



City of Newton, Massachusetts Mayor's Proposed Budget Fiscal Year 2015

CITY OF NEWTON, MASSACHUSETTS

Setti D. Warren, Mayor

22 April 2014

**City of Newton, Massachusetts
Fiscal Year 2015 Municipal Operating Budget**

**Dedicated to the Memory
of
Anthony “Sal” Salvucci,
Alderman, Ward 3
January 1, 1988 – April 4, 2014**



September 16, 1933 – April 4, 2014



SETTI D. WARREN
MAYOR

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22 April 2014

To: The Honorable Board of Aldermen
Newton Residents and Taxpayers

When I ran for Mayor in 2009, my campaign was built on a message of leadership and change. Newton was yearning for strong leadership -- we were mired in a structural deficit and divided over our schools, our services, and the people who provide them. I believed then, as I do now, that by changing the tone of our public discussion, we could conduct city business in an open and fair manner. And if we welcomed all residents to be part of the solution, nothing could stop us from dealing with even the most difficult challenges facing our community. My hopes were not misplaced.

It was imperative to first get our fiscal house in order. Succeeding not only involved bringing expenditures in line with revenue; it also called for changing the way we conduct business at City Hall. It called for getting people to break old habits, embrace new tools and systems, and create a culture of innovation and service in city departments. It called for openness and community involvement to build consensus. Finally, it required making the difficult decisions that were in the best interest of all of Newton.

Together, we rolled up our sleeves, and four years later, Newton is moving forward:

- We negotiated contracts for all city employees that held healthcare and compensation cost increases to “no more than 2.5%”. These contracts will expire during Fiscal Year 2015 and we will once again negotiate with our employees with respect and honesty while ensuring that we maintain “the slope of the cost curve” developed thus far by my Administration.
- We now have a “Rainy Day Reserve Fund” that is more than \$13 million, up from zero in 2009.
- We have adopted smart, new practices that drive continuous improvement through a City Stat system that provides our department heads with analytics to measure and improve performance. Our 3-1-1 line gives residents unprecedented access to City personnel and services. Using zero-based budgeting, we have saved more than \$15 million over the last three years.
- The City of Newton has reduced its energy consumption by 26% since 2008. This is good environmental policy that saves the city over \$2 million in energy costs each year. Today 100 percent of our municipal electricity comes from green/renewable sources, procured through an exciting, open, reverse auction process.

- And through hard work with developers, the Board of Aldermen and the State, we have been able to facilitate economic development projects, such as Chestnut Hill Square on Route 9, which is set to open this spring and will generate millions of dollars of new tax revenue.

We have succeeded in restoring fiscal order and have maintained our Aaa bond rating. And now Money Magazine knows what our residents have known all along: Newton is one of the best places to live in America.

We have come far, but we have more work to do. In the next four years, we must maintain the excellence of our school system, continue to optimize city services, revitalize our infrastructure, and adopt smart growth policies that strengthen public safety and enhance our villages. We are building on our progress.

The FY2015 budget provides the financial resources necessary for the Newton Public Schools to continue to provide an excellent educational experience for our schoolchildren, incorporates strategic investments in public safety personnel and initiatives, ensures social and recreational programs to support a vibrant, diverse community life, focusses on improving our physical recreational assets including: improving natural resources such as Crystal Lake; increasing pedestrian and bicyclist mobility throughout the City; promoting our first-of-its-kind regional Veterans' Center, upgrading the War Memorial at City Hall for increased community utilization, and aggressively restoring the tree inventory to maintain the City's shade canopy.

The FY15 Budget also allocates significant resources to invest in the City's infrastructure including: paving more than 40,000 linear feet of roads; installing (new or replacement) two miles of sidewalks; improving the operation of traffic signals; implementing lighting and energy efficiency improvements; continued funding of a municipal building improvement fund for small capital projects; implementing a strategic fleet replacement program; shifting from reactive to preventive maintenance; and lining and repairing the City's water and sewer infrastructure.

As we conclude the assessment on our last major capital infrastructure component- the storm water system- we will have completed our goal of a comprehensive Citywide infrastructure assessment with its subsequent capital plan, to best address the City's larger capital needs in a prioritized and forward-looking manner. With a number of significant projects such as the Angier, Cabot and Zervas schools and Fire Station upgrades underway, the City will continue to deploy significant financial and personnel resources to the Public Buildings department to ensure projects stay on time and on budget.

A robust economic development effort is vital to the City's long-term health. This budget provides resources which will enable the City to establish an economic development vision that is comprehensive, holistic and effective and includes funding for the continuation of Zoning Reform and further streamlining of the City's permitting process. Continuing the quarterly business roundtables and area council meetings will provide opportunities for economic development staff to converse directly with business owners.

