

CITY OF NEWTON

IN BOARD OF ALDERMEN

FINANCE COMMITTEE BUDGET REPORT

MONDAY, APRIL 22, 2013

Present: Ald. Gentile, Ciccone, Linsky, Salvucci, Rice, Blazar, Fuller, and Lappin

Also present: Ald. Albright, and Hess-Mahan

City officials present: Robert Rooney (Chief Operating Officer), Maureen Lemieux (Chief Financial Officer), David Wilkinson (Comptroller), Joseph Mulvey (Interim Director of Information Technology), Ann Cornaro (Director of Financial Information Services), and Dolores Hamilton (Director of Human Resources)

REFERRED TO FINANCE AND APPROPRIATE COMMITTEES

#322-12(2) HIS HONOR THE MAYOR submitting in accordance with Section 5-1 of the City of Newton Charter the FY14 Municipal/School Operating Budget totaling \$331,073,197 passage of which shall be concurrent with the FY14-FY18 Capital Improvement Program (#322-12). [04-08-13 @ 6:03 PM]
EFFECTIVE DATE OF SUBMISSION: 04/16/13; LAST DATE TO PASS THE BUDGET 05/31/12

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]

HUMAN RESOURCES DEPARTMENT

Chief Financial Officer Maureen Lemieux and Director of Human Resources Dolores Hamilton joined the Committee for discussion of the Human Resources Department's budget. The largest change in the Human Resources Department budget for Fiscal Year 2014 is that Dolores Hamilton will be stepping down as the Director of Human Resources and filling the newly created Director of Labor and Relations position. Ms. Hamilton stated that she is excited to change her position. She will be able to focus solely on labor issues, grievances, employee issues and contract negotiation, which is where her strengths lie and she enjoys. When personnel levels in the Human Resources Department fell from nine to six, it forced the department to focus mainly on labor relations; therefore, Ms. Hamilton has plenty of experience in labor relations. By adding this position, the Human Resources Director will be able to focus on professional development, succession training and diversity.

The Administration will begin the hiring process for a new Human Resources Director in the next few months. The position will not be filled until July 1, 2013. It was suggested that the Human Resources Director have at least some familiarity with union contracts even though there will be a Director of Employee Relations.

The department advertises positions on Monster, the Massachusetts Municipal Association Website, professional mailings, and a wide variety of other resources to advertise available positions.

The Fiscal Year 2014 Proposed Budget Book lists all of the Human Resource Department's accomplishments for the past year; which included a reinvented safety committee, a safety audit to recommend safety equipment. The Department also developed a training program for a respectful workplace and joined UMass Commonwealth Compact database of diverse candidate resumes, which is offered by the UMass McCormack School to help the City increase diversity and inclusion in the recruitment and hiring processes. In addition, Human Resources completed a diversity study, and advertised on multiple diversity websites. In addition audit polices were developed and implemented to insure that eligible retirees are on Medicare with the correct payroll deductions.

The Human Resources Department projected outcomes for next year include a workforce that is compliant with safety polices and equipment. The Department will focus on employing a qualified, diverse workforce that reflects community diversity and increasing internal promotions.

In the upcoming year, the Human Resources Department will be performing several audits to ensure 100% accuracy in the employee benefit records. There will also be additional emphasis on a healthier workforce. The Human Resources Department will continue to offer education through collaboration with the Health and Human Services Department on the Wellness Newsletter, health screenings, and increasing the number of employees taking personal health assessments.

The budget for the department for Fiscal Year 2014 is \$942,257 and there are 7.5 employees included in the budget. There is an increase of 7.44%, which can be attributed to the addition of the new position. There are no projects in the Capital Improvement Plan for this Department. With that, Ald. Lappin moved approval of the department's budget, which carried unanimously.

INFORMATION TECHNOLOGY DEPARTMENT

Interim Director of Information Technology Joe Mulvey presented the Information Technology (IT) Department's budget for fiscal year 2014. The department's mission is to provide the City departments and residents with the best technology required to ensure all employees are able to perform their duties quickly and efficiently to improve workflow.

Chief Financial Officer Maureen Lemieux explained that there was a real effort in both the Information Technology Department budget and the Financial Information budget to fund technology. The budget includes funding to move forward on the citywide fiber project and creating redundant systems for all of the City's financial applications.

Mr. Mulvey summarized the department's accomplishments within the last year. The IT Department worked on the design of the citywide fiber project and began the draft Request for

Proposals to get the first phase of the project out to bid. The first phase of the project will be fiber for the north loop of the City, which connect the majority of the City's buildings and will begin in Fiscal Year 2014. When the contract is awarded, the expected installation for this phase of the project is six weeks. The bid package is complicated as it includes CORI checks for employees of the company and police details. Funding for the project is included in the Capital Improvement Plan, although there is a question of the cost for Phase 2 of the project. The Administration will brief the Board of Aldermen before expending any money on the project.

