

Office of the Comptroller

Mission

To maintain, prepare, and distribute timely and accurate financial reports to management, the City Council, state and federal agencies, taxpayers, and members of the public and to provide supervision and oversight of all financial activities.

The Office of the Comptroller is the key to financial compliance. In Newton, proper accounting standards are used to record virtually every transaction in all facets of the City, from the setting of the annual tax rates, to changes in long and short-term liabilities, to the calculation of annual free cash, and to the maintenance of appropriated legal levels of control over revenues and expenditures. The City's local aid, through the Commonwealth of Massachusetts and the Federal government, are predicated upon the timely and accurate reporting of the City's financial position each year.

Annual reporting in Newton includes the Annual Financial Report (Budgetary Basis) and the audited Generally Accepted Accounting Principles (GAAP) based financial statements including balance sheets and operating statements. Newton's Annual Comprehensive Financial Report is useful to residents, elected officials and bond rating agencies, including Moody's Investors Service.

Fiscal Year 2023 was a strong year for the Office of the Comptroller. Highlights of the Comptroller's Office include:

- Worked with the City's financial management team to maintain a credit rating of Aaa from Moody's Investors Service, Inc. (February 2023 and March 2024).
- Issued the audited FY2023 Annual Comprehensive Financial Report with Generally Accepted Accounting Principles (GAAP) reporting and the FY2023 internal Budgetary Basis Annual Financial Report. Both reports reflect the positive view by the City's external annual auditors, CliftonLarsonAllen, LLP.
- Continued to work with Treasury on finding automation and streamlining of different revenue source recognition with Treasury, ensuring payments and receipts are processed timely.
- Participated in professional development opportunities to ensure staff continue to learn and develop new skills each year.
- Continued to find resolutions to improve Munis, our software system, improving reporting of the City's financials. Assisted in the upgrade to the newest version of Munis to ensure financials were accurate and any changes in processes were documented.
- Advised members of the Finance Committee, the Executive Office, the Retirement Board and other City departments as issues and questions arose.

In FY2025, the Office of the Comptroller will maintain a level-funded budget and continue the department's exceptional performance.

The Comptroller's Office thrives because of the long-term experience and professional commitment of staff, including Regina Zegarelli,

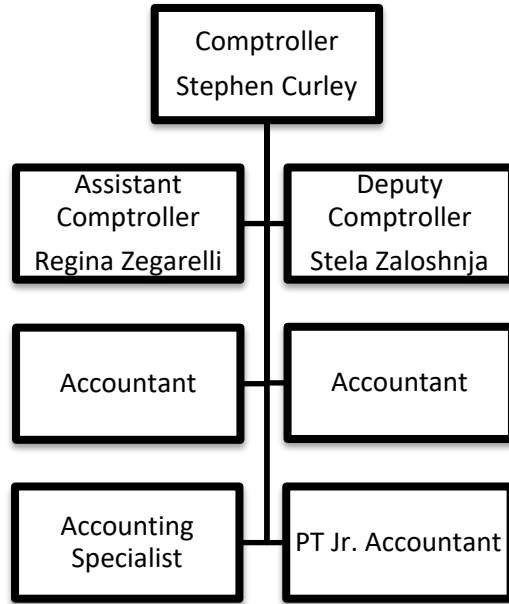
Denise King, Stela Zaloshnja, Michelle Tan, Valerie-Anne Siek and newcomer Azeb Abrha.

The Office of the Comptroller has continued to succeed due to maintaining a continued focus on professional development, cross-training, and succession planning.

