

## **Outcomes-Based Budget Overview**

Since taking office in 2010, Mayor Warren has made it his goal to infuse performance and results-based management into the City's culture. This extends into the Executive Team's philosophy regarding budgeting. The City uses what is known as Outcomes-Based Budgeting. As opposed to more traditional line-item incremental budgeting, where expenditures are increased or decreased by a percentage from prior year levels, outcomes-based budgeting is unique in that it ties strategic planning, performance management, and a zero-based approach to the annual allocation of resources.

In 2012 the Mayor worked with the Executive Team to define eight desired outcomes at a broad, visionary level. These outcomes encompass the mission and purpose of the City of Newton Municipal Government and will serve as the platform and basis for both large and small-scale city initiatives for many years to come. These outcomes are as follows:



Whether or not through day-to-day municipal operations or through more global aspects of sustainability and zoning, residents want to ensure that City Government is keeping its promise to provide quality services in an efficient and effective manner. That demand never diminishes, and in fact has been growing; people expect their police and fire departments to come when called, their roads to be safe and drivable in both good weather and bad; and their trash to be picked up regularly and on time.

The City utilizes a set of 10 "Accountability Questions", (author unknown), in order to identify the goals and outcomes that will be addressed in any given year. Department Heads work with the Administration to identify needs and develop solutions.

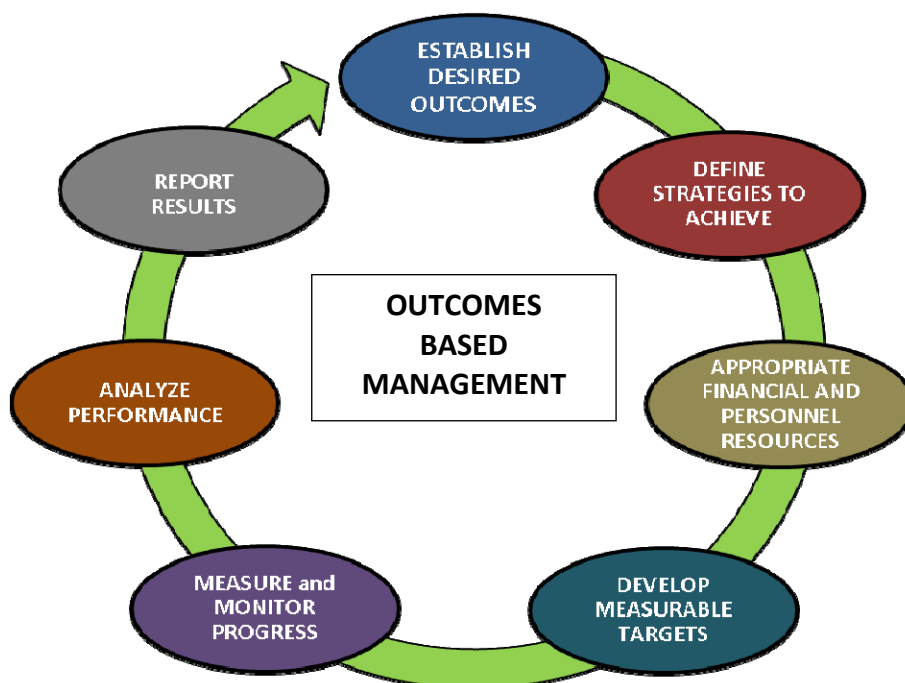
The 10 Accountability Questions are as follows:

- 1) NEEDS/RESOURCES – What are the underlying needs and conditions that must be addressed?
- 2) GOALS/DESIRED OUTCOMES – What are the goals, target population, and objectives?
- 3) BEST PRACTICE – What science (evidence) based models and best practice programs can be used in reaching the goals?
- 4) FIT – What actions need to be taken so the selected program “fits” the community context?
- 5) CAPACITIES – What organizational capacities are needed to implement the program?
- 6) PLAN – What is the plan for this program?
- 7) PROCESS – Is the program being implemented with quality?
- 8) OUTCOME EVALUATION – How well is the program working?
- 9) IMPROVE – How will continuous quality improvement strategies be included?
- 10) SUSTAINABILITY – If the program is successful, how will it be sustained?

