

Mayor's Update



Swimming at Crystal Lake is closed at least for a week due to heightened levels of algae in the water. No one – humans or pets – should have contact with the water.

- Do not swim in Crystal Lake
- Do not swallow water from Crystal Lake
- Keep animals away from Crystal Lake
- If accidental water contact occurs, rinse off immediately

With advice from the Massachusetts Department of Public Health (MDPH), the Commissioner of Health and Human Services determined that all of Crystal Lake must be closed at this time because of potential health

risks. MDPH advised Newton to close Crystal Lake while the water tests are being conducted and results are pending. More information should be available late next week, and we will determine if the lake can reopen for swimming.

Blue-green algae can form harmful blooms in bodies of water that may produce toxins and could make pets and people sick if they swallow the water, have direct skin contact, or inhale water droplets.

Populations such as nursing mothers and pregnant women, those with pre-existing liver conditions, those receiving dialysis treatment, the elderly, and other sensitive populations may be at higher risk of experiencing adverse health effects.

Seek medical attention if you or your pet experience nausea, vomiting, diarrhea, or fever after swimming in Crystal Lake.

The Crystal Lake Park and Bath House will stay open

A public health advisory sign with a yellow background and a black border. At the top, there is a black triangle with a white exclamation mark and the word "CAUTION" in large, bold, yellow letters. Below this, the text "PUBLIC HEALTH ADVISORY" and "CYANOBACTERIA BLOOM PRESENT" is displayed. A photograph shows a body of water covered in a thick green bloom. The main heading reads "Waterbody Unsafe for People and Pets". Below this are four icons with red circles and slashes, each followed by a warning: "Do not swim.", "Do not swallow water.", "Keep animals away.", and "Rinse off after contact with water.". At the bottom, there are two boxes: one with the text "Call your local health department with questions:" and another with the Massachusetts state seal and the text "Additional info on algae can be found at: www.mass.gov/dph/algae".

normal hours for visitors to picnic, play and enjoy the lake from the shore.

Crystal Lake swim lessons will be credited on a pro-rated basis. For questions contact Parks and Recreation staff at Crystal Lake at 617-552-7124.

We will provide updates when we have more information at newtonma.gov or call the Newton Health and Human Services Department at 617-796-1420.



(Architect's rendering of Mark Development's new proposed development on Washington Street.)

New Washington Street Proposal

Mark Development last week submitted a proposal to MassHousing for 243 units of rental housing (25%, or 61 units, of which would be permanently affordable) and 12,000 square-feet of retail space on Washington Street located on a series of

parcels including “The Barn” shoe store east of Dunstan Street.

They filed the project under Chapter 40B, the state law enacted in 1969 which allows developments that include a certain percentage of affordable housing units to bypass most local zoning restrictions in communities that do not meet the law’s criteria. Newton has not yet met the threshold to bypass the law. Applying to MassHousing, the quasi-governmental agency created in 1966 that supports the development of affordable housing, is the first step in the 40B process.

This proposed project is on an important stretch of Washington Street near West Newton Square and I care deeply that the development is consistent with the guiding principles set out in the Draft Washington Street Vision Plan. (Read the plan [here](#).)

The Planning Department, soon followed by Newton’s Zoning Board of Appeals, is now beginning the review process. Most likely the ZBA will vote on the proposal in mid-2020.

Some aspects of the project initially look promising: 61 units of much-needed affordable housing; underground parking; a courtyard with public access; buildings at staggered heights; attractive treatment of the Cheesecake Brook culvert.

Nonetheless, there are many questions and issues we will be looking at closely. Are the dimensions of the retail spaces suitable for small businesses? Will retail rents be affordable to attract small, local businesses? Are the heights of the proposed buildings in keeping with the City’s vision? Will the buildings be built with green energy standards and be environmentally sustainable? How is the developer planning to address traffic impacts from this project?

I would have preferred this project come in through the special permit process so the City Council could have more input, but until Newton meets its affordability thresholds

developers will continue to have this option to move forward with the 40B process.

(Photo: The Senior Center Summer BBQ was forced inside by rain this year, but great fun nonetheless!)



A Little Progress on a Difficult 23 Year Journey

I first delved deeply into Newton's significant unfunded obligations for our retirees' pensions and health care in 2014 as an Alderman.

Now, as Mayor, I can report that we've made a little progress this year. We still have a long, difficult journey ahead. I have a thoughtful strategy for tackling both the pensions and retiree health care in just over 20 years. We'll need a lot of grit and determination to deliver on our promises to our former employees. We made these promises; we must keep them.

Pensions

Pensions for retirees from cities and towns in Massachusetts – both eligibility and the amount – are dictated by the Commonwealth's laws. State law also requires cities and towns to pre-fund pension obligations for current employees and to fully fund previous, accumulated pension obligations by 2040.