Stephen Curley

Comptroller

Comptroller



Financial and Operating Highlights

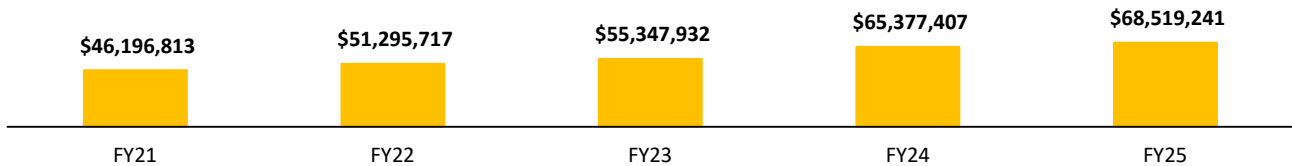
Financial Highlights

	< -----Actual ----->			Original FY2024	Proposed FY2025
	FY2021	FY2022	FY2023		
Expenditure by Department					
Comptroller	\$ 712,309	\$ 756,059	\$ 770,117	\$ 830,044	\$ 896,721
Inter-Fund Trans.	\$ 1,127,600	\$ 1,300,000	\$ 1,358,524	\$ 1,160,684	\$ 1,160,684
Retirement	\$ 42,916,424	\$ 47,772,419	\$ 51,710,352	\$ 58,182,289	\$ 58,670,850
Workers Comp	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000
Property Ins.	\$ 640,480	\$ 667,239	\$ 708,939	\$ 806,600	\$ 832,000
Reserve Funds	\$ -	\$ -	\$ -	\$ 3,597,790	\$ 6,158,986
Total	\$ 46,196,813	\$ 51,295,717	\$ 55,347,932	\$ 65,377,407	\$ 68,519,241
% Incr		11.04%	7.90%	18.12%	4.81%

Personnel

Full-Time	6	6	6	6	6
Part-Time	1	1	1	1	1
Total	7	7	7	7	7

Total Comptroller Expenditures



Operating Highlights

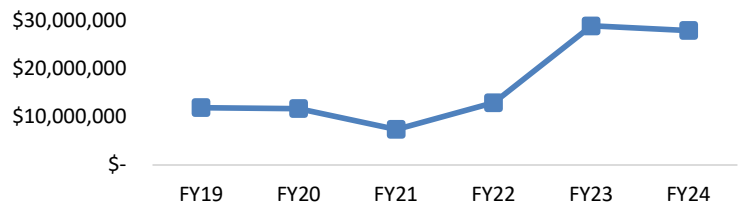
Bond Rating

Moody's Aaa

FY23 Revenues by Source (General Fund)

Property Taxes	83%
Other Taxes	4%
Licenses/Permits	3%
Fees/Charges	1%
All Other	9%

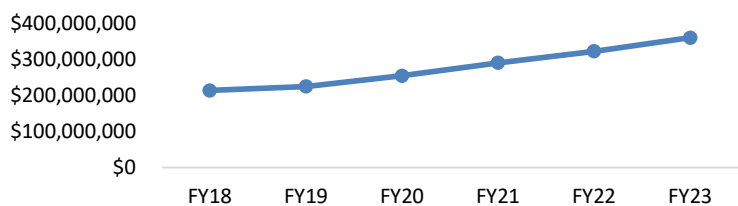
Free Cash



FY23 Expenses by Function (General Fund)

Education	54%
Public Works	7%
Public Safety	12%
General Gov't	6%
Culture/Recr.	3%
Debt Service	5%
Other	13%

Fund Balance (All Funds)



Office of the Comptroller

Fiscal Year 2025 Outcomes and Strategies

Outcome 1

Meet All Statutory Requirements

Meeting statutory requirements is a critical outcome and includes doing the analytical work to complete necessary reports accurately and on-time. The timeline of reports include the following during the fiscal year from July 2024 through June 2025: Complete the budgetary basis annual financial report within three months of fiscal year end; submit free cash certification documents to the State in September; issue the audited Annual Comprehensive Financial Report (ACFR), without any audit qualifications, within six months of fiscal year end; prepare and submit the City's annual Schedule A to the state Department of Revenue, Division of Local Services in November; submit financial requirements for certification of the City's tax rate by the date provided by the City Assessor; issue quarterly interim financial reports for all City funds within 60 days of month end; prepare the Comptroller's portion of bond Offering Statements according to the schedule of the bond issue, typically in Q3; prepare citywide budgetary roll-up documents as per the schedule set by the Mayor and CFO; and prepare the budgetary analysis and City Council Order for the annual operating budget in May. In addition, the Comptroller's Office is tracking the use of the American Rescue Plan Act grant (ARPA). With hard work, growing experience and ongoing training of the Comptroller's staff, we are confident we will continue to achieve this critical outcome.