The IT Department also updated a number of the City's file servers onto the new Storage Area Network and enabled eGov to create transparency in government. The program allows residents to view permit and parcel data relating to the Inspectional Service Department back to 2005.

In Fiscal Year 2013, the department began developing a five-year technology plan to support all departments, which should be in place before the end of the fiscal year. In addition, IT coordinated moves of the Health Department, Elections Office and Commercial Assessing.

In the upcoming year, the IT Department will work with the Financial Information Systems Department to create redundant systems in a different location, as backup systems and disaster recovery. The IT Department will be coordinating with the Financial Information Systems Department to upgrade the FinancePlus and CommunityPlus applications to ensure that they are operating at peak efficiency. The Department will also be integrating permitting and licensing software that has the ability for online application and payment for the Fire, Planning, Inspectional Services, Health and Human Services and Police Departments. The employee training programs that the department offers will be expanded to include Outlook email and calendars, which will include mobile access.

The IT Department continues to work with the School Department and Public Buildings Department on the installation of security cameras in City buildings. It is important that the cameras and software are consistent across the City.

There was concern that the City was not offering a large enough salary for the Information Technology Director. Chief Financial Officer Maureen Lemieux stated that she is comfortable with the salary but there is money in the Wage Reserve, if there is a need for additional support in the department or to supplement the salary of the Information Technology Director.

It was suggested that the Department might be better served by having a business analyst position within the department to focus on new ideas. It would also be beneficial to the department if the vacant junior programmer position were filled

The recommended IT budget is \$1,045,103. The small increase in the budget is related to salary changes and further investment in equipment for the Department. Ald. Rice moved approval of the Information Technology Department's recommended budget, which carried unanimously.

FINANCIAL INFORMATION SYSTEMS DEPARTMENT

Director of Financial Information Systems Ann Cornaro presented the budget for the Financial Information Systems Department. The department is adding a new position for a financial applications developer and increasing the part-time position hours. The new position will be responsible for providing information technology support for the financial software, as the department is adding components to its financial software. The person will also develop new programs for the financial systems to audit programs particularly the payroll software.

The salaries for two of the department's employees are moving fully into the general fund budget from the enterprise fund. The enterprise fund will be reimbursing the general fund for the salary of one individual and half of the other salary. One employee works exclusively on utility billings and the other individual spends a portion of time on utility bills and is essentially the Assistant Manager of Financial Information Systems. The Aldermen asked for a summary of the functions of the personnel being charged to the Utilities Division.

The purpose of the department is to provide support, documentation, and training to all departments that use financial software applications. The department also analyzes departmental financial functions and makes recommendations to streamline existing processes related to the City's financial functions. In the past year, the department worked on accurate and timely receivable billing and payroll processing. It also trained timekeepers in timecard entry and trained the City's workforce in the use of financial software

In Fiscal Year 2014, the department expects to implement financial software upgrades and new workflow modules in collaboration with the Information Technology Department. The Department will provide training in the use of the new financial software modules to establish a fully trained administrative workforce. In addition, the department will cross-train all employees in billing for excise and real estate, audit the accuracy of the employee record set-up, document current policies and practices, and continue to meet all legal requirements for taxes and municipal charges.

The Fiscal Year 2014 budget for the department is \$597,737. The increase is related to the addition of one employee and the move of the two salaries from the enterprise fund to the general budget. Ald. Ciccone moved approval of the item, which carried by a vote of seven in favor and one abstention (Ald. Linsky).

EXECUTIVE DEPARTMENT

Chief Financial Officer Maureen Lemieux presented the Executive Department's budget. The Executive Department did not do an accomplishments or outcomes page for the Executive Department's budget because the budget and Capital Improvement Plan is what the Executive Office intends to accomplish. The Budget Summary for the Mayor's Office is attached.

The biggest change to the department's budget is the addition of a Director of Sustainability. The job description for the new position is attached. The Director of Sustainability will be looking at every aspect related to sustainability such as energy use, water use, sewer use, fleet maintenance and fleet replacement for the Parks and Recreation Department and the Department of Public Works.

There was sentiment among the Aldermen that the Public Buildings or Public Works Department may be a more appropriate place for the position. Ms. Lemieux explained that the person would be looking at the whole city, working with the Chief Operating Officer and Department Heads, and with the Sustainability Cluster to lead the City forward on all aspects of sustainability. Therefore, the Executive Department is the most appropriate place for the position.