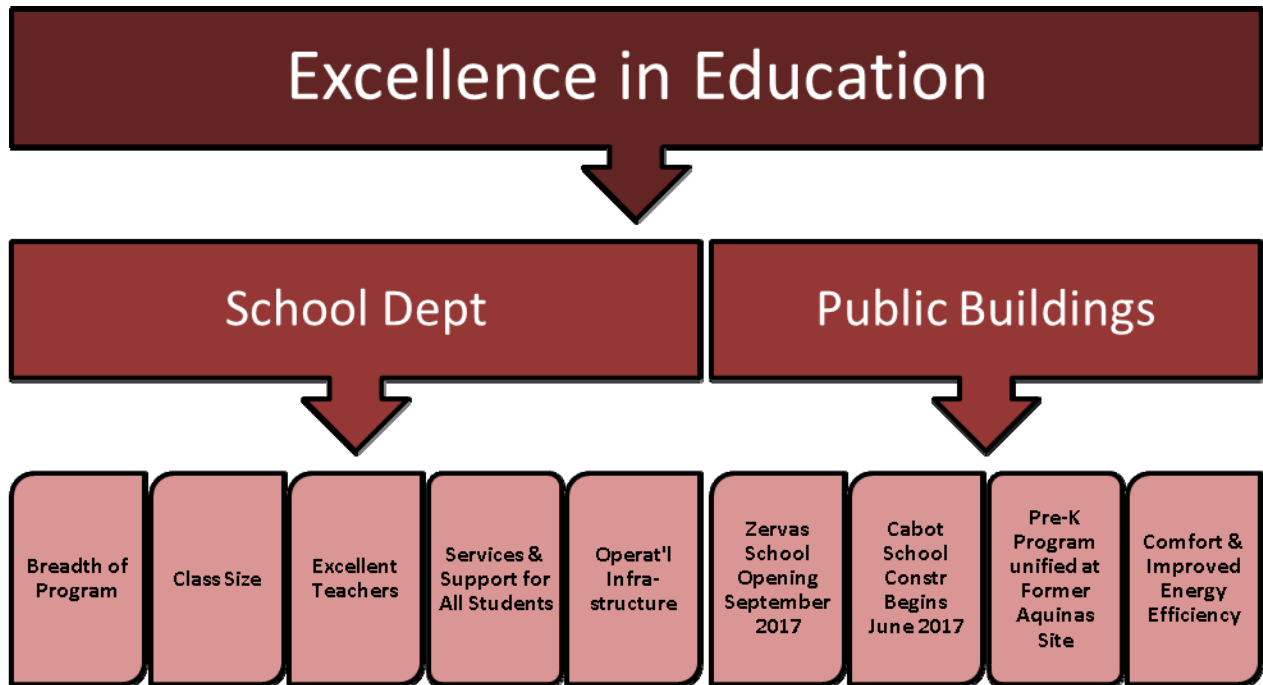
To accomplish effective and efficient service delivery, the Administration has built on the performance initiatives of the past seven years, to develop this strategic, outcomes-based approach in the development of the Fiscal Year 2018 Budget. This budget should be thought of first as a document that outlines the vision and direction for the City, and second as a blueprint and workplan unveiling exactly how the City expects to realize that vision.

Throughout the year, the Executive Team meets with each department to review progress made toward achieving current desired outcomes, as well as to discuss strategies and initiatives that should be undertaken by each department in the next fiscal year to continue improvement of City services.

Based upon these collaborative discussions, outcomes are defined, required resources are identified, projected expenditures are calculated, strategies are developed, and performance targets are established. Through continuous monitoring of performance the City Team is able to recognize any obstacles to the successful achievement of desired goals and outcomes. Once identified both the Executive Team and individual departments establish a strategy to overcome those obstacles.



## Outcome #1: Excellence in Education



### Outcome #1 – Excellence in Education

Excellence in the education provided by the Newton Public Schools with the required operational, financial and capital resources necessary to enable the School Department to accomplish its goal of educating, preparing and inspiring all students to achieve their full potential as lifelong learners, thinkers, and productive contributors to our global society.

### Strategy for Achievement

The delivery of an excellent education is perhaps the single most important municipal service in the minds of many Newton residents. It is the 'bedrock' of the Newton community. In addition to a commitment to education within the School Department, additional resources are required to accomplish this goal.

The Newton School Committee directed the School Administration to prepare an FY2018 Budget that would accomplish the following among other things:

- **Achievement Gap** – Provide staff resources to investigate Full Day Kindergarten options including implementation timelines; Continue to invest in summer Kindergarten transition programs and increase participation.
- **Charter Maintenance** - Provide sufficient support to maintain school buildings appropriately. Protect charter maintenance priorities.
- **Enrollment growth related needs** - NPS will need to continue to be mindful of enrollment growth demands. Key areas include the following:
  - Creative approach to staffing scenarios and building based support for projected population growth;