For reliable and innovative reporting by the City of Newton to continue for many years, the Comptroller's Office needs to retain and promote staff from within the department. The Comptroller's team continues to prove every day their abilities to problem solve to keep the Comptroller's Office moving forward amid great change. The staff has years of institutional knowledge with our Comptroller, Assistant Comptroller and Accountant combining for over 50 years of service to the City of Newton. There has also been great development, mentoring and training of staff that have joined our team in the last few years.

Outcome 2

Provide Succession Planning Within the Comptroller's Office

Office of the Comptroller

Fiscal Year 2025 Outcomes and Strategies

Outcome 3

Provide Munis Departmental Training

With Munis fully-implemented and having gone through the most recent upgrade of Munis, we continue departmental training with Munis, ensuring all departments are comfortable using it to satisfy all of their needs. This includes the capabilities to run

different budgetary reports, look up employee information, process payroll and payables, and many other functions in Munis. We also continue to extend our assistance to departments that want their new staff members to be trained in Munis.

The Comptroller's Office will work with other departments on these and other MUNIS initiatives.

Reliable and accurate reporting by the City of Newton Comptroller's Office is dependent upon continuing professional development. From auditing best practices, to MUNIS tutorials, to Retirement Board seminars, each staff member participates in varied professional development.

Outcome 4

Prioritize Professional Development & Training

Participating in professional development training, including the Certified Governmental Accountant accreditation (CGA) and a recent push in certifications to be Massachusetts Certified Public Purchasing Officials (MCPPO) are priorities because they increase knowledge within the office and builds a support network with other communities. We currently have two CGA on staff, as Stela Zaloshnja became certified last May. We also have two MCPPO certified members on staff as well and another going through the certification tests. We also have another staff member working toward the CGA designation. These designations must be recertified every three years.

FUND: 0001 - GENERAL FUND
DEPARTMENT: 104 - COMPTROLLER

CITY OF NEWTON BUDGET
DEPARTMENT LEGAL LEVEL OF CONTROL

	ACTUAL 2021	ACTUAL 2022	ACTUAL 2023	ORIGINAL 2024	RECOMMENDED 2025	CHANGE 2024 to 2025
COMPTROLLER SUMMARY						
51 - PERSONNEL SERVICES	547,982	566,897	536,023	2,199,497	4,790,295	2,590,798
52 - EXPENSES	1,527,829	1,583,985	1,661,190	3,734,295	3,779,465	45,170
59 - TRANS TO OTHER FUND	1,000,000	1,300,000	1,358,524	1,160,684	1,160,684	0
57 - FRINGE BENEFITS	42,993,402	47,844,836	51,792,195	58,282,931	58,788,797	505,866
TOTAL DEPARTMENT	46,069,213	51,295,717	55,347,931	65,377,407	68,519,241	3,141,834
COMPTROLLER						
51 - PERSONNEL SERVICES	547,982	566,897	536,023	601,707	631,309	29,602
52 - EXPENSES	87,349	116,746	152,251	127,695	147,465	19,770
57 - FRINGE BENEFITS	76,978	72,417	81,843	100,642	117,947	17,305
TOTAL COMPTROLLER	712,309	756,059	770,117	830,044	896,721	66,677
INTER-FUND TRANSFERS						
59 - TRANS TO OTHER FUND	1,000,000	1,300,000	1,358,524	1,160,684	1,160,684	0
TOTAL INTER-FUND TRANSFERS	1,000,000	1,300,000	1,358,524	1,160,684	1,160,684	0
RETIREMENT						
51 - PERSONNEL SERVICES	0	0	0	0	0	0
57 - FRINGE BENEFITS	42,916,424	47,772,419	51,710,352	58,182,289	58,670,850	488,561
TOTAL RETIREMENT	42,916,424	47,772,419	51,710,352	58,182,289	58,670,850	488,561
WORKERS COMPENSATION						
52 - EXPENSES	800,000	800,000	800,000	800,000	800,000	0
TOTAL WORKERS COMPENSATION	800,000	800,000	800,000	800,000	800,000	0
PROPERTY INSURANCE						
52 - EXPENSES	640,480	667,239	708,939	806,600	832,000	25,400
TOTAL PROPERTY INSURANCE	640,480	667,239	708,939	806,600	832,000	25,400
RESERVE FUNDS						
51 - PERSONNEL SERVICES	0	0	0	1,597,790	4,158,986	2,561,196
52 - EXPENSES	0	0	0	2,000,000	2,000,000	0
TOTAL RESERVE FUNDS	0	0	0	3,597,790	6,158,986	2,561,196

