warren

March 25, 2013

Mayor Setti D. Warren
City of Newton
1000 Commonwealth Avenue
Newton, MA 02459

Re: Appropriation for Security

Dear Mayor Warren,

I am requesting the transfer of \$37,112 from our fiscal year 2013 personnel budget, line 0160103, accounts 511101 (\$25,000) and 511001 (\$12,112) to a new line in 0160102 account 5850 Equipment & Machinery, for the purpose of installing twelve security cameras at library entrances and floor transition points.

As you are aware there have been two thefts this year that involved assaults of the victim by a thief. Since the beginning of 2012, there have been nine reported cases of theft of patron equipment at the library and one stolen car. A detailed summary report of these has been sent to the Library Trustees for their meeting of March 27, and a copy of that is enclosed. In addition, this past weekend a person was stopped in the act of breaking into a library computer in an apparent attempt to steal memory and components.

The camera positions we have outlined would have caught both violent altercations on film, but in most cases the value would be the ability of police to confirm whether a particular suspect was on the premises and on a floor where an incident occurred and allow them to help victims to a positive visual identification, as well as providing significant deterrent value.

We appreciate your help in taking this step to make the library the safe and welcoming community resource that residents expect it to be.

Sincerely Yours,

Philip E. McNulty
Library Director



1400 Providence Hwy, Norwood, MA 02062
t. 781-551-8599 f. 781-551-8667

#134-13

QUOTE

Number AAAQ1372

Date Feb 10, 2013

City of Newton - Public Buildings Dept.

Joshua Morse
52 Elliot St.
Newton Highlands, MA 02159

Phone (617) 796-1600

Fax

Newton Main Free Library

Joshua Morse
330 Homer St.
Newton Highlands, MA 02159

Phone (617) 796-1360

Fax

SURVEILLANCE SYSTEM INSTALLATION

SCOPE OF WORK: Install one network video recorder, software, ups power supply and network poe switch in the first floor IDF closet (utilize customers existing rack space).

EXTERIOR CAMERAS - 5 MEGAPIXEL:

Outside the emergency exit door from the childrens non-fiction section, camera to view back to the emergency exit door from the childrens fiction section.

Outside wall of the special collections room (S/E corner) looking back to the exit from the reading area.

Outside the loading dock area viewing exit doors, overhead door and exit door from the staff area.

INTERIOR CAMERAS - 2 MEGAPIXEL:

FIRST FLOOR:

Gallery (same location as old camera).

Main hall of entrance from parking lot (at Gallery).

Front main lobby at the express lane corner.

SECOND FLOOR:

Information/teen desk notation on plans, looking back at stairwell area.

Emergency stair at non-fiction 800-999.

Corner of emergency stair from non-fiction 001-641.

THIRD FLOOR:

Emergency stair at restrooms.

A/V information-staff area,

Emergency stair from express lane area.

Program/Test/instruct.

		Part Number	Ship Via
	Mal Porter		
1	1	ACC 4 Standard HD NVMS for up to 16 camera channels and 5 viewing clients	16C-HD-NVMS-ST D
2	1	HD NVR, 15.0 TB Storage, 2U Rack Mount	15.0TB-HD-NVR2
3	1	Smart UPS RM1U 750VA Battery Back-Up	TrippLite SMART750RM1U

PRICES SUBJECT TO CHANGE - PRICES BASED UPON TOTAL PURCHASE - ALL DELIVERY, TRAINING OR CONSULTING SERVICES TO BE BILLED AT PUBLISHED RATES FOR EACH ACTIVITY INVOLVED - GENERALLY ALL HARDWARE COMPUTER COMPONENTS PROPOSED ABOVE ARE COVERED BY A LIMITED ONE YEAR WARRANTY, COVERING PARTS AND LABOUR FOR HARDWARE ONLY AND ON A DEPOT BASIS - WE SPECIFICALLY DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OR WITH REGARD TO ANY LICENSED PRODUCTS. WE SHALL NOT BE LIABLE FOR ANY LOSS OF PROFITS, BUSINESS, GOODWILL, DATA, INTERRUPTION OF BUSINESS, NOR FOR INCIDENTAL OR CONSEQUENTIAL MERCHANTABILITY OR FITNESS OF PURPOSE, DAMAGES



4	1	24 Port Managed Poe Switch 380W Poe Budget	Netgear	GSM7224PP
5	3	5.0 Megapixel Day/Night Pendant Dome, 3-9mm f/1.2 P-iris lens (EXTERIOR)	Avigilon	5.0-H3-DP1
6	9	2.0 Megapixel (1080p) Day/Night Indoor Dome, 3-9mm f/1.2 lens (INTERIOR - TO BE LOCATED)	Avigilon	2.0-H3-D1
7	12	Compact wall bracket for use with H3PTZ-DP and H3-DP Pendant Dome Cameras		MNT-PEND-WALL
8	2,600	Cat5e Cable	Remee	5BE244UTPM2W
9	1	Labor/Installation		

Qualifications:

1. All work to be performed between 6:30AM and 3:30PM Monday through Friday, excluding holidays, unless otherwise directed, with premium labor adjustments applied per approved change order protocol.
2. Price is based upon quantities shown, please verify and notify us of any discrepancies. Permit fees and tax are not included in this quote.
3. Customer to provide 110vac power for power supplies and network switches.
4. Our starting date and ending date will be as required per job needs.
5. All pricing supplied in this quotation is CONFIDENTIAL to the recipient. This quotation is based on the need of the recipient as described to and understood by LAN-TEL Communications, Inc. It is the responsibility of the recipient to insure that the products detailed meet the needs of the applicable project.

SubTotal	\$37,112.00
Tax	\$0.00
Shipping	\$0.00

This proposal expires in sixty (60) days.

Thank you for the opportunity to provide you this quote.

Acceptance:

By: _____

Date: _____

PRICES SUBJECT TO CHANGE - PRICES BASED UPON TOTAL PURCHASE - ALL DELIVERY, TRAINING OR CONSULTING SERVICES TO BE BILLED AT PUBLISHED RATES FOR EACH ACTIVITY INVOLVED - GENERALLY ALL HARDWARE COMPUTER COMPONENTS PROPOSED ABOVE ARE COVERED BY A LIMITED ONE YEAR WARRANTY, COVERING PARTS AND LABOUR FOR HARDWARE ONLY AND ON A DEPOT BASIS - WE SPECIFICALLY DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OR WITH REGARD TO ANY LICENSED PRODUCTS. WE SHALL NOT BE LIABLE FOR ANY LOSS OF PROFITS, BUSINESS, GOODWILL, DATA, INTERRUPTION OF BUSINESS, NOR FOR INCIDENTAL OR CONSEQUENTIAL MERCHANTABILITY OR FITNESS OF PURPOSE, DAMAGES





Newton Free Library

The door to your imagination

Library Director
Philip E. McNulty



Mayor
Setti D. Warren

Library Security Report

March 22, 2013

Theft Incident Summary: 2012-13

- March 6, 2013. Laptop stolen from middle study room next to Teen desk. Victim saw thief leaving room, saw laptop missing, chased thief out front door, grappled laptop back and was assaulted on the front plaza. Circulation staff immediately called police and detectives and uniformed officers responded promptly. Suspect still at large. Composite drawing prepared.
- March 1, 2013. Car stolen from library parking lot.
- January 14, 2013. Laptop stolen from 2nd floor.
- January 10, 2013. Laptop bag seized from library patron who had just exited library and was crossing bridge to parking lot. Empty bag recovered next day in Cambridge. Composite drawing prepared.
- December 29, 2012 iPhone stolen from 2nd floor study carrel. First reported to police, then reported to library on 1/3/13.
- August 21, 2012 Laptop stolen from 2nd floor carrel, approx. 6pm.
- July 18, 2012 iPhone stolen from backpack in Periodicals.
- June 19, 2012 Wallet stolen from 2nd floor study carrel.
- May 30, 2012 Laptop theft, 3rd floor study carrel, approx. 12:40 pm.
- Feb. 14, 2012 Bag stolen from ITTC at 12:45. Found in fiction stacks at 1:50. Laptop stolen from 2nd floor study carrel at 1:45.

Utility of Security cameras in these situations.

In addition to deterrent value, security footage taken at key transition points in the library can help witnesses more positively identify suspects and can help Police to establish presence related to an incident for evidentiary purposes, even if a particular incident is not caught on tape.