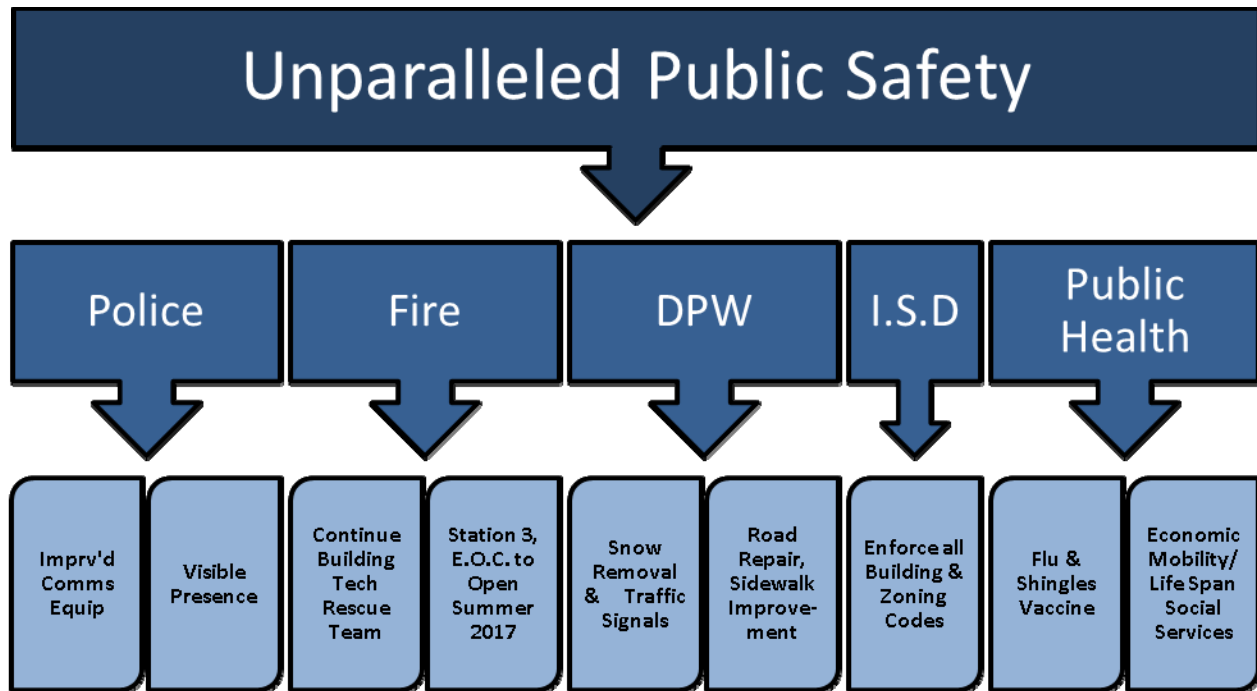
- Provide equitable access to middle school programs before/after school regardless of school size
  - Provide sufficient administrative equity at the larger middle schools.
- **Facilities** - Ensure appropriate support for short- and long-term facilities planning and execution, including: support for buildings in transition, in-district student services programs, middle school expansion as well as planning for new city-wide residential developments.
- **Sustainable Initiatives** - Begin to develop plans to address sustainability for federal grant funded and pilot initiatives – e.g. SEL grant, DaVinci Project. Continue transition of the SEL curriculum at the secondary level and continue support for the Calculus Project and Leveled Literacy Intervention.
- **Technology** – Continue to meet established technology standards for all classrooms and schools, including the secondary schools. Maximize E-Rate and continue to implement Skyward functions and analytics.
- **Increasing Revenue** – Expand opportunities for increased resources from grants, and from public/private partnerships with corporate giving/sponsorships, and educational institutions.
- **Fees** - Ensure effective and consistent fee collection. Look for opportunities to adjust fees and make a recommendation if indicated.
- **New Initiatives** – If approved by the School committee, identify potential resources associated with FY 18 and/or FY 19 implementation of High School Start Time scenarios. Recommend staff resources to examine opportunities to achieve compliance with Pre-K enrollment regulations such as forming partnerships with private providers to offer extended day.

The School Administration has worked to develop a Budget that will accomplish the goals listed above. However, in addition to the School Administration, the Public Buildings Department is also key in the delivery of an excellent education and as such will focus on the delivery of daily operations & maintenance, implementation of energy reducing initiatives, management of short term capital projects, implementation of the City's Capital Improvement Plan, and continued collaborative development of the Long Range Capital Plan.

Long-range facility planning continues to be a priority for both NPS and the City with continued collaboration on all aspects of this important work. The new Angier School was completed and occupied in January 2016. The Zervas school community is preparing to move back to their newly constructed school in September 2017, while the Cabot community prepares for their move to the City's swing space at the Carr School where they will spend the next two years, returning to their newly renovated school in September 2019. Applications for state funding for Lincoln-Eliot as well as preschool needs are in process. The Preschool Working Group started in FY16, brings together school and city administrators and School Committee members to fully review and determine best options to address the facility needs of the growing preschool program both in the short and long-terms. All preschool classes were co-located at the former Aquinas facility in September 2016.

Additionally, the city has added solar installations at school buildings throughout the City and implemented HVAC and energy efficient programs throughout the district. This work will continue throughout Fiscal Year 2018.