FUND: 0001 - GENERAL FUND
DEPARTMENT: 104 - COMPTROLLER

CITY OF NEWTON BUDGET
DEPARTMENTAL DETAIL

	ACTUAL 2021	ACTUAL 2022	ACTUAL 2023	ORIGINAL 2024	RECOMMENDED 2025	CHANGE 2024 to 2025
104 - COMPTROLLER						
0110434 - COMPTROLLER						
PERSONNEL SERVICES						
511001 FULL TIME SALARIES	531,689	519,282	520,592	564,907	599,659	34,752
511101 PART TIME < 20 HRS/WK	10,766	24,835	11,631	23,000	26,500	3,500
514001 LONGEVITY	4,800	5,133	3,800	3,800	5,150	1,350
515006 VACATION BUY BACK	727	17,646	0	0	0	0
519700 CURRENT YEAR WAGE RE			0	10,000	0	-10,000
TOTAL PERSONNEL SERVICES	547,982	566,897	536,023	601,707	631,309	29,602
EXPENSES						
530201 AUDITING SERVICES	66,750	88,840	99,250	95,400	100,170	4,770
530215 ACTUARIAL SERVICES	14,350	19,400	47,150	25,000	40,000	15,000
531900 TRAINING EXPENSES	1,898	3,486	4,038	4,000	4,000	0
534010 TELEPHONE	183	169	149	225	225	0
534100 POSTAGE	11	13	1	20	20	0
534200 PRINTING	354	234	317	400	400	0
542000 OFFICE SUPPLIES	3,569	4,502	835	2,000	2,000	0
571000 VEHICLE USE REIMBURSE	21	101	250	150	150	0
573000 DUES & SUBSCRIPTIONS	213	0	260	500	500	0
TOTAL EXPENSES	87,349	116,746	152,251	127,695	147,465	19,770
FRINGE BENEFITS						
57DENT DENTAL INSURANCE	1,016	1,013	1,142	1,481	1,411	-70
57HLTH HEALTH INSURANCE	66,385	61,142	69,502	85,588	102,247	16,659
57LIFE BASIC LIFE INSURANCE	80	28	24	60	57	-3
57MEDA MEDICARE PAYROLL TAX	7,642	7,965	7,432	8,583	9,154	571
57OPEB OPEB CONTRIBUTION	1,854	2,269	3,743	4,930	5,078	148
TOTAL FRINGE BENEFITS	76,978	72,417	81,843	100,642	117,947	17,305
TOTAL COMPTROLLER	712,309	756,059	770,117	830,044	896,721	66,677
0110490 - INTER-FUND TRANSFERS						
TRANS TO OTHER FUND						
595500 TRANS TO-RECEIPTS RES	127,600	0	0	0	0	0
595900 TRANS TO-RAINY DAY STA	1,000,000	800,000	0	0	0	0
597323 TT- HORACE MANN ADD/R			0	1,160,684	1,160,684	0
597533 TRANS FRM- WASHINGTO		500,000	0	0	0	0
597634 TT-SIDEWALK CLEARING T			300,000	0	0	0
597635 TT-FIRE ENGINE #7			800,000	0	0	0
597636 TRANS TO-POLICE CRUIS			258,524	0	0	0
TOTAL TRANS TO OTHER FUND	1,127,600	1,300,000	1,358,524	1,160,684	1,160,684	0
TOTAL INTER-FUND TRANSFERS	1,127,600	1,300,000	1,358,524	1,160,684	1,160,684	0