To my positive knowledge, public libraries in Massachusetts with security cameras include Milton, Brookline, Braintree, Hingham, Lexington, Natick, Needham, Norwood, Sudbury, Waltham, and Wellesley. Waltham is increasing from 16 to 32 cameras this year. Lexington is upgrading 16 existing cameras and adding 11 more. Milton has 16. I am aware of the security cameras being useful to apprehend criminals at Milton, Hingham, Braintree, Wellesley and Brookline.

Patron Awareness Measures

We have posted informational signs in elevators and restrooms since January, and made up cards two weeks ago for staff to leave at study carrels and in study rooms.

Recommended Action

Move to approve the installation of security cameras at all library entries and exits and at transition points between floors, and to adopt a review policy before cameras are activated.

DRAFT 2/28/2013 (clean copy)

CITY OF NEWTON

**OTHER POST-EMPLOYMENT BENEFITS (“OPEB”) TRUST
AGREEMENT**

TRUST AGREEMENT made this ____ day of _____, 2013 by and between the City of Newton, acting through its Mayor (the “City”) and the duly serving members of the Board of Trustees (the “Trustees”).

WITNESSETH:

WHEREAS, the City has established certain other post-employment benefits (“OPEB”), other than pensions, for eligible former employees of the City; and

WHEREAS, the City has accepted the provisions of G.L. c. 32B, Section 20 as amended by Acts 2011, Chapter 68, Section 57; and

WHEREAS, the City wishes to establish an irrevocable trust (hereinafter the “Trust”) for the purpose of funding OPEB obligations as required to be reported under Government Accounting Standards Board (“GASB”) Statements 43 and 45 or as may be required under any superseding Statements; and

WHEREAS, the Trust is established by the City with the intention that it qualify as a tax-exempt trust performing an essential governmental function within the meaning of Section 115 of the Code and Regulations issued thereunder and as a trust for OPEB under G. L. c. 32B, §20.

NOW, THEREFORE, in consideration of the foregoing promises and the mutual covenants hereinafter set forth, the City and the Trustees hereby agree as follows.

ARTICLE I

DEFINITIONS

As used herein, the following terms shall have the following meanings:

1.1 “Code” means the Internal Revenue Code of 1986, as amended from time to time.

1.2 “ERISA” means the Employee Retirement Income Security Act of 1974, as amended from time to time and any successor statute.

1.3. “GASB 43 and 45” shall mean Government Accounting Standards Board, Statement No. 43 and Statement No. 45, Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions.

1.4. “Other post-employment benefits” or “OPEB,” shall mean post-employment benefits other than pensions as that term is defined in GASB 43 and 45 including post-employment healthcare benefits, regardless of the type of plan that provides them, and all post-employment benefits provided separately from a pension plan, excluding benefits defined as termination offers and benefits.

1.5. “Retired Employee” means those persons who have retired from employment with the City and who are qualified to receive retirement benefits pursuant to G.L. c. 32 or as otherwise provided by law.

1.6. “Trust” means the City of Newton OPEB Trust as hereby established.

1.7. “Trustee” means the duly serving members of the Board of Trustees, and any successor Trustee appointed as provided pursuant to Article 5.

1.8. “Trust Fund” means all the money and property, of every kind and character, including principal and income, held by the Trustees under this Trust.

1.9. “HCST Board” means the Health Care Security Trust board of trustees established pursuant to G.L. c. 29D, Section 4.

1.10. “SRBTF” means the State Retiree Benefits Trust Fund established pursuant to G.L. 32A, Section 24.

ARTICLE 2

PURPOSE

2.1. The Trust is created for the sole purpose of providing funding for OPEB, as determined by the City, or as may be required by collective bargaining agreement, or by any general or special law providing for such benefits, for the exclusive benefit of the City’s Retired Employees and their eligible dependents and for defraying the reasonable administrative, legal, actuarial and other expenses of the Trust. The assets held in the Trust shall not be used for or diverted to any other purpose, except as expressly provided herein.

2.2. It is intended that the Trust shall constitute a so called “Qualified OPEB Trust” according to the standards set forth in GASB 43 and 45 and that it further qualify as an Integral Part Trust

for all purposes under Article 115(c) of the Code or under any comparable provision of future legislation that amends, alters, or supersedes the Code.

ARTICLE 3

ESTABLISHMENT OF TRUST

3.1 In order to implement and carry out the provisions of G.L. c. 32B, §20, the City hereby establishes this Trust which shall be known as the “City of Newton OPEB Trust.”

3.2 The Trust shall be irrevocable, and no Trust funds shall revert to the City until all OPEB owed to retired City employees have been satisfied or defeased.

3.3 The principal location of the Trust shall be City of Newton, 1000 Commonwealth Avenue, Newton, Massachusetts 02459.

3.4 The Trustees hereby accept the trusts imposed upon them by this Trust Agreement and agree to perform said trusts as a fiduciary duty in accordance with the terms and conditions of this Trust Agreement.

3.5 The Trustees shall hold legal title to all property of the Trust and neither the City, nor any employee, official, or agent of the City, nor any individual, shall have any right, title, or interest to the Trust.

3.6 The Trust shall consist of such sums of money as shall from time to time be paid or delivered to the Trustees by the City, which together with all earnings, profits, increments and accruals thereon, without distinction between principal and income, shall constitute the Trust hereby created and established. Nothing in this Agreement requires the City to make contributions to the Trust to fund OPEB. Any obligation of the City to pay or fund benefits shall be determined in accordance with applicable law and any agreement to provide OPEB.

ARTICLE 4

TRUST FUNDING

4.1 The Trust Fund shall be credited with all amounts appropriated or otherwise made available by the City and employees of the City as a contribution to the Trust for the purposes of meeting the current and future OPEB costs payable by the City, or any other funds donated or granted specifically to the City for the Trust, or to the Trust directly.

4.2. The Trustees shall be accountable for all delivered contributions but shall have no duty to determine that the amounts received are adequate to provide the OPEB Benefits determined by the City.

4.3. The Trustees shall have no duty, expressed or implied, to compel any contribution to be made by the City, but shall be responsible only for property received by the Trustees under this Trust Agreement.

4.4. The City shall have no obligation to make contributions to the Trust to fund OPEB, and the size of the Trust may not be sufficient at any one time to meet the City's OPEB liabilities. This Trust Agreement shall not constitute a pledge of the City's full faith and credit or taxing power for the purpose of paying OPEB, and no retiree or beneficiary may compel the exercise of taxing power by the City for such purposes. The obligation of the City to pay or fund OPEB obligations, if any, shall be determined by the City or applicable law. Distributions of assets in the Trust are not debts of the City within the meaning of any constitutional or statutory limitation or restriction.

4.5. Earnings or interest accruing from investment of the Trust shall be credited to the Trust. Amounts in the Trust Fund, including earnings or interest, shall be held for the exclusive purpose of, and shall be expended only for, the payment of the costs payable by the City for OPEB obligations to Retired Employees and their dependents, and defraying the reasonable expenses of administering any plan providing OPEB Benefits as provided for in this Trust Agreement.

4.6. Amounts in the Trust Fund shall in no event be subject to the claims of the City's general creditors. The Trust Fund shall not in any way be liable to attachment, garnishment, assignment or other process, or be seized, taken, appropriated or applied by any legal or equitable process, to pay any debt or liability of the City, or of retirees or dependents who are entitled to OPEB.

ARTICLE 5

TRUSTEES

5.1. The Trust shall be administered by a Board of Trustees consisting of five members as follows: (1) The Mayor or his designee, the City Comptroller, and the Director of Human Resources shall serve as *ex officio* members; (2) the Board of Aldermen shall annually appoint one member of the Board of Aldermen to serve as a Trustee for a term of one year; and (3) the Mayor, with the consent of the Board of Aldermen, shall appoint one (1) individual, who shall be a registered voter of the City, for a term of two (2) years. Upon the resignation or removal of the Mayor, the City Comptroller, or the Director of Human Resources, the position of Trustee shall be deemed vacant until such time as the underlying City position is filled on either a permanent or temporary basis. The City Treasurer shall serve as a non-voting member of the Board of

Trustees. Any member of the Board of Trustees may be removed by the Mayor with the consent of the Board of Aldermen for cause.

5.2. The Mayor shall call for the first meeting of the Trustees and shall serve as the initial Chairperson of the Trustees to facilitate the organization of the Trustees.

5.3. A Trustee may resign by providing the City Clerk and Board of Trustees Chairperson with written notice thereof.

5.4. In the event a Trustee resigns, is removed, or is otherwise unable to serve, the Mayor shall appoint a Trustee to fill the vacancy for the remainder of the term.