## Outcome #2: Unparalleled Public Safety



### **Outcome #2 – Unparalleled Public Safety**

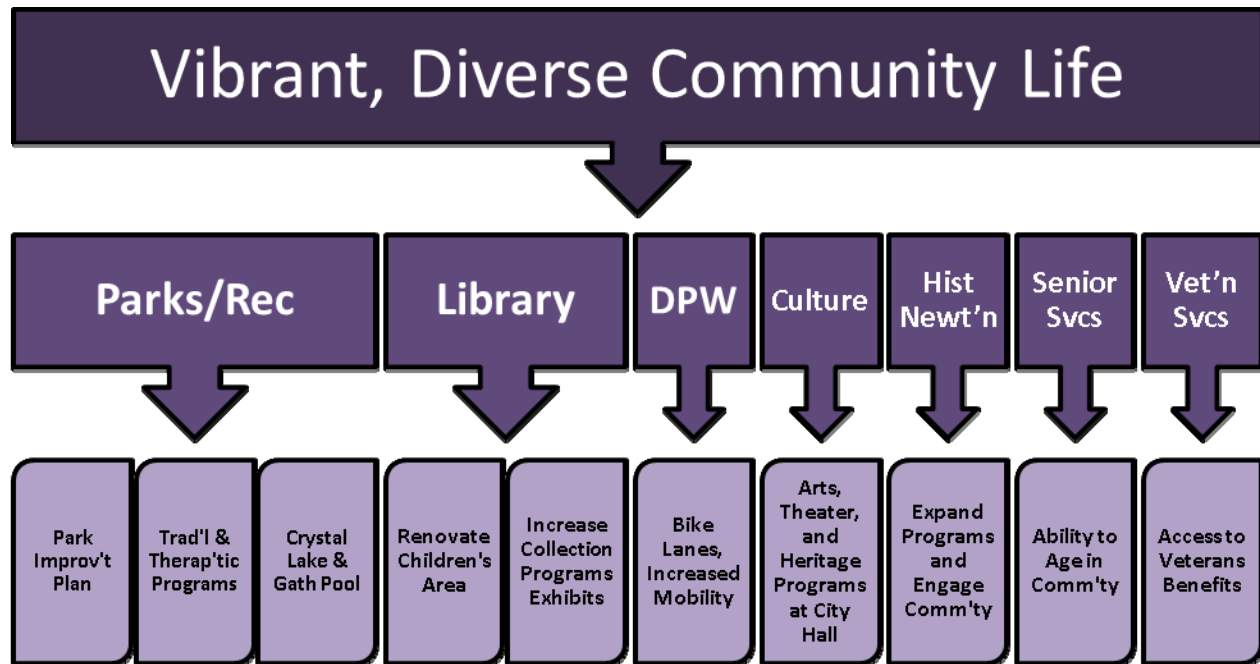
Unparalleled public safety for the citizens of Newton through the delivery of the highest level of police, fire, inspectional, public health and emergency medical services to the community, ensuring the public's safety and security through prepared responses to emergencies and disasters of all kinds including incidents involving hazardous materials, water rescue, and all emergencies requiring trained rescue personnel and equipment.

### **Strategy for Achievement**

Unparalleled public safety requires a holistic approach that incorporates both proactive and reactive measures to ensure a community not only responds quickly to emergencies but prevents them in the first place. That is why the City has made strategic investments in both personnel and initiatives within the Police, Fire, Public Works, Public Health, and Inspectional Services departments.

Strategies for achievement in this area include: Phase II and Phase III staffing increase to finalize establishment of the Technical Rescue Team; establishment of a Simulcast Public Safety Emergency Communications System; investing in equipment such as new cruisers and radios; expanding training and professional development opportunities for police and fire personnel; continued implementation of the traffic signalization plan throughout the City; completion of a state-of-the-art Emergency Operations Center; investing/integrating inspection and permitting software; and providing health and wellness services to all citizens.

## Outcome #3: Vibrant, Diverse Community Life



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A vibrant, diverse community life full of traditional, as well as, innovative recreation, leisure, social, educational and cultural programs, activities, and resources in a quality environment for all residents of Newton.