CITY OF NEWTON BUDGET DEPARTMENTAL DETAIL
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	ACTUAL 2021	ACTUAL 2022	ACTUAL 2023	ORIGINAL 2024	RECOMMENDED 2025	CHANGE 2024 to 2025
0110491 - RETIREMENT						
FRINGE BENEFITS						
570700 NCRS PENSION CONTB	30,805,376	35,267,015	38,631,457	41,242,922	43,995,000	2,752,078
570800 NON CONTRIB PENS BENE	47,700	22,351	0	0	0	0
57DENT DENTAL INSURANCE	685	649	2,565	0	0	0
57HLTH HEALTH INSURANCE	11,189,750	11,589,229	12,171,085	13,264,915	10,902,799	-2,362,116
57LIFE BASIC LIFE INSURANCE	26,432	24,778	36,492	37,200	37,200	0
57MEDA MEDICARE PAYROLL TAX	2,390	2,795	4,010	0	0	0
57MEDB MEDICARE PART B REIMB	841,012	861,353	856,944	450,000	389,236	-60,764
57OPEB OPEB CONTRIBUTION	3,078	4,249	7,799	3,187,252	3,346,615	159,363
TOTAL FRINGE BENEFITS	42,916,424	47,772,419	51,710,352	58,182,289	58,670,850	488,561
TOTAL RETIREMENT	42,916,424	47,772,419	51,710,352	58,182,289	58,670,850	488,561
0110492 - WORKERS COMPENSATION						
EXPENSES						
575007 WORKERS COMP INSURA	800,000	800,000	800,000	800,000	800,000	0
TOTAL EXPENSES	800,000	800,000	800,000	800,000	800,000	0
TOTAL WORKERS COMPENSATION	800,000	800,000	800,000	800,000	800,000	0
0110493 - PROPERTY INSURANCE						
EXPENSES						
575001 PROPERTY INSURANCE	640,480	660,964	702,365	800,000	825,000	25,000
575005 EMPLOYEE HONESTY BON	0	6,275	6,574	6,600	7,000	400
TOTAL EXPENSES	640,480	667,239	708,939	806,600	832,000	25,400
TOTAL PROPERTY INSURANCE	640,480	667,239	708,939	806,600	832,000	25,400
0110498 - RESERVE FUNDS						
PERSONNEL SERVICES						
519700 CURRENT YEAR WAGE RE	0	0	0	1,597,790	4,158,986	2,561,196
TOTAL PERSONNEL SERVICES	0	0	0	1,597,790	4,158,986	2,561,196
EXPENSES						
579000 CURRENT YEAR RESERVE	0	0	0	500,000	500,000	0
579400 BUDGET RESERVE/SNOW	0	0	0	1,500,000	1,500,000	0
TOTAL EXPENSES	0	0	0	2,000,000	2,000,000	0
TOTAL RESERVE FUNDS	0	0	0	3,597,790	6,158,986	2,561,196
TOTAL COMPTROLLER	46,196,813	51,295,717	55,347,931	65,377,407	68,519,241	3,141,834