5.5. Whenever a change occurs in the membership of the Board of Trustees, the legal title to property held by this Trust shall automatically pass to those duly appointed successor Trustees.

5.6. Each future Trustee shall accept the office of Trustee and the terms and conditions of this Trust Agreement in writing.

5.7. Upon leaving office, a Trustee shall promptly and without unreasonable delay, deliver to the Trust's principal office any and all records, or other documents or other items in his possession or under his control belonging to the Trust.

5.8. The Trustees shall be special municipal employees for purposes of G.L. c. 268A and shall be subject to the restrictions and prohibitions set forth therein.

ARTICLE 6

POWERS OF THE TRUSTEES

6.1. The Trustees shall have the power to control and manage the Trust and the Trust Fund and to perform such acts, enter into such contracts, engage in such proceedings, and generally to exercise any and all rights and privileges, although not specifically mentioned herein, as the Trustees may deem necessary or advisable to administer the Trust and the Trust Fund or to carry out the purposes of this Trust. In addition to the powers set forth elsewhere in this agreement, the powers of the Trustees, in connection with their managing and controlling the Trust and its General Fund, shall include, but shall not be limited to the following:

6.1.1. To receive, hold, manage, invest and reinvest all monies which at any time form part of the Trust, whether principal or income, provided however that there shall be no investment directly in mortgages or in collateral loans and further provided that the Trustees shall comply with the provisions of Article 7 of this Trust Agreement, applicable law and any investment policy adopted by the Trustees concerning the investment and management of Trust assets.

6.1.2. To hold cash, uninvested, for such length of time as the Trustees may determine without liability for interest thereon.

6.1.3 To develop and recommend an actuarially determined funding schedule subject to approval of the Board of Aldermen and Mayor and subject to the City 's appropriation process.

6.1.4. To employ suitable agents, advisors and counsel as the Trustees may deem necessary and advisable for the efficient operation and administration of the Trust, to delegate duties and powers hereunder to such agents, advisors and counsel, and to charge the expense thereof to the Trust. The Trustees are entitled to rely upon and may act upon the opinion or advice of any attorney approved by the Trustees in the exercise of reasonable care. The Trustees shall not be responsible for any loss or damage resulting from any action or non-action made in good faith reliance upon such opinion or advice. All delegated authority shall be specifically defined in any by-laws adopted by the Trustees or the written minutes of the Trustees' meetings.

6.1.5. To hire independent contractors as the Trustees may deem necessary or advisable to render the services required and permitted for the proper operation of the Trust, and to charge the expense thereof to the Trust.

6.1.6. To continue to have and to exercise, after the termination of the Trust and until final distribution, all of the title, powers, discretions, rights and duties conferred or imposed upon the Trustees hereunder, by any by-laws adopted by the Trustees or by law.

6.1.7. To construe and interpret this Trust Agreement and other documents related to the purposes of the Trust.

6.1.8. To authorize certain Trustees or other appropriate persons to make payments from any appropriate account for purposes of the Trust and to authorize disbursements of funds accumulated in the trust to the City for the sole purpose of payment of OPEB in accordance with an actuarially determined funding schedule.

6.1.8. To receive and review reports of the financial condition and of the receipts and disbursements of the Trust and the Trust Fund.

6.1.9. To adopt by-laws, rules, regulations, formulas, actuarial tables, forms, and procedures by resolution from time to time as they deem advisable and appropriate for the proper administration of the Trust, including participation criteria, provided the same are consistent with the terms of this Trust Agreement and applicable laws.

6.1.10. To purchase as a general administrative expense of the Trust so-called director's liability insurance and other insurance for the benefit of the Trust and/or the protection of

the Trustees, Trust officers, employees, or agents against any losses by reason of errors or omissions or breach of fiduciary duty or negligence.

6.1.11. To enter into any and all contracts and agreements for carrying out the terms of this Trust Agreement and for the administration and operation of the Trust and to do all acts as they, in their discretion, may deem necessary or advisable. Except as otherwise directed by the Trustees, all such contracts and agreements, or other legal documents herein authorized, shall be executed by the Chairperson, or Secretary as may be voted by the Trustees.

6.1.12. To receive contributions or payments from any source whatsoever but such contributions or payments may not be utilized for any purpose unrelated to the provision of OPEB as herein provided or properly authorized expenses.

6.1.13. To pay taxes, assessments, and other expenses incurred in the collection, care, administration, and protection of the Trust.

6.1.14. To do all acts, whether or not expressly authorized herein, which the Trustees may deem necessary or proper in connection with the administration of the Trust, although the power to do such acts is not specifically set forth herein.

6.1.15. To compromise, settle or arbitrate any claim, debt, or obligation of or against the Trust or Trust Fund; to enforce or abstain from enforcing any right, claim debt or obligation, and to abandon any shares of stock, bonds, or other securities, or interests determined by it to be worthless; to prosecute, compromise and defend lawsuits, but without the obligation to do so, all at the risk and expense of the Trust.

6.1.16. To hire one or more consultants, actuaries, accountants, attorneys, or other professionals to assist with the administration of the Trust Fund and to pay such amounts that the Trustee deems to be reasonable, including, without limiting the generality of the foregoing, third party firms to provide legal, tax, accounting and audit services to the Trust.

6.1.17. To comply with all requirements imposed by applicable provisions of law.

6.1.18. If so authorized by vote of the Board of Aldermen with approval of the Mayor in accordance with G.L. c. 32A, Section 24 to direct the Treasurer/Custodian to take all steps necessary to invest the funds in the SRBTF.

6.1.19. If so directed by vote of the Board of Aldermen with approval of the Mayor in accordance with G.L. c. 32B, Section 20, to take all steps necessary to designate HCST Board as custodian of the Trust assets and thereby invest the funds in the SRBTF.

ARTICLE 7

LIMITATION OF TRUSTEES' POWERS, DUTIES AND RESPONSIBILITIES

7.1. Nothing contained in the Trust Agreement, either expressly or by implication, shall be deemed to impose any powers, duties or responsibilities on the Trustees other than those set forth in this Trust Agreement.

7.2. The Trustees shall have such rights, powers and duties as are provided to a named fiduciary for the investment of assets under ERISA. The Trustees shall not be liable for the making, retention or sale of any investment or reinvestment made by the Trustees as herein provided or for any loss to or diminution of the Trust Fund or for anything done or admitted to be done by the Trustees with respect to the Trust Agreement or the Trust Fund except as and only to the extent that such action constitutes a violation of the law or gross negligence.

7.3. The Trustees, in their discretion, may purchase as an expense of the Trust Fund such liability insurance for themselves or any other fiduciary selected by the Trustees as may be reasonable. The City, in its discretion, may also purchase liability insurance for the Trustees, and as the City may select, for any person or persons who serve in a fiduciary capacity with respect to the Trust.

7.4. The City shall not assume any obligation or responsibility to any person for any act or failure to act of the Trustees, any insurance company, or any beneficiary of the Trust Fund. The Trustees shall have no obligation or responsibility with respect to any action required by this Trust Agreement to be taken by the City, any insurance company, or any other person, or for the result or the failure of any of the above to act or make any payment or contribution, or to otherwise provide any benefit contemplated by this Trust Agreement.

7.5. Neither the Trustees nor the City shall be obliged to inquire into or be responsible for any action or failure to act on the part of the other. No insurance company shall be a party to this Trust Agreement, for any purpose, or be responsible for the validity of this Trust Agreement, it being intended that such insurance company shall be liable only for the obligations set forth in the policy or contract issued by it.

7.6. The Trustees shall invest and manage Trust assets as a prudent investor would, using the judgment and care under the circumstances then prevailing that persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not in regard to speculation but in regard to the permanent disposition of their funds, considering the probable income as well as the probable safety of their capital, pursuant to G.L. c. 203C.

ARTICLE 8

ACTIONS BY THE TRUSTEES

8.1. A majority of Trustees may exercise any or all of the powers of the Trustees hereunder and may execute on behalf of the Trustees any and all instruments with the same effect as though executed by all the Trustees.

8.2. The Trustees may, by instrument executed by all of the Trustees, delegate to any attorney, agent or employee such other powers and duties as they deem advisable, including the power to execute, acknowledge or deliver instruments as fully as the Trustees might themselves and to sign and endorse checks for the account of the Trustees of the Trust.