There were also concerns that the City could not provide enough support for the position with the elimination of the Energy Project Manager position in the Public Buildings Department. There need to be people on the ground to do the legwork and project management to support the Director of Sustainability in order for the position to be successful.

Ms. Lemieux explained that the position in Public Buildings is not being eliminated but changed to a third project manager. All of the project managers will provide support to the Sustainability Director. Ms. Lemieux will discuss the concerns with the Chief Operating Officer.

The Committee discussed the possibility of amending the Ordinances to provide automated increases to the Mayor's salary. The Committee felt it was appropriate to have a review of the Mayor's salary on a regular basis to ensure that it keeps pace with employee increases.

There was a request for a breakdown of all salary increases in the budget to ensure that the City is keeping with the 2.5% limit on increases. Ms. Lemieux agreed to provide the information. There was also a request to track the use of all override funds in every department that is receiving additional funding. Ms. Lemieux explained that all override funding is called out separately in the budget. The attached breakdown provides a list of the use of override funding.

The total recommended budget for the Executive Office is \$956,572 with the addition of one position. There are no proposed capital improvement projects in the Executive Office. Ald. Rice moved approval, which carried by a vote of five in favor and two abstentions (Ald. Blazar and Lappin).

Respectfully submitted,

Leonard J. Gentile, Chairman

CITY OF NEWTON, MASSACHUSETTS
MAYOR'S OFFICE BUDGET SUMMARY

	Actual			FY 2012	Adj Budget FY 2013 {2}	Proposed FY 2014
	FY 2009	FY 2010 {1}	FY 2011			
Expenditures by Core Function						
Personnel	\$ 570,871	\$ 691,785	\$ 655,426	\$ 585,125	\$ 653,026	\$ 818,541
Expenses	27,836	35,014	29,825	38,486	79,129	44,905
Benefits	77,409	75,306	70,843	62,132	78,807	93,126
Total	\$ 676,116	\$ 802,105	\$ 756,094	\$ 685,743	\$ 810,962	\$ 956,572
% Incr		18.6%	-5.7%	-9.3%	18.3%	18.0%
% Incr net of extraordinary items {1}/{2}		-3.2%	15.6%	-9.3%	22.6%	13.7%
Personnel						
Full time	6	7	8	8	8	9

	Mayor's Office	Total General Fund {3}
2009 - 2014 Cumulative Budget Changes:		
2014 Recommended budget	\$ 956,572	\$ 331,073,197
2009 Actual expenditures	\$ 676,116	\$ 282,958,493
Cumulative \$ change 2009 - 2014	\$ 280,456	\$ 48,114,704
Cumulative % change 2009 - 2014	41.5%	17.0%

{1} FY 2010 Mayor's Office personal services expenditures include \$147,783 in severance costs related to staff turnover in the Mayor's Office.

{2} FY 2013 Mayor's Office personal services expenditure budget is net of \$30,000 that was transferred to the Election Commission special appropriation for the U.S Senate special election (Board order #74-13).

{3} General Fund Total budget and expenditures exclude prior year continuing appropriations and special appropriations.

CITY OF NEWTON, MASSACHUSETTS

Question #1. Shall the City of Newton be allowed to assess an additional \$8,400,000 in real estate and personal property taxes for the purpose of funding municipal and school operating and capital expenses to support increased student enrollment, fund street and sidewalk paving, fund public safety personnel, address the condition and capacity of Zervas Elementary School, fund the relocation of the fire Department Wires Division, and fund the replacement of Fire Headquarters and Fire Station 3 in Newton Centre for the fiscal year beginning July 1, 2013?

Override Funding	Cost Center	GL Account	Personal Services	Expenses	Fringe Benefits	Inter-Fund Trans.	Debt Service & Capital Outlay	Total
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Comptroller								
Transfer to Capital Stabilization Fund	0110499	593039	-	-	-	2,400,000	-	2,400,000
Total						2,400,000		2,400,000

Police								
Police Officer Override Salaries	0120103	511001	189,346	-	-	-	-	189,346
Wage Reserve	0120101	5197	43,995	-	-	-	-	43,995
Health Insurance	0120103	57HLTH	-	-	59,179	-	-	59,179
Medicare	0120103	57MEDA	-	-	2,746	-	-	2,746
OPEB	0120103	OPEB	-	-	4,734	-	-	4,734
Vehicles	0120108	58501	-	100,000	-	-	-	100,000
Radio Communication Equipment	0120112	58519	-	100,000	-	-	-	100,000
Total			233,341	200,000	66,659			500,000