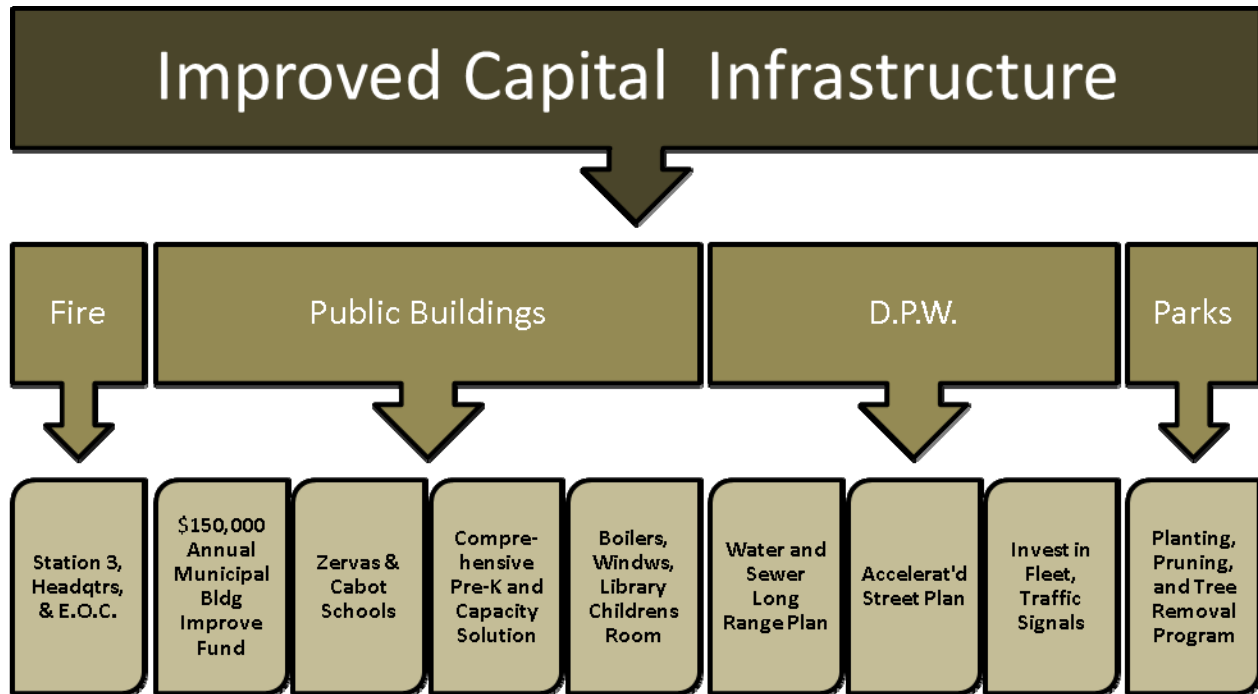
### Strategy for Achievement

A vibrant, diverse community life is essential to the overall well-being of any community. Social and recreational programs, open space, cultural activities, and recreational amenities all contribute toward this outcome.

Newton is fortunate to have several departments that offer a wide variety of programs and exhibits including Parks & Recreation, the Newton Free Library, Senior Services, Veterans Services, Historic Newton and Cultural Affairs. Each offers a variety of traditional, therapeutic and cultural programs for residents of all ages.

The City will focus on improving its physical recreational assets, including; improving play structures, tennis courts and ball fields; continuing the field turf management program; increasing pedestrian and bicyclist mobility throughout the City; promoting interdepartmental programming; and aggressively restoring the tree inventory to maintain the City's shade canopy.

## Outcome #4: Improved Capital Infrastructure



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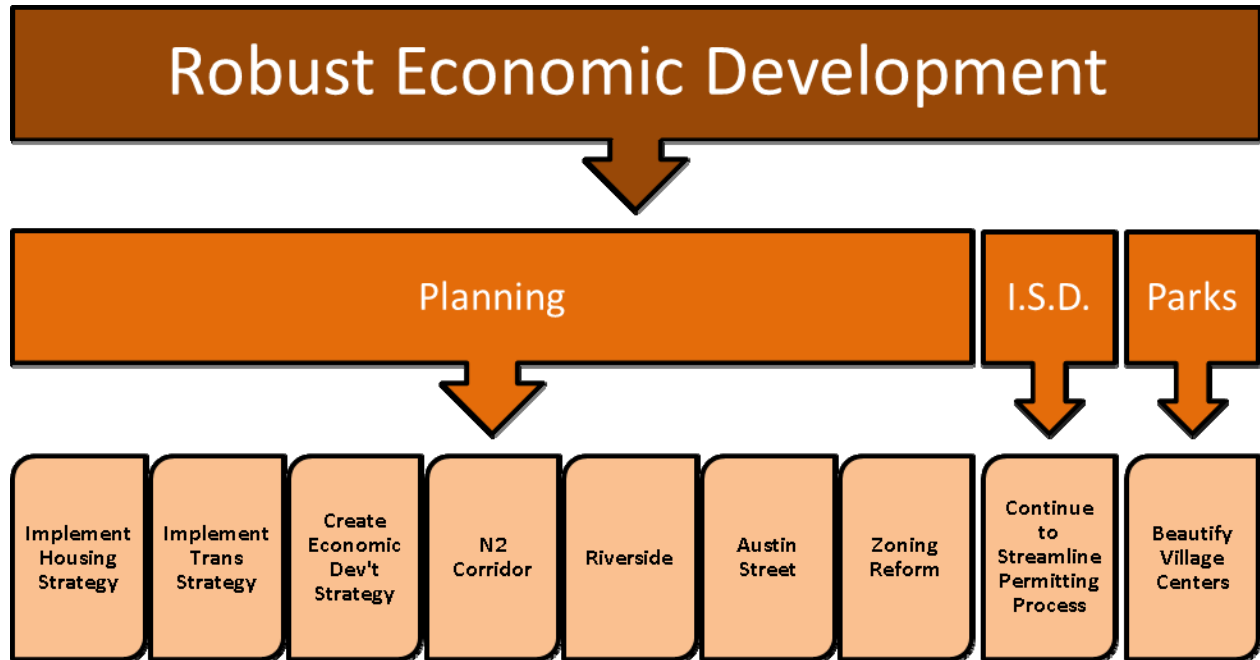
Well maintained school buildings, fire stations, municipal buildings, roadways, parks, recreational spaces, and water, sewer, and storm water facilities.