8.3. No Trustee shall be required to give bond.

ARTICLE 9

LIABILITY OF THE TRUSTEES

9.1. A Trustee shall not be liable for any mistake of judgment or other action made, taken or omitted by the Trustee in good faith, nor for any action taken or omitted by any other Trustee or any agent or employee selected with reasonable care, and the duties and obligations of the Trustees hereunder shall be expressly limited to those imposed upon them by this Trust Agreement.

9.2. No successor Trustee shall be held responsible for an act or failure of a predecessor Trustee.

9.3. Trustees are public employees for purposes of G.L. c. 258, and shall be indemnified by the City against any civil claim, action, award, compromise, settlement or judgment by reason of an intentional tort to the same extent and under the same condition as other public employees of the City.

9.4. A Trustee shall not be liable for any mistake of judgment or other action made, taken or omitted

ARTICLE 10

MEETINGS OF THE TRUSTEES

10.1. The Trust may meet at such times and at such places as the Trustees shall determine.

10.2. The Trustees shall comply with the Open Meeting Law, G.L. c. 30A, §§18-25 and its implementing regulations.

10.3. A quorum at any meeting shall be a majority of the Trustees then in office.

ARTICLE 11

TAXES, EXPENSES, AND COMPENSATION

11.1. It is intended that the Trust will be a Code Article 115 trust. As such, it is expected that there will be no income taxes owed by the Trust. To the extent that any taxes are imposed on the Trust, the Trustees shall use the assets of the Trust Fund to pay for any taxes owed.

11.2. All reasonable costs and expenses of managing and administering the Trust and the Trust Fund, and reimbursement for reasonable fees incurred through the use of third party vendors or agents, shall be paid from the Trust unless the City chooses to pay the expenses directly.

ARTICLE 12

ACCOUNTS

12.1. The Trustees shall keep complete and accurate accounts of all of the Trust's receipts, investments, and disbursements under this Trust Agreement. Such records, as well as all other Trust records, shall be retained and made available for public inspection and or copying in accordance with the requirements of the Public Records Law, G.L. c. 66, §10 and G.L. c. 4, §7, clause 26th and their implementing regulations. The person or persons designated by the City shall be entitled to inspect such records upon request at any reasonable time.

12.2. The books and records of the Trust shall be audited annually by an independent auditor in accordance with accepted accounting practices. The results of the audit shall be provided to the City at the same time as it is presented to the Trustees.

12.3. The Trust Fund shall be subject to the Commonwealth of Massachusetts Public Employee Retirement Administration Commission's triennial audit, or as otherwise may be required by applicable law.

ARTICLE 13

ANNUAL REPORTS

13.1. The Trustees shall furnish to the City annually, or more frequently if the City so requests, a statement of account showing the condition of the Trust Funds and all investments, sales, income, disbursements and expenses of the Trust and the Trust Fund. The Trustees shall comply with all reporting requirements as set forth in G.L. c. 32B, section 20.

ARTICLE 14

INVESTMENTS OF TRUST FUNDS

14.1. The Trustees hereby authorize and direct the City Treasurer to invest and reinvest the amounts in the Trust Fund not needed for current disbursement, consistent with the prudent investor rule, and as provided in the Investment Policy which is attached to this instrument and hereby incorporated; provided, however, that if directed by vote of the Board of Aldermen with approval of the Mayor, the City Treasurer shall be authorized to invest said amounts in the Trust Fund in the SRBTF; and further provided that if HCST is appointed as custodian of the trust as provided in Paragraph 15.1 below, HCST shall be authorized to invest and reinvest said amounts in the Trust Fund in accordance with its Investment Policy.

14.2. In no event shall the funds be invested directly in mortgages or in collateral loans.

ARTICLE 15

CUSTODY OF THE TRUST

15.1. The Trustees hereby appoint the City Treasurer as custodian of the Trust Fund and authorize the Treasurer to employ an outside custodial service to maintain custody of the Trust Funds. All funds in the Trust Fund shall be accounted for separately from all other funds of the City. Such appointment shall be in effect unless and until, by vote of the Board of Aldermen with approval of the Mayor in accordance with G.L. c. 32B, Section 20, and subject to acceptance of HCST, HCST is appointed as custodian of the Trust assets. In the event such appointment of HCST as custodian is revoked or otherwise terminated, the City Treasurer shall automatically be reappointed as custodian of the Trust Fund without further necessary action.

15.2. The City Treasurer, with the authorization of the Trustees, shall establish one or more checking accounts, which may be interest bearing or non-interest bearing accounts. Such checking account or accounts shall be funded solely from the Trust Funds, and the Trustees may authorize the City Treasurer to draw on such checking accounts for the payment of OPEB and for the administrative expenses of the Trust.

ARTICLE 16

TERMINATION OF THE TRUST

16.1. The Trust shall continue unless and until terminated pursuant to law or by an instrument in writing signed by at least three trustees, provided, however, that continuance of the Trust shall not be deemed to be a contractual obligation of the City.

16.2. Upon termination of the Trust, subject to the payment of or making provision for the payment of all obligations and liabilities of the Trust and the Trustees, the net assets of the Trust shall be transferred to the City and held by the city Treasurer to be used exclusively for providing OPEB to Retired Employees and their eligible dependents and for no other purpose.

16.3. The powers of the Trustees shall continue until the affairs of the Trust are concluded.

ARTICLE 17

AMENDMENTS

17.1. The Trust may only be amended as set forth herein. The City may amend the Trust at any time as may be necessary to comply with the requirements for tax exemption under Section 115 of the Code, to conform the Trust to the laws of the Commonwealth of Massachusetts and to meet the standards set forth in GASB 43 and GASB 45 to be treated as funded through a qualifying trust or equivalent arrangement.

17.2. This Trust Agreement may be amended, but not revoked, from time to time by the City, subject to the following limitations:

17.2.1. The assets of the Trust may not be used for or diverted to any other purposes prior to satisfaction of the City's OPEB obligations, and reasonable expenses of administering the Trust.

17.2.2. The duties and liabilities of the Trustees cannot be substantially changed without their written consent.

17.2.3. Any amendment to this Trust shall be executed in writing.

ARTICLE 18

MERGER

18.1. The City may provide for the merger of the Trust with one or more other trusts established by the City or other government entities for similar purposes as may be provided by law.

ARTICLE 19

SEVERABILITY OF INVALID PROVISIONS

19.1. If any provision of this Trust Agreement is determined invalid, illegal, or unenforceable for any reason, then the provision shall be severed from the remaining provisions of the Trust Agreement for any reason, and the remaining parts of the Agreement shall be construed to give the maximum practical effect to the purposes stated herein, as if the invalid, illegal, or unenforceable provision was never a part.

ARTICLE 20

MISCELLANEOUS

20.1. This Trust Agreement shall be interpreted, construed and enforced, and the Trust hereby created shall be administered in accordance with and governed by the laws of the United States and of the Commonwealth of Massachusetts.

20.2. The titles to Articles of this Trust Agreement are placed herein for convenience of the reference only, and the Trust Agreement is not to be construed with reference thereto.

20.3. No person shall be obliged to see to the application of any money paid or property delivered to the Trustees, or as to whether or not the Trustees have acted pursuant to any authorization herein required, or as to the terms of this Trust Agreement. In general, each person dealing with the Trustees may act upon any advice, request or representation in writing by the Trustees, or by the Trustees's duly authorized agent, and shall not be liable to any person in so doing. The certification of the Trustees that they are acting in accordance with this Trust Agreement shall be conclusive in favor of any person relying thereon.

20.4. This Trust Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original but all of which together shall constitute but one instrument, which may be sufficiently evidenced by any counterpart.

20.5. Until advised to the contrary, the Trustees may assume this Trust is entitled to exemption from taxation under Section 115 of the Internal Revenue Code of 1986 or under any comparable section or sections of future legislation that amend, supplement or supersede one or both of those sections of the Internal Revenue Code.

IN WITNESS WHEREOF, the parties hereto have caused this Trust Agreement to be executed in their respective names by their duly authorized officers as of the day and year first above written.

BOARD OF TRUSTEES:

Trustee

Trustee

Etc.

DRAFT FOR DISCUSSION PURPOSES:

CITY OF NEWTON
IN BOARD OF ALDERMEN

ORDINANCE NO.

April , 2013

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF NEWTON
AS FOLLOWS:

That the Revised Ordinances of Newton, Massachusetts, 2007, as amended, be and are
hereby further amended with respect to Chapter 18 as follows:

1. Insert a new ARTICLE XVII as follows:

ARTICLE XVII CITY OF NEWTON OTHER POST-EMPLOYMENT
BENEFITS TRUST

18-230 Designation and purpose.