The most current pension valuation for the City of Newton is for January 1, 2019. As of that date, the City of Newton has a \$322 million pension unfunded liability. We have enough money in a fund to cover 52.64% of our pension obligations, assuming the future investment return on assets averages 7.25%. The funding policy funds the unfunded liability by June 30, 2030.

Notably, the investment return assumption of 7.25% is lower than the 7.75% used a few years ago. That assumption will continue to be reviewed by the Newton Contributory Retirement Board.

The funded ratio of 52.64% is still quite low but is a bit better than the 51.69% from the year before.

The strategy for the City is to increase appropriations to the pension fund by 9.6% annually so that it can be fully funded by June 2030. The Fiscal Year 2020 appropriation was \$31 million and grows to \$77 million by FY2030.

Retiree Health Care Insurance or OPEB

The City of Newton provides healthcare insurance to retirees. The Commonwealth prescribes the minimum percentage that a city or town must contribute towards retiree healthcare insurance and the minimum level of benefits. The City of Newton provides more than the minimum level of contributions and benefits. Retiree health care insurance as well as retiree life insurance are also known as "Other Post-Employment Benefits" or OPEB.

In contrast to pensions, the state does not require pre-funding for retiree healthcare benefits. The City of Newton began pre-funding them in the FY2014 budget.

As of the most recent valuation of June 30, 2018, the City of Newton has a \$406 million retiree healthcare unfunded liability. We have enough money in a fund to cover 2.1% of our retiree healthcare obligations, assuming the future investment return on assets averages 7.25%.

The funded ratio of 2.1% is extremely low but it is better than the 1.49% from the year before.

Notably, the investment return of 7.25% is only for the small amount of money in the OPEB Trust Fund currently, \$8.7 million. Perhaps a more thoughtful analysis at this point is to use an overall return of 3.9% which results in an unfunded liability of \$628 million (rather than the smaller \$406 million). Regardless of the technique, the City faces a very significant unfunded liability for retiree healthcare insurance.

The strategy for the City is to fully fund the retiree healthcare obligations in twenty-three years or Fiscal Year 2041. This calls for fully funding the pension system by FY2030 by aggressively increasing the appropriation by 9.6%. Then, in FY2031, we will repurpose \$50 million that had been needed for the pension system to the OPEB trust. The \$50 million investment for approximately ten years results in a fully funded OPEB Trust Fund by FY2041.

We are slowly increasing the OPEB Trust Fund before FY2030 by allocating an increasing percentage of the salaries for newly insured employees into it (up from 2.5% in FY14, 3.00% in FY15, 3.25% in FY16, 3.5% in FY2019 and 3.6% in FY2020.)

A Strategy Plus Grit and Determination

These unfunded liabilities for retiree benefits matter. Newton's employees, like all Massachusetts public employees, do not pay into, nor do they receive, Social Security in their retirement. The funding gaps also matter because as a greater portion of Newton's budget is needed to fund commitments to retirees that were made years ago, funds available for current services are impacted.

We are facing this challenge today by proactively managing tax revenues, operating expenditures, capital investments and retiree benefit expenses while maintaining a strong financial position and an Aaa credit rating.

The combination of a financial strategy with grit and determination means the City of Newton can have excellent schools and city services, investments in our roads, school buildings and other infrastructure, and pay our retirees what we promised.

Warmly,

Ruthanne

P.S. Summer in the Highlands is rocking this Friday night at the Hyde Community Center with a concert starting at 6:00 p.m. by Spicolis, an 80s rock, pop and new wave band. The movie Goonies will play at dusk, following the concert. The free Friday night concerts and movies are presented by the Hyde Community Center and the Newton Highlands Neighborhood Area Council and take place on the Hyde lawn (90 Lincoln Street). Bring blankets and beach chairs and enjoy the show! See the remaining

summer schedule [here](#).

P.P.S Join me and Commissioner of Parks, Recreation and Culture Bob DeRubeis at Newton North High School (457 Walnut St.) next Tuesday, Aug. 13 to meet your neighbors and enjoy Newton's parks. We'll bring the fun. The festivities begin at 4:00 p.m. with Big Daddy's Racing, inflatables, and an animal petting zoo. The Red Sox watch party begins at 7:00 p.m. We'll provide the hot dogs, ice cream and popcorn. See details [here](#).

P.P.P.S. It's the time of year when college students start to head to campuses. [Grad Bag](#) is a sustainable non-profit that outfits first generation college students with donated dorm supplies and they are particularly in need of twin XL mattress pads, twin XL sheet sets, bath towels, and comforters. Donations for Grad Bag may be dropped off at Temple Shalom (175 Temple Street) until August 16th from 8:30 a.m. to 5:00 p.m. Monday through Thursday and 8:30 am to 2:00 pm on Friday. For more information visit: www.gradbag.org.