### Strategy for Achievement

The Administration has consistently recognized the need to improve the City's capital infrastructure and has developed a long-term strategy to systematically address these needs. While it is tempting to defer non-urgent capital projects during tight fiscal times, communities ultimately pay a higher price when it becomes necessary to replace assets. To that end, this budget will allocate significant resources to the investment in the City's infrastructure including: implementation of an unprecedented, accelerated road paving program; expansion of the traffic signalization plan to improve traffic flow and village vitality; implementation of lighting and energy efficiency improvements; continued funding of \$150,000 annual municipal building improvement fund for small capital projects; development of a strategic fleet replacement program; movement from reactive to preventive maintenance; and continued lining and repairing of the City's water, sewer, and storm water system infrastructure.

The Comprehensive Citywide Capital Improvement Plan and the 2013 override package were designed to address the City's larger capital projects. With the Angier and Fire Wires Division projects complete, and Zervas, Cabot and Station 3 well underway, the City has now begun to focus on the next set of infrastructure needs. The City will continue to plan for the former Aquinas College campus as well as undertaking a feasibility study for the future of the Newton Police Department facility.

## Outcome #5: Robust Economic Development



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Robust economic development through collaborative efforts with commercial property owners, business owners and developers so that all commercial districts are functioning at their highest and best use, contributing to the City’s tax base and helping to achieve the City’s vision and goals, while ensuring that new businesses are a good match for the City’s needs, are filling identified gaps in the tenant mix, are complementing existing businesses and will enhance the overall identity of the City of Newton.

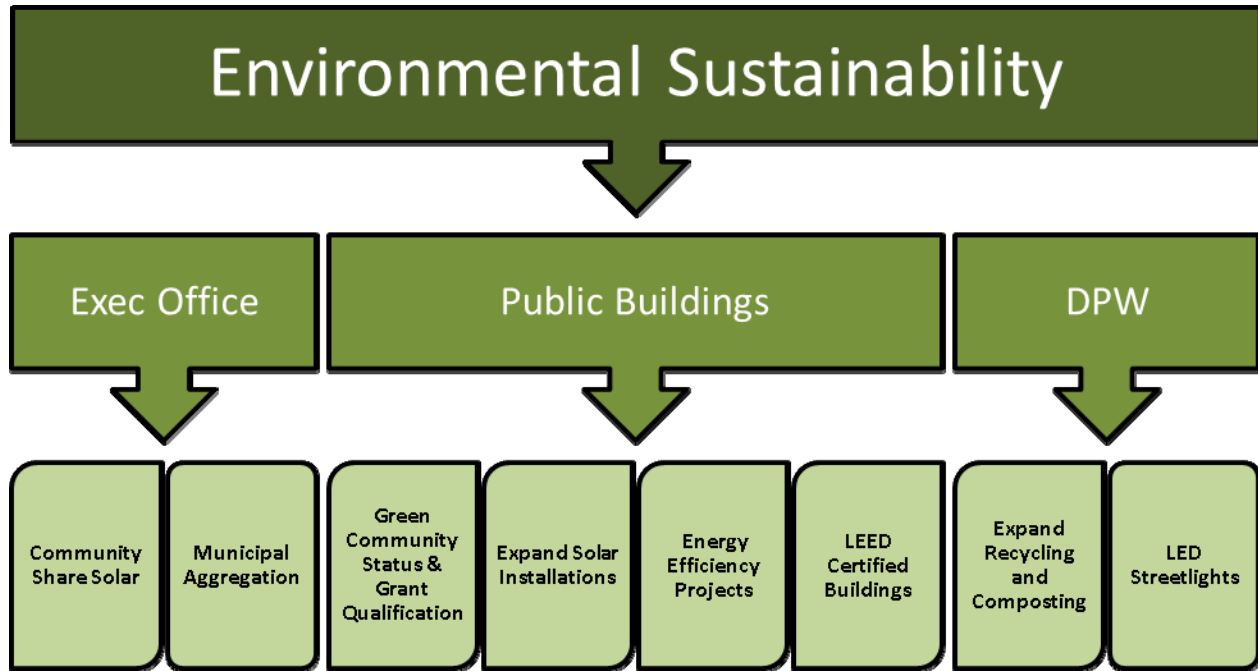
### **Strategy for Achievement**

A robust economic development effort is vital to the City’s long-term health. Throughout the course of Fiscal Year 2017 the City has unveiled a comprehensive Housing Strategy, Newton Centre Parking Strategy, and a citywide Transportation Strategy, and is poised to create an Economic Development Strategy. The City continues to work through the legal processes associated with the Austin Street project as well as several other projects throughout the City. Continuing the quarterly business roundtables and area council meetings will provide opportunities for planning department staff to interact directly with business owners. The “Beautify Newton” program will also be expanded to impact even more village centers.