This trust is established to administer the fund known as the City of Newton Other Post-Employment Benefit Trust Fund in conformity with the provisions of G.L. c. 32B, section 20 and with the terms of The City of Newton Other Post-Employment Benefits Trust Agreement (OPEB Trust), a copy of which shall be kept on file with the city clerk. In accordance with its terms, the OPEB Trust shall be irrevocable, and its sole purpose is to provide funding for the City's other post-employment benefits for the exclusive benefit of the City's retired employees and their eligible dependents and for defraying the reasonable expenses of the Trust.

18-231 Board of Trustees

There shall be a board of trustees, with the powers and duties set forth in the OPEB Trust, consisting of five members as follows: (1) the Mayor or his designee, the City comptroller, and the Director of Human Resources shall serve as *ex officio* members; (2) the Board of Alderman shall annually appoint one member of that Board to serve for a term of one year; and (3) the Mayor, with the consent of the Board of Aldermen, shall appoint one (1) individual, who shall be a registered voter of the City, for a term of two (2) years. Upon the resignation or

removal of the Mayor, the City Comptroller, or the Director of Human Resources, the corresponding position of Trustee shall be deemed vacant until such time as the underlying City position is filled on either a permanent or temporary basis. Upon resignation or removal of an appointed Trustee, the Mayor shall appoint a Trustee to fill the vacancy for the remainder of the term. The City Collector-Treasurer shall serve as a non-voting member of the Board of Trustees. Any member of the Board of Trustees may be removed by the Mayor with the consent of the Board of Aldermen for cause.

18-232 Custodian

The City Collector-Treasurer, by virtue of his office, shall be the custodian of the OPEB trust fund, and shall invest and reinvest the funds consistent with the prudent investor rule established in G.L. c. 203C. As provided in G.L. c. 32A, Section 24(d) the Collector-Treasurer is hereby authorized to invest all or a portion of the fund, as directed by the Trustees, in the State Retiree Benefits Trust Fund established in G.L. c. 32A, Section 24.

2. Renumber current ARTICLE XVII to ARTICLE XVIII and renumber its paragraphs accordingly.

Approved as to legal form and character:

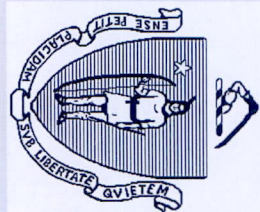
DONNALYN B. LYNCH KAHN
City Solicitor

Under Suspension of Rules
Readings Waived and Adopted

EXECUTIVE DEPARTMENT
Approved:

(SGD) DAVID A. OLSON
City Clerk

(SGD) SETTI D. WARREN
Mayor



**The Commonwealth of Massachusetts
Health Care Security Trust
Board of Trustees**

City of Newton Finance Committee

Overview of the

State Retiree Benefits Trust Fund

March 27, 2013

The State Retiree Benefits Trust Fund

- ❑ Chapter 68 of the Acts of 2011, the FY 2012 state budget, was signed into law in July 2011. Sections 50 and 57 of Chapter 68 amend **Section 24 of Chapter 32A** and **Section 20 of Chapter 32B**, respectively, of the General Laws allowing municipalities, authorities, and certain other government entities of the Commonwealth to establish a liability trust fund for funding retiree benefits (other than pension), also known as Other Post-Employment Benefits (OPEB). The legislation also ensures that these entities have access to the state's investment trust, the State Retiree Benefits Trust Fund (SRBTF), for purposes of investing OPEB funds. Further, Section 20 of Chapter 32B, as amended, designates the entities eligible to serve as custodian of such funds: 1) a designee appointed by the board of a municipal lighting plant, 2) the treasurer of any governmental unit, or 3) the Health Care Security Trust (HCST) Board of Trustees, which oversees the SRBTF.
- ❑ The seven-member Health Care Security Trust (HCST) Board, established by **Section 4 of Chapter 29D** of the General Laws, is responsible for the administration and investment management of the SRBTF. The HCST Board is comprised of the Secretary of Administration & Finance or a designee, the Executive Director of the Group Insurance Commission or a designee, the Executive Director of the Public Employee Administration Commission (PERAC) or a designee, the State Treasurer or a designee, the Comptroller or a designee, an appointee of the Governor, and an appointee of the State Treasurer (both appointed members are required to have investment, financial management, legal, or public management experience).
- ❑ In August 2011, the HCST Board voted to assign full investment management of the SRBTF assets to the nine-member Pension Reserves Investment Management (PRIM) Board, which manages the approximately \$50 billion Pension Reserves Investment Trust (PRIT) Fund, the state pension fund. PRIM and PRIT were established in 1983 to address the Commonwealth's unfunded pension liabilities.

Composition of the Health Care Security Trust Board

<input type="checkbox"/> Secretary of Administration & Finance, or designee (Chair)	Gregory R. Mennis, CFA
<input type="checkbox"/> State Treasurer, or designee	Alan F. Gordon
<input type="checkbox"/> State Comptroller, or designee	Martin J. Benison
<input type="checkbox"/> Treasurer's appointee	Michael Tow
<input type="checkbox"/> Governor's appointee	Terrence Finn
<input type="checkbox"/> Executive Director, Group Insurance Commission, or designee	Dolores L. Mitchell
<input type="checkbox"/> Executive Director, Public Employee Retirement Administration Commission, or designee	Joseph E. Connarton

Summary of Legislation

- ❑ Section 20 of Chapter 32 B provides a Road-Map for entities to establish an OPEB trust without a special act and without a funding schedule requirement:
 - Government entities setting up an OPEB Trust should adopt Section 20
 - Identifies HCST and entity treasurer as options for custodian (not retirement systems)
 - Provides “turn-key” option to invest in SRBTF by appointing the HCST as custodian
 - If the treasurer is custodian, Section 24 of Chapter 32A allows investment in SRBTF
 - HCST Board Approval required in either case
- ❑ Section 24 of Chapter 32A (as amended) provides entities who already have an OPEB Trust fund with the ability to invest in the SRBTF
 - Must have appropriate investment authority
 - Retirement systems are grandfathered
 - HCST Board Approval required

Application of Legislation

☐ HCST Board Approval Requirements

- Evidence of authorization
- Acknowledgement of investment risk, understanding of agreements
- Acknowledgement of fiduciary obligation (HCST as custodian or custodial designee)
- Indication of commitment to fund

State OPEB Reporting Requirements

MGL 32B:20 (d)

- ☐ Shall annually submit to the PERAC on or before December 31, a summary of its OPEB cost and obligations and all related information required under GASB 45, covering the last fiscal or calendar year for which this information is available.
- ☐ On or before June 30 of the following year, PERAC shall notify any entity submitting this summary of any concerns that the commission may have or any areas in which the summary does not conform to the requirements of GASB 45 or other standards that the commission may establish.
- ☐ PERAC shall file a summary report of the information received under this subsection with the chairs of the house and senate committees on ways and means, the secretary of administration and finance and the board of trustees of the Health Care Security Trust.

Documents Posted to SRBTF Web Page

#209-10(5)

- ☐ <http://www.mass.gov/anf/srbtf.html>
- ☐ Frequently Asked Questions (FAQ).
- ☐ Custodian and Investment Agreement, Exhibits, and Opinion of Counsel.
 - Exhibit A – Sample language of resolution/vote of a government entity authorizing the HCST to invest such government entity's OPEB liability funds. Vote must be certified.
 - Exhibit B – Investment Services Agreement (ISA) between HCST and PRIM.
 - Exhibit C – PRIM Operating Trust Agreement.
 - Exhibit D - HCST and PRIM Administrative Services Agreement.
 - Exhibit E – HCST Policies and Procedures.
 - Sample of boilerplate language for government entity's Opinion of Counsel letter, i.e., what should be included in the letter.
- ☐ Draft of Certificate of the Clerk of City/Town. May be customized for type of entity (e.g., an authority, county, district, light department).
- ☐ Checklists for government entities investing in SRBTF under Chapter 32B, §20, under Chapter 32A, §24, or under Special Legislation.