The City will continue to advance a number of long-term projects as well, which will provide long-term benefits for Newton, including continued work on the Austin Street Project and the transformation of Needham Street. Creating a business-friendly planning environment is also key to a successful economic development strategy.

Since 2010, the City of Newton has set out to become a leader in environmental sustainability. Within this budget, resources have been redeployed to better coordinate programs and activities across the spectrum of efforts in the City- efforts that reach much farther into the community fabric and result in lowering our carbon footprint and impact on global warming. We will continue to create partnerships to leverage expertise in this area across the utilities, non-profits, committees and commissions to not only save dollars in energy consumption, but work comprehensively to advance a sustainable community in every sense.

And, finally, this budget enables the City to continue to put in place the administrative structure that will enable us to maintain long term financial stability that is 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.

This is truly an exciting time for the City of Newton. The many initiatives contained in this budget will provide the resources to enable all of us to maintain the quality of life that the citizens of Newton expect and deserve, to preserve a community that reflects the reasons people chose to live in Newton, and to enable us to address infrastructure and school enrollment needs without having a negative effect on the education, public safety, public works, recreational and cultural needs of the residents of the City of Newton.

And so, in accordance with Chapter 44, Section 32 of the Massachusetts General Laws, and Section 5 of our City Charter, it is my honor and privilege to submit the City of Newton, Massachusetts Fiscal Year 2015 Municipal Operating Budget.

Sincerely,

A handwritten signature in black ink, appearing to read "Setti D. Warren". The signature is fluid and cursive, with a large initial "S" and "W".

Setti D. Warren,
Mayor

City of Newton, Massachusetts
Elected Officials and City Administration

Setti D. Warren, Mayor

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Margie Ross-Decter, Vice Chairperson
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Margaret Albright
Angela Pitter-Wright
Diana Fisher Gomberg
Steven Siegel
Ruth Goldman

Executive Office Staff

Maureen Lemieux, Chief of Staff/C.F.O.
Dori Zaleznik, MD, Chief Administrative Officer
Aaron Goldman, Dir, Performance Management
Dir, Community Engagement - Vacant
Robert Garrity, Dir of Sustainability
Robert Symanski, Financial Analyst
Christopher Tracy, Citizens' Assistant
Hannah Woit, Assistant to the Mayor

Division Directors/Commissioners

David A. Olson, Clerk of the Board/City Clerk
David Wilkinson, Comptroller
Nicholas Read, Chief Procurement Officer
Elizabeth Dromey, Chairman, Board of Assessors
James Reardon, Treasurer
Donnalyn Lynch-Kahn, City Solicitor
Wesley Layne, Dir, Human Resources
Joseph Mulvey, Chief Information Officer
Candace Havens, Dir, Planning Department
Joshua Morse, Comm, Public Buildings Dept
Ann Cornaro, Dir, Fin'l Information Systems
Howard Mintz, Chief, Newton Police
Bruce Proia, Chief, Newton Fire Dept
John Lojek, Dir, Inspectional Services
David Turocy, Commissioner, Public Works
Linda Walsh, Int Comm, Health & Human Services
John MacGillvray, Dir, Veterans' Services
Jayne Colino, Dir, Senior Services
Philip McNulty, Dir, Newton Free Library
Robert DeRubeis, Comm, Parks & Recreation
Linda Plaut, Dir, Cultural Affairs
Cynthia Stone, Dir, Historic Newton

School Administration

Dr. David Fleishman, Superintendent
Sandra Guryan, Deputy Superintendent/C.A.O.

Fiscal Year 2015 Municipal Budget Table of Contents

Executive Summary

Introduction
Strategy for Financial Stability
Total Revenue
Projected Expenditures
Financial Management Guidelines

Outcomes-Based Management

Overview
Defining the Desired Outcomes

Sources & Uses

Sources & Uses of Funds

Draft Appropriation Order

Draft Appropriation Order

Appropriation Summary

Summary by Functional Element

Personnel FTE Summary

Personnel FTE Summary

General Government

101 - Clerk of the Board
103 – Executive
104 – Comptroller
105 – Purchasing
106 – Assessing
107 – Treasury
108 – Law Department
109 – Human Resources
111 – Information Technology
114 – Planning
115 – Public Buildings
118 – Financial Info Systems

Public Safety	201 – Police Department 210 – Fire Department 220 – Inspectional Services
Public Works	401 – Public Works
Human Services	501 – Health & Human Services 502 – Senior Services 503 – Veteran Services
Culture & Recreation	601 – Newton Free Library 602 – Parks & Recreation 603 – Newton History Museum
Community Dev't Block Grant	Community Development Block Grant Fund
Community Preservation	Community Preservation Fund
Enterprise Funds	26 – Storm Water Fund 27 – Sewer Fund 28 – Water Fund
School Department	School Department
Personnel Detail	Personnel Detail
Revolving Funds	Gifts/Grants/Revolving Funds
Remediation/Mitigation Funds	