Public Works								
Part Time Salaries	0140105A	511102	58,759	-	-	-	-	58,759
Public Property R-M	0140105A	52409	-	939,891	-	-	-	939,891
Medicare	0140105A	57MEDA	-	-	1,350	-	-	1,350
Total			58,759	939,891	1,350			1,000,000

School Department Expenditures								
Total								3,500,000

***Municipal Funding for Increased Student Enrollment**

Public Buildings								
Salaries	0111501	511001	252,014	-	-	-	-	252,014
Wage Reserve	0111501	5197	46,636	-	-	-	-	46,636
Health Insurance	0111501	57HLTH	-	-	46,370	-	-	46,370
Treasury								
Carr School Design- Principal	0110771	581A79	-	-	-	-	60,000	60,000
Carr School Design- Principal	0110771	581A80	-	-	-	-	140,558	140,558

Override Funding

	Cost Center	GL Account	Personal Services	Expenses	Fringe Benefits	Inter-Fund Trans.	Capital Outlay	Total
FA Day Renovations- Principal	0110771	581A81	-	-	-	-	220,000	220,000
Carr School Design- Interest	0110772	582A79	-	-	-	-	9,000	9,000
Carr School Design- Interest	0110772	582A80	-	-	-	-	20,867	20,867
FA Day Renovations- Interest	0110772	582A81	-	-	-	-	204,555	204,555
Total			590,750	1,139,891	114,379	2,400,000	654,980	8,400,000

Total Override Package

\$ 590,750 \$ 1,139,891 \$ 114,379 \$ 2,400,000 \$ 654,980 \$ 8,400,000

Title: Director of Sustainability for the City of Newton

Grade: H-13

Starting salary range: \$90k

JOB DESCRIPTION --

Responsible for leading, coordinating, facilitating, managing and advising the development, implementation, monitoring, and improvement of City policies, programs, and initiatives that promote local environmental, energy, economic, and social sustainability. Hands-on analysis, plan development, and implementation of sustainable initiatives throughout the City.

Reporting Structure

Reports to the Chief Operating Officer in the Executive Department for day-to-day operations. Responds to needs, questions, and requests directly from the Mayor. Directs the coordination with all departments toward the institution of sustainable practices across the City.

Responsibilities:

- Lead the planning, management and implementation of City sustainability initiatives and programs.
- Relate significance of sustainable efforts to energy reduction and climate change factors.
- Facilitates collaboration of interdepartmental/agency task forces, teams, and working groups working across the spectrum of community life to execute policies that promote the conservation of resources, both public and private.
- Coordinate department/division managers in measuring, monitoring, and constantly upgrading sustainability initiatives and programs consistent with evolving knowledge in the field.
- Maximize sustainability performance through systems linked with quality of life and community image; promoting a more resilient, livable, healthy, and prosperous community.
- Advise and respond to elected officials, interest groups, and committees/commissions about sustainability issues.
- Conduct policy analysis, development & advocacy.
- Promote sustainability with employees as a part of the government's culture promoting health, reduced energy consumption, and carbon footprint through behavior modification/technology.
- Offer programs to the general public that support regional/national sustainable initiatives.
- Communicate sustainability goals and progress to the public via multiple venues to include electronic, public presentations, press, and other written media.
- Develop and implement sustainability measuring and monitoring systems regarding the impacts on the community; environmentally, financially, and socially.
- Engage with state/federal governments on programs, assistance, and initiative development.
- Engage with community and/or interest/stakeholder groups (e.g., neighborhood organizations, environmental advocates).
- Engage with vendors of sustainability technology, equipment, tools, and software.
- Develop and submit grants for sustainability projects.
- Promote alternative energy sources (solar, geothermal, hydro, anaerobic digestion, wind, etc) for use in the city fleet vehicles, buildings, and sale outside the City.
- Administer the City sustainability office, staff, and budget, as appropriate.

REQUIREMENTS:

Education

Graduation from an accredited college or university with a Master's degree in relevant field: planning, environmental science, sustainable business, engineering, public administration/policy.

Experience

Seven to ten years of experience in the field of urban sustainability, working professionally in the government, business, consulting, nonprofit, and/or academic sectors. Demonstrated maturity and leadership to work collaboratively with department heads and staff who are not direct reports through a formal chain of command.

Knowledge

- Knowledge of current models and programs for urban sustainability, including federal and state policies and measurement/monitoring of sustainability.
- Knowledge of climate change science, principles of energy and environmental management, social behavior change, and economic development.
- Knowledge of public administration and public policy development, including government financing mechanisms and intergovernmental relations.
- Knowledge of organization-change management strategies and methods.