Additionally, the City continues to work with the Town of Needham to press for the state-funded redesign/reconstruction of Needham Street, as well as supporting appropriate commercial and residential development on this very important corridor. Further, the City will continue to devote resources to examining, updating, and revising its zoning code and streamlining its permitting process.



## Outcome #6 - Environmental Sustainability



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Environmental Sustainability through the utilization of the City’s designation as a “Green Community”, implementation of energy initiatives, promotion of energy conservation efforts, and reduction of energy consumption throughout the City by 20% by the year 2020.

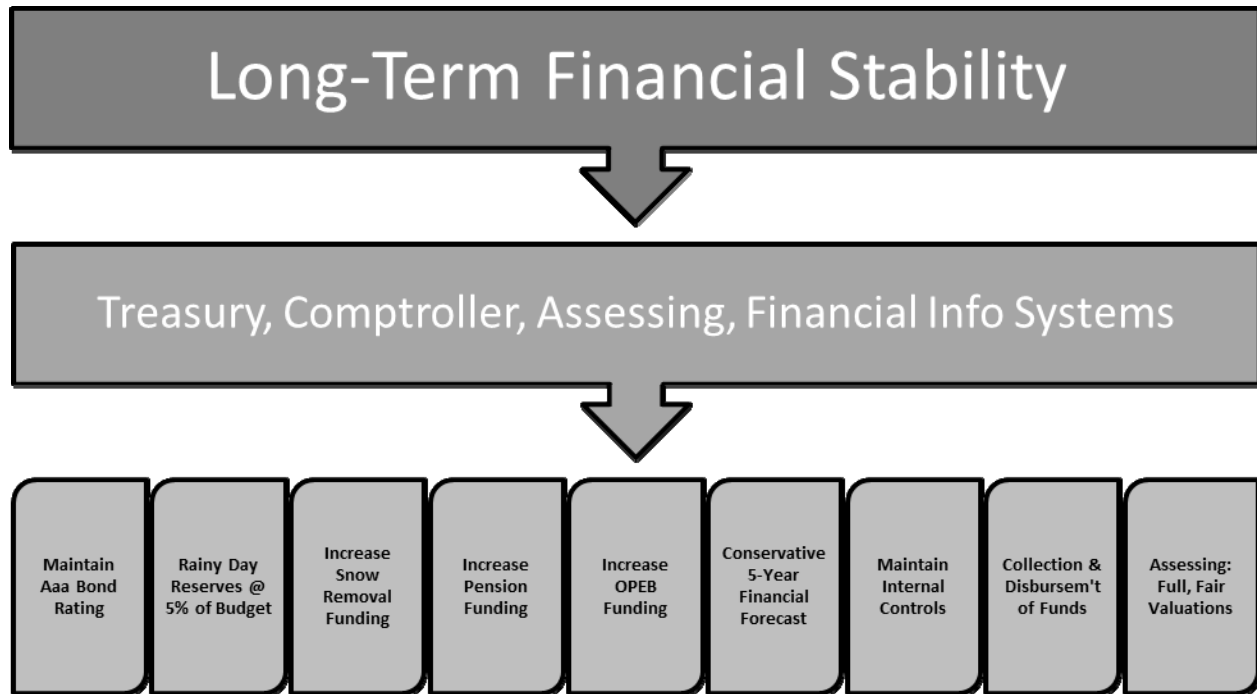
#### Strategy for Achievement

Since 2010, the City of Newton has set out to become a leader in environmental sustainability. Previous efforts toward this goal have been the adoption of the “Stretch Code” which requires higher energy efficiency levels in new construction and additions, and achieving “Green Community” status.

Since the City’s vision for sustainability flows through every department, resources have been redeployed to better coordinate programs and activities. Efforts this year include increasing the utilization of bike lanes and other alternative transportation measures; moving the City’s fleet toward more fuel-efficient vehicles, continued commitment to building efficiencies through the Preferred Vendor Program, additional solar installations, and utilizing grant funds to conduct a climate change vulnerability assessment.

Grant funds received in recognition of the City’s commitment to environmental sustainability will provide opportunities to upgrade infrastructure at a reduced cost. This year, the City will continue to strategically upgrade HVAC systems, and incorporate energy conservation measures throughout several city buildings. Additionally studies show that the City’s commitment to the planting and preservation of its tree population will conserve energy, cool the streets and save water. Each of these initiatives will not only reinforce Newton’s commitment to the environment, but in many cases reduce energy and maintenance costs as well.