Composition of the PRIM Board

<input type="checkbox"/> Treasurer or designee (Chair)	Treasurer Steven Grossman
<input type="checkbox"/> Governor or designee	Gregory R. Mennis, CFA
<input type="checkbox"/> Treasurer's private citizen appointee	Alexander E. Aikens, III, Esq.
<input type="checkbox"/> Governor's private citizen appointee	Anthony E. Hubbard
<input type="checkbox"/> Governor's public safety union appointee	Dana A. Pullman
<input type="checkbox"/> Teachers' Retirement Board's Elected Member	Dennis J. Naughton
<input type="checkbox"/> State Retirement Board's Elected Member	Theresa F. McGoldrick, Esq.
<input type="checkbox"/> Member elected by Teachers	Robert L. Brousseau
<input type="checkbox"/> Member elected by State Employees	Paul E. Shanley, Esq.

PRIM Board Advisory Committees

Investment Committee

Treasurer Steven Grossman
C. LaRoy Brantley
Michael Even, CFA
Constance M. Everson, CFA
Edward W. Kane
Gregory R. Mennis, CFA
Paul E. Shanley, Esq.
Glenn P. Strehle, CFA
Timothy L. Vaill

PRIM Board Chair
Cambridge Associates
President/CEO Numeric
Capital Markets Outlook
HarbourVest Partners
PRIM Board Member
PRIM Board Member
MIT (Retired)
Chair/CEO Boston
Private Financial Holdings

Audit & Administration Committee

Treasurer Steven Grossman
Robert L. Brousseau, Chair
Theresa F. McGoldrick, Esq.
Theodore C. Alexiades
Patrick E. Brock
Karen E. Gershman, CPA
Shanti A. Fry
Renée M. Landers, Esq.
Michele A. Whitham, Esq.

PRIM Board Chair
PRIM Board Member
PRIM Board Member
Hingham Retirement
Hampshire County
COO, Health Advances
Finance Professional
Suffolk University Law
Foley Hoag

Real Estate Committee

Treasurer Steven Grossman
Alexander E Aikens, III, Chair
Jill S. Hutton, CRE
Garlan Morse, Jr. CRE
William F. McCall, Jr.
Peter F. O'Connell
Jack Lutz, PhD

PRIM Board Chair
PRIM Board Member
Blackrock (Retired)
Morris & Morse Co, Inc.
McCall & Almy, Inc.
Marina Bay Company
Forest Research Group

Compensation Committee

Treasurer Steven Grossman
Robert L. Brousseau
Patrick E. Brock
Shanti A. Fry
Ruthanne Fuller
Gregory R. Mennis, CFA
Michele A. Whitham, Esq.

PRIM Board Chair
PRIM Board Member
Hampshire County
Finance Professional
Newton Alderman / Ward 7
PRIM Board Member
Foley Hoag

External Advisors

Fund Advisors

- ❑ Callan – Long Only (Public Markets).
- ❑ NEPC – Asset Allocation.
- ❑ Cliffwater LLC – Direct Hedge Funds Program.
- ❑ Hamilton Lane – Private Equity.
- ❑ The Townsend Group – Real Estate.

Independent Auditors

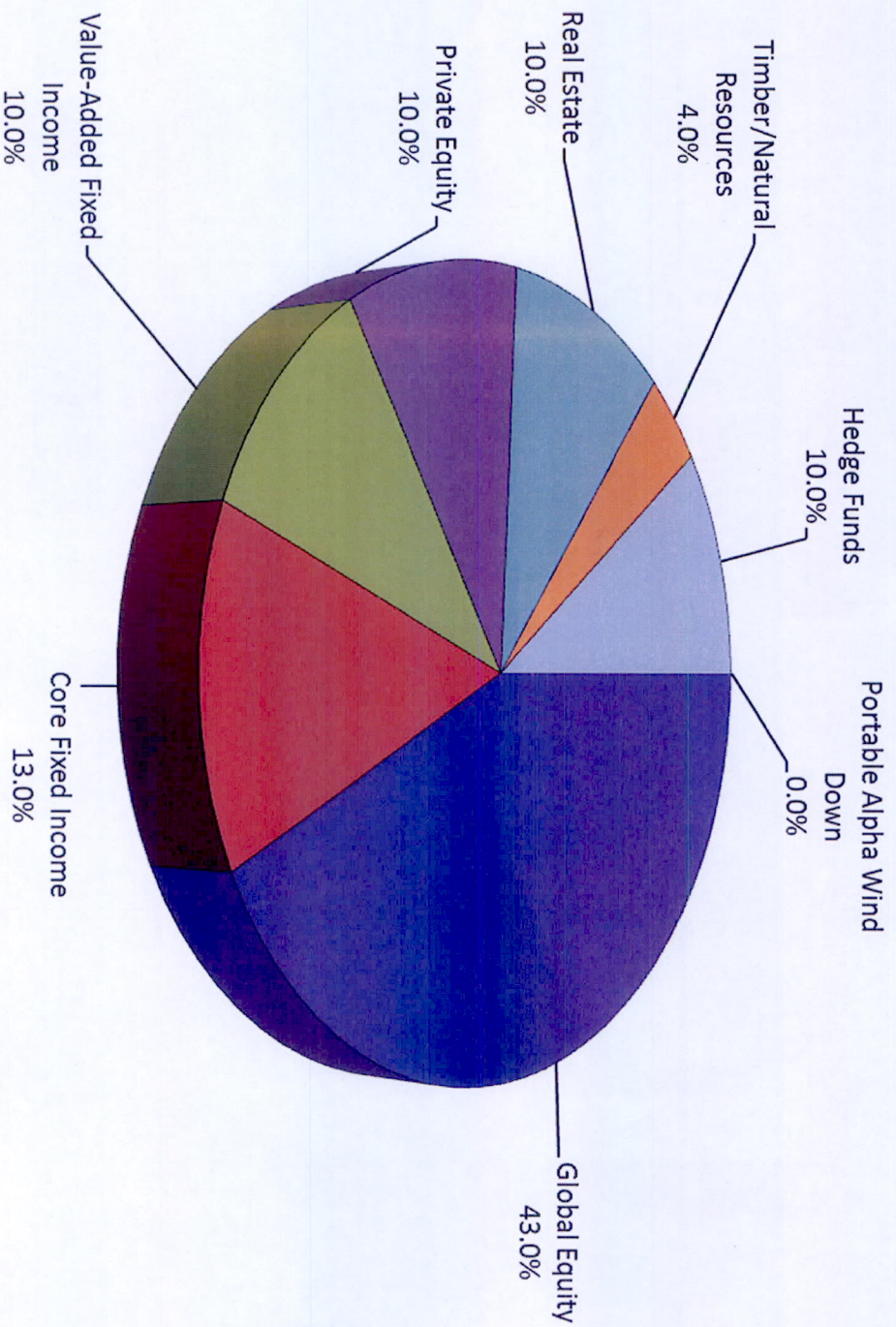
- ❑ KPMG, LLP – PRIM Board and PRIT Fund.
- ❑ KPMG, LLP – Real Estate/Timberland and Hedge Funds Portfolios.
- ❑ Deloitte & Touche, LLP – Tax Advisory Services.

Custodian

- ❑ BNY Mellon.