Abilities: Ability to manage multiple tasks in a detailed and effective manner; ability to present complicated projects to elected officials and public, manage and explain all facets of financial impact for project sequencing; ability to establish effective working relationships with department staff, designers, contractors, subcontractors and other departments and agencies.

- Ability to direct/support systems analysis, strategic planning processes, organization development processes.
- Ability to effectively analyze and develop programs, policies, and initiatives.
- Ability to manage projects and administer programs and/or an Office of Sustainability and supervise staff, and to coordinate programs with other administrative offices.
- Ability to develop positive relations with other departments and agencies, and elected officials, and to facilitate collaborative planning processes.
- Ability to develop performance measurement systems and initiate continuous improvement processes.

Skills: Excellent oral and written communication skills; effective and efficient data processing skills.

Physical and Mental Requirements

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the position's essential functions.

Physical Skills

Little or no physical demands are required to perform the work. Work effort principally involves sitting to perform work tasks, with intermittent periods of stooping, walking, and standing. Occasional lifting of objects such as books, office equipment and computer paper (up to 30 lbs.).

Work may require some agility such as moving in or about construction sites or over rough terrain.

Motor Skills

Duties are largely mental rather than physical, but the job may occasionally require minimal motor skills for activities such as moving objects, operating a wire and wireless communications, computer and/or most other office equipment, typing and/or word processing, filing, and sorting. Ability to operate a motor vehicle.

Visual Skills

Visual demands include constantly reading documents for general understanding and for analytical purposes.

Supervision Required

Under administrative direction, develops departmental policies and objectives; establishes short and long-range plans and goals, assumes responsibility for performance standards and accountability of results. Expected to operate independently however consults with supervisor where clarification, interpretation, or exception to municipal policy may be required.

Supervisory Responsibility

Employee is accountable for the direction and success of all department programs accomplished through others. The employee is responsible for analyzing program objectives, determining the various work operations needed to achieve them, estimating the financial and staff resources required, recommending the allocation of available funds and staff, reporting periodically on the achievement and status of the program objective; and recommending new goals. The employee typically formulates or recommends program goals and develops plans for achieving short and long-range objectives; determines organizational structure operating guidelines and work operations; formulates, prepares and defends budget and manpower requests and accounts for effective use of funds and staff provided; coordinates program efforts with other departments; delegates authority to other department staff supervisors and advises department heads as to the performance of their work; reviews work in terms of accomplishment of program objectives and progress reports, approves standards establishing quality and quantity of work; and assists or oversees the personnel function, including or effectively recommending hiring, training, and disciplining of employees. Internal conflicts with employees are expected to be resolved in a timely manner with coordination with other City staff as necessary.

Accountability

Duties include department level responsibility for technical processes, service delivery, contribution to municipal wide plans and objectives, and fiscal responsibility for the department, buildings, projects, equipment and staffing utilization. Consequences of errors, missed deadlines or poor judgment could severely jeopardize department operations or have extensive financial and/or legal repercussions to the municipality.

Judgment

Guidelines only provide limited guidance for performing the work. They may be in the form of administrative or organizational policies, general principals, legislation or directives that pertain to a specific department or functional area. Extensive judgment and ingenuity are required to

develop new or adapt existing methods and approaches for accomplishing objectives or to deal with new or unusual requirements within the limits of the guidelines or policies. The employee is recognized as the department or functional area's authority in interpreting the guidelines, in determining how they should be applied, and in developing operating policies and practices.

Complexity

Work consists of employing many different concepts, theories, principles, techniques and practices relating to an administrative field. Assignments involve studying trends in the field for application to the work; assessing services and recommending improvements.

Nature and Purpose of Public Contact

Relationships are constantly with co-workers, the public and with groups and/or individuals who have conflicting opinions or objectives, diverse points of view or differences where skillful negotiating and achieving compromise is required to secure support, concurrence and acceptance or compliance; or one-on-one relationships with a person who may be under severe stress, where gaining a high degree of persuasion may be required to obtain the desired effect. The employee may represent to the public a functional area of the municipality on matters of procedures or policy where perceptiveness is required to analyze circumstances in order to act appropriately.

Confidentiality

Has regular access at the departmental level to a wide variety of confidential information, including official personnel files, law suits, criminal records/investigations, client records, department records, and client conversations in accordance with the state public records law.

Work Environment

The work environment involves everyday discomforts typical of offices, with occasional exposure to outside elements. Noise or physical surroundings may be distracting, but conditions are generally not unpleasant. Employee may be required to work beyond normal business hours to attend evening meetings. Some field work required.