## Outcome #7 - Long-Term Financial Stability



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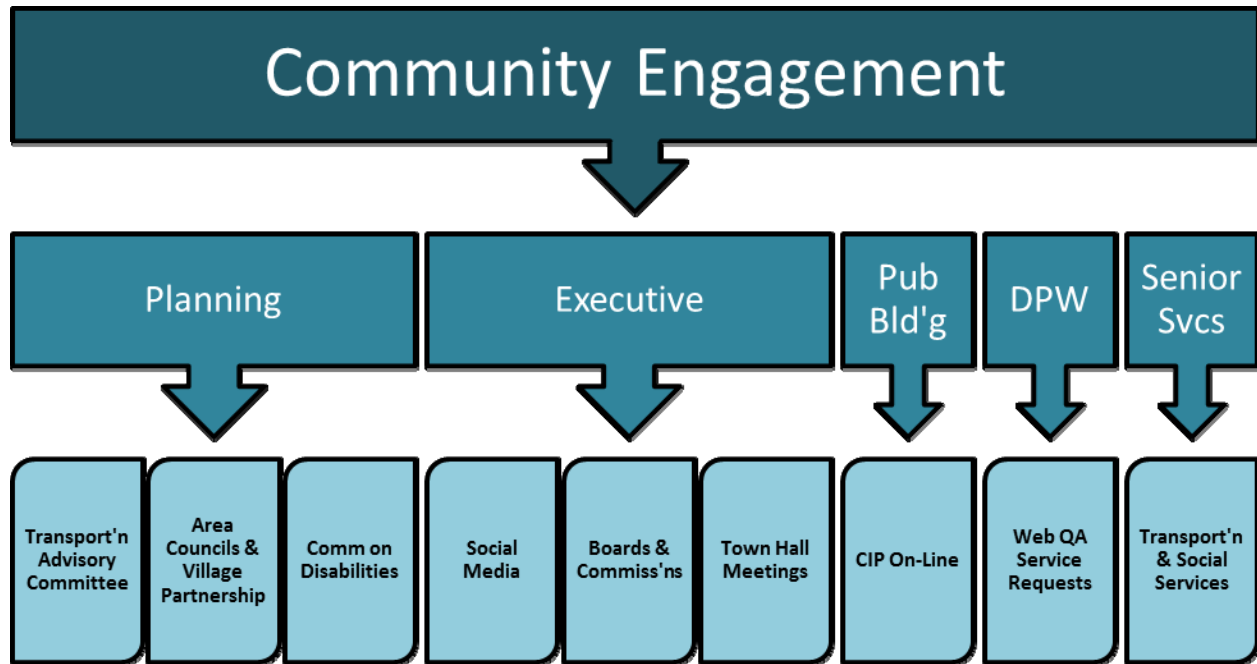
Long term financial stability evident through maintenance of the City of Newton’s Aaa Bond Rating, improved financial reserves, annual unqualified audit opinions, conservative financial forecasting, implementation of comprehensive financial policies, elimination of the “structural deficit”, reduction of non-recurring funding sources to balance the annual budget, and appropriate investment in capital infrastructure.

### Strategy for Achievement

For the past seven plus years the Executive Team has worked with the financial departments of the City to position the City for long-term financial stability. Efforts in this area include the implementation of zero-based budgeting, the introduction of outcomes-based management, the establishment of the City’s Rainy Day Stabilization Fund, the development of a five-year financial forecast, the unveiling of the City’s one-of-a-kind interactive database and Capital Improvement Plan, the implementation of aggressive collections policies, and the adherence to the City’s Financial Management Guidelines and Internal Controls.

This year the City will continue to advance its long-term financial position; by investing in areas that address long-term liabilities such as Pensions and OPEB, reviewing internal policies and procedures, monitoring collection and disbursements functions in outlying departments, implementing new policies in Human Resources and IT, and revising the City’s procurement ordinances. Additionally, as a result of the Advanced Refunding of several bond issues (similar to refinancing a property) the City will realize more than \$15 million in savings in interest over the next several years.

## Outcome #8 - Community Engagement



### Outcome #8 – Community Engagement

Dynamic community engagement is evident through meaningful communication and dialog between the City, its residents, homeowners, business owners, village centers, and advisory groups.

### Strategy for Achievement

The City has been committed to establishing a dialogue with residents by not only communicating new initiatives, but more importantly by listening to residents' concerns. In FY17, the City unveiled a number of new opportunities for residents to contribute to and interact with their local government, including a new smart-phone application that interacts with the 311 system to give citizens the ability to report issues while travelling throughout the city, as well as greater utilization of social media to allow two-way communication between City Hall and the citizens. Additionally, the City has renovated the Customer Service area in City Hall, and relocated the Parking Clerk back to City Hall, all in an effort to provide convenience for residents.

Last year, the Mayor began a partnership with a Professor at Tufts to conduct a survey of the Newton community with the goal of identifying what civic life looks like in the City. The goal is for the City's existing civic network to take on the challenge of promoting connectivity in the community. The City We also continues to use surveys, the website, and social media to provide information and get feedback from residents to ensure concerns are heard, and expectations are met.