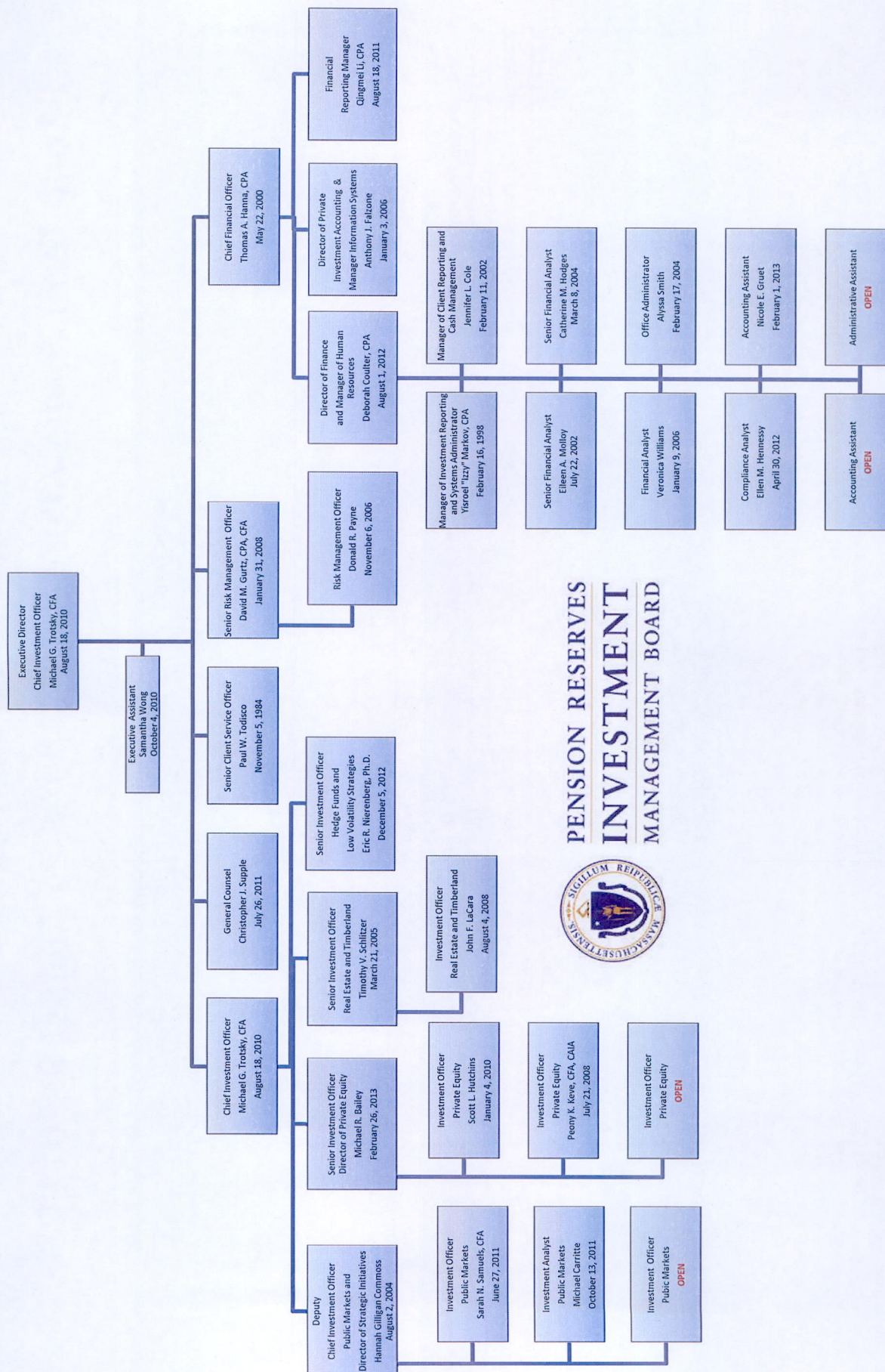
PRIT Fund Asset Allocation

*Long Term Target Allocation – Approved August 2, 2011**



*Long Term Target Allocation shown on this page reflects the target asset allocation accepted by the PRIM Board on 8/2/11. Asset allocation was reviewed at the February 5, 2013 PRIM Board Meeting.

Organizational Chart



Total HCST/ SRBTF Performance**Gross of Fees****As of February 28, 2013****Assets: \$425.7 Million****14**

	NAV \$ (M)	Actual Allocation %	Month	QTD	FY'13	Calendar YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
GENERAL ALLOCATION ACCOUNT	425,630	100.0%	0.19	2.60	10.25	2.60	9.56				14.13
CLOSED PORTFOLIOS	57	0.0%									
CASH	23	0.0%									
TOTAL	425,709	100%	0.19	2.60	10.22	2.60	9.55	11.04	5.12	9.00	7.19
PARTICIPANTS CASH	-		0.00								
TOTAL FUND	425,709	100%	0.19	2.60	10.22	2.60	9.55	11.04	5.12	9.00	7.19
POLICY BENCHMARK			0.22	2.74	9.91	2.74	8.21	9.70	4.29	7.99	6.35

During fiscal 2012 all separately managed investment accounts were transitioned to investment in the PRIT Fund General Allocation Account (GAA) and, as such, returns for these accounts are no longer comparable to their respective benchmarks. The inception date for the GAA investment is 10/31/2011, and the inception date for the Total Fund dates to 11/30/2001.

Total PRIT Fund Core Performance

Gross of Fees

As of February 28, 2013

Assets: \$52.8 Billion

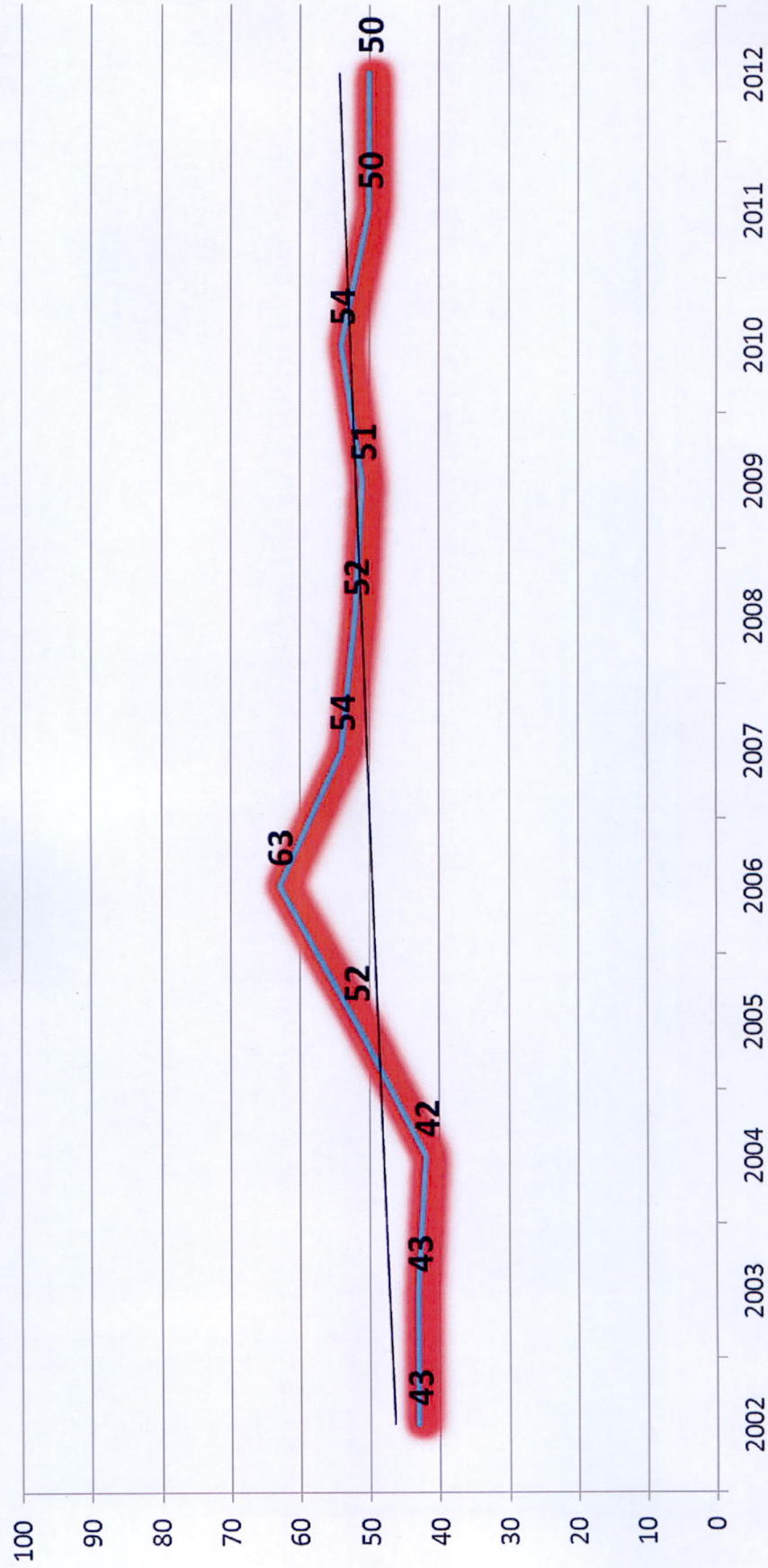
	NAV \$ (M)	Long Term Target Allocation %	Actual Allocation %	Month	FY '13	Calendar YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
GLOBAL EQUITY	23,679,366	43.0%	44.8%	0.34	16.17	5.05	10.69	10.77	2.32	9.67	4.75
CORE FIXED INCOME	6,687,895	13.0%	12.7%	0.45	2.96	-0.02	4.67	6.66	4.52	5.22	8.04
VALUE-ADDED FIXED INCOME	4,411,537	10.0%	8.4%	-0.07	7.91	0.47	11.96	12.10	9.40	11.22	10.05
PRIVATE EQUITY	6,144,726	10.0%	11.6%	-0.79	4.67	-0.46	14.92	16.86	6.71	16.88	13.94
REAL ESTATE	4,806,712	10.0%	9.1%	0.16	8.64	1.13	12.15	13.58	2.73	11.02	5.90
TIMBER/NATURAL RESOURCES	2,050,992	4.0%	3.9%	-0.26	6.29	0.57	1.75	5.18	-0.67	8.51	8.72
HEDGE FUNDS (NET OF FEES)	4,956,946	10.0%	9.4%	0.93	8.89	3.05	8.24	4.67	1.23		4.38
PORTABLE ALPHA WIND DOWN (NET OF FEES)	80,704	0.0%	0.2%	-0.38	0.99	-0.14	-0.91	0.21	-9.55		-6.31
TOTAL CORE	52,818,879	100%	100%	0.20	10.49	2.61	10.02	10.33	2.77	9.14	9.54
INTERIM POLICY BENCHMARK				0.07	9.88	2.56	8.93	9.39	3.21	8.95	10.19

#209-10(5)

Governmental Entities Participating in the SRBTF

- ☐ Town of Boxford
- ☐ Town of Chelmsford
- ☐ Town of Hingham
- ☐ Massachusetts School Building Authority
- ☐ Town of Wakefield
- ☐ Wakefield Municipal Gas & Light Department

PRIT Fund Ratio of Expenses in Basis Points



#209-10(5)

Municipal Whistleblower Policy

Purpose:

The City of Newton is committed to providing a safe workplace with high standards of personal ethics and legal conduct. The City of Newton investigates all complaints by employees of violations of City policies, as well as unethical conduct, illegal conduct or conduct that violates high standards of personal ethics. This policy is intended to provide a process to raise concerns about such conduct and reassurance that employees reporting such conduct are protected from retaliation.

Definition:

A whistleblower, as defined by this policy, is an employee of the City of Newton who, in good faith, reports an activity that he/she considers to be a violation of a City of Newton policy or unethical, illegal, or a violation of high standards of personal ethics, such as stealing, incorrect financial reporting or other serious improper conduct. The whistleblower has neither the authority, nor the responsibility, for investigating any questionable activity or for determining fault or corrective measures.

Examples of unlawful activities are violations of federal, state or local laws. Examples include discrimination, harassment, billing for services not performed, requesting pay for hours not worked, stealing City property, reporting injuries that did not occur in the course of employment, falsifying payroll records, other fraudulent financial reporting and any other unlawful conduct.

Process:

If an employee has knowledge of or a concern regarding unlawful, unethical activities or fraudulent financial reporting, the employee should report it to his/her supervisor or department head unless one or both are implicated in such activities or reporting. The employee can also report directly to the Director of Human Resources, City Solicitor, Chief Financial Officer or Mayor. If the report involves a supervisor, department head or other high level public official, it may be made to the Office of the Inspector General. In addition, the employee can report directly to the Chair of the Financial Audit Advisory Committee, in person, or via the internet, by filling out the confidential form on the City of Newton website located at <http://apps.newtonma.gov/whistle-blower-form>.

When the City receives a complaint, there will be a prompt, complete and thorough investigation into the allegations. The City will take an initial statement to determine the need for an independent investigation. If it is determined that an independent investigation is warranted, the City will arrange for an independent investigator as soon as possible. Any employee (referred to above as a whistleblower) will be expected to cooperate, if necessary, to provide information to the independent investigator.

Reporting:

The City Solicitor and the Director of Human Resources will jointly report to the Mayor and the Financial Audit Advisory Committee, via its Chair, on a quarterly basis or sooner when necessary. The report will include all inquiries, activity on cases and resolution of complaints. If a whistleblower has reported directly to the Chair of the Financial Audit Advisory Committee, the Chair of the Financial Audit Advisory Committee will inform the Chair of the Finance Committee as soon as possible.

Safeguards:

Whistleblower protections include confidentiality whenever possible. However, identity may be disclosed to conduct a thorough investigation and to comply with the law. The whistleblower will be advised if it becomes necessary to disclose his/her identity and the reason why disclosure is necessary. The City will not retaliate against any employee who engages in protected whistleblower activity. The right of a whistleblower for protection against retaliation does not include immunity for any personal wrongdoing.

Anonymity – The City investigates all complaints. Concerns expressed anonymously will be investigated appropriately, but consideration will be given to the seriousness of the issue, the credibility of the concern and the likelihood of confirming the allegations. It is difficult to investigate an anonymous claim because, in most cases, it is impossible to ask appropriate follow-up questions or to get accurate information.

Protection Against Retaliation – This policy includes, but is not limited to, protection from retaliation in the form of an adverse employment action such as termination, compensation decreases, decreases in job duties, adverse comments in the employment record, or negative reviews. Any whistleblower who believes he/she is being retaliated against must contact the Human Resources Director, City Solicitor, Chief Financial Officer or Mayor immediately. The whistleblower can also report to the Chair of the Financial Audit Advisory Committee. The City will take an initial statement to determine the need for an independent investigation. If it is determined that an independent investigation is warranted, the City will arrange for an independent investigator as soon as possible. Any whistleblower will be expected to cooperate, if necessary, to provide information to the independent investigator.

Resolution:

When the investigation is complete, the employee who initiated the complaint will be informed, to the extent appropriate and allowable by law, of the results of the investigation. If it is determined that inappropriate or illegal conduct has occurred, the City will act promptly to correct or eliminate the offending or illegal conduct and, if appropriate, will impose disciplinary action, up to and including termination.

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CITY OF NEWTON, MASSACHUSETTS
SCHOOL BUILDING IMPROVEMENT FUND
F.A. DAY MIDDLE SCHOOL RENOVATION/ADDITION PROJECT
PROJECT BUDGET TO ACTUAL REPORT
March 31, 2013

	Original Budget BO# 115-12	Revision BO# 205-12	Other Revisions	Amended Budget	Actual Revenue/Expended	Encumbered	Balance	
4910 BOND SALE PROCEEDS	\$ 7,538,396.19	-	-	7,538,396.19	788,396.19	-	\$ 6,750,000.00	{1}
Total Financing Budget	7,538,396.19	-	-	7,538,396.19	788,396.19	-	6,750,000.00	
512001 SEASONAL WAGES	10,625.00	-	32,867.83	43,492.83	25,200.00	-	18,292.83	
530205 CONTRACTUAL SERVICES	114,275.00	-	(33,293.47)	80,981.53	39,503.94	28,970.06	12,507.53	
57MEDA MEDICARE PAYROLL TAX	100.00	-	425.64	525.64	365.47	-	160.17	
CONSTRUCTION CLERK OF THE WORKS	125,000.00	-	-	125,000.00	65,069.41	28,970.06	30,960.53	
52407 BUILDING IMPROVEMENTS	80,000.00	-	-	80,000.00	-	-	80,000.00	
5301 CONSULTANTS	59,959.00	-	-	59,959.00	56,333.88	2,150.00	1,475.12	
530202 ARCHITECTURAL SERVICES	750,000.19	-	-	750,000.19	641,921.19	105,750.00	2,329.00	
530219 BLDG SYSTEM COMMISSIONING	15,000.00	-	-	15,000.00	1,100.00	-	13,900.00	
5793 MAYOR'S CONTINGENCY	100,000.00	-	-	100,000.00	-	-	100,000.00	
5795 UNIDISTRIBUTED BUDGET	218,065.00	35,334.00	-	253,399.00	-	-	253,399.00	
5825 GENERAL CONTRACTOR	4,446,969.00	768,119.00	-	5,215,088.00	1,859,548.60	3,355,539.40	-	
582501 SPRINKLER SYSTEMS	1,688,403.00	(803,453.00)	-	884,950.00	57,471.20	827,478.80	-	
58520 COMMUNICATIONS EQUIPMENT	25,000.00	-	-	25,000.00	18,003.25	250.00	6,746.75	
585FFE FURNITURE/FIXTURES/EQUIPMENT	30,000.00	-	-	30,000.00	-	-	30,000.00	
Total Expenditure Budget	\$ 7,538,396.19	-	\$ -	\$ 7,538,396.19	\$ 2,699,447.53	\$ 4,320,138.26	\$ 518,810.40	{2}

{1} \$6,750,000 bonds authorized and issued to be sold on April 10, 2013 as part of \$17.9 million new debt bond sale.

{2} Expenditures include \$95,850.55 in construction retainages payable and \$16,721.79 in March 31, 2013 liabilities paid during the first week of April, 2013.