

**CIP Presentation Remarks**  
**Mayor Setti D. Warren**  
**October 5, 2015**

This year's FY CIP and financial forecast illustrates the exciting progress we have made in planning for our city's financial sustainability, excellence and quality in education, infrastructure, public safety and city services for residents now and for generations to come.

We recently announced that a third party actuary has confirmed the Administration's funding strategy, which will enable the City of Newton to eliminate the City's unfunded pension liability by the year 2029 and the OPEB (Other Post-Employment Benefits) Liability by the year 2042.

The actuarial valuation of the City's OPEB liabilities for the fiscal year ending June 30, 2015 has been completed and confirms the Administration's plan is financially sound and sustainable. The valuation by Financial Risk Analysts, LLC, is in keeping with the national standards of practice of the actuarial profession and is in accordance with Governmental Accounting Standards Board Statement 45, (GASB-45).

The confirmation demonstrates the great work we have done together. Using the previous administration's financial projection, the City would have had a \$70 million deficit this year alone. We have eliminated this deficit. Since I took office in 2010, we created a Rainy Day Fund that had not previously existed and now totals \$18 million, all while continuing to improve our education system, city services and infrastructure.

The sound financial approach we have taken since day one will allow the city to continue to provide a high quality of education and municipal services if we continue zero-basing our budgets and ground our decision-making in data, with a focus on outcomes and sustainability.

This year's FY16 budget represents the tremendous progress we have made in the last five years, as well as the great course we have set for the next 20 to 30 years.

The long-term capital needs of our education system and the need for community space have always been a priority for our administration as outlined in our capital plan. We have made fantastic strides in addressing the needs of our students in the next five years with major elementary school projects that are on time and on budget.

These include the Carr School, now fully renovated and operating as swing space; the Angier School, which opens in January 2016; the Zervas School, slated to open in the fall of 2017 and Cabot, scheduled to be completed and open in the winter of 2019.

We know that in the next five years we need to address the needs of our growing preschool program, renovate the Lincoln Eliot School and establish a space for a community center for all ages.

The acquisition of Aquinas this past summer will enable our city to consolidate our growing preschool program into one site at Aquinas and provide a renovated, new site for the Lincoln

Eliot School at Aquinas. Following that move, the current Lincoln Eliot School will become swing space as we continue work renovating our schools over the next twenty years.

This strategy will allow us to move the Horace Mann School into the newly renovated Carr School and use the current Horace Mann as an intergenerational community center and location for youth programs and year-round activities hosted by the Parks and Recreation Department.

We believe this will dramatically alter our ability to address the needs of preschoolers, students, educators and parents in Newton for the next 20 to 30 years.

We were proud to open a newly renovated Fire Station 10 and Wires Division last month and the Fire Station 3 and Fire Headquarters project is on track as well.

Due to many years of neglect we have focused on upgrading our roads and sidewalks from day one. Since I took office in 2010, we have reconstructed over 50 miles of roadway, and since the passage of the override in 2013, we have been able to pave 50% more roadway each year than we had in 2010. The passage of the override has also allowed us to install over 3 miles of new sidewalk throughout the city and repair almost 7 additional miles over the past three years.

Our traffic signalization plan in the CIP targets 17 of the most inefficient, frustrating and unsafe intersections in the City of Newton. Our goal is to alleviate traffic congestion on our streets by upgrading technology in our traffic signals and intersections such as Auburndale Square, West Newton and throughout our major thoroughfares.

Additionally, we have developed aggressive, comprehensive water, sewer and storm water capital plans. As a result of these capital plans, the City is already seeing more than a \$2 million annual savings in our MWRA Sewer Assessment, improved fireflow throughout the City's water system, and reductions in localized flooding areas.

We could not have made the incredible strides we have in the last 5 years without the Honorable Board of Aldermen, School Committee, businesses and residents of our great city.

I will now introduce our Chief of Staff and CFO Maureen Lemieux to go through the presentation.

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We live in a fantastic place according to many surveys, including a recent one from last year from Wall Street 24/7 that positioned Newton as the best city to live in in the United States. Yes, our education system, public safety, city services and fiscal health are excellent, but we know that our city's greatness goes beyond these factors. It's Newton's values and commitment to opportunity for all that makes us unique.

From the first day I took office and was sworn in in this chamber, we've worked together to make tough decisions to ensure the current generation of residents has the same opportunity many of us have had.

Thanks our work with The Dukakis Center at Northeastern University, we have detailed data of our city's demographics now as well as a projection over the next 25 years.

We are using this data in all areas of government to drive our decision making, including within a new initiative I am pleased to announce this evening: Newton Leads 2040.

Newton Leads 2040 codifies the work we have done together over the last 5 years and the work we need to do together to address the needs of residents over next 25 years. Newton Leads 2040 is a call to action for all in our community to partner with us and with one another to continue to make our education system, public safety, infrastructure, environment and city services the best they can be. The Newton Leads 2040 initiative will also promote partnership and engagement of residents and civic leaders to ensure we have affordable housing, diverse housing, multimodal transportation, robust entrepreneurship and growth in the innovation economy that will meet the needs of our citizens over the next 25 years. In the coming months we will seek input and partnership from residents to complete Newton's first data-driven housing and transportation strategy and action plan already underway. And – as all of you know, we have an important vote coming up on the Austin Street project. The Austin Street project will help keep Newtonville vital by adding amenities, strengthening commerce and adding needed diverse and affordable units for people of all ages and backgrounds. That's why I strongly support this terrific project -it's part of addressing the needs of our citizens now and in the future.

If we want Newton to continue to be one of the best places to live in the next 25 years, each of us must lead by example- reach out to those with whom we agree and--most importantly--those who do not. We must do the hard work of finding common ground, and have the courage to make difficult decisions for our community as a whole. We must also have the courage to question old assumptions. We should not always apply a 20th century solution to a 21st century challenge. Newton Leads 2040 promotes the idea that if each of us plays a leadership role, we can set Newton on the right course for the next 25 years together.

Finally, I'd like to take a moment to address what I believe is the defining issue of our time: economic mobility. We know there are some families and individuals in our own city that are one paycheck away from not being able to make the rent, pay their mortgage and put food on the table and at the same time face questions about what to do as they head towards retirement age. We have seniors who want to continue to live in Newton and make contributions to their community. We have city and school employees that would love to live in the city where they work. In response, I've developed a policy framework based on work from The Brookings Institution and The Boston College Center for Retirement Research entitled "Economic Growth for All", to help our city organize our resources most effectively as well as partner with private and public civic leaders to increase economic mobility. We have already initiated programs in Newton that support my framework - including our housing and transportation strategy, education programming outside of the classroom and promotion of the innovation economy and entrepreneurship.

This week once again Newton will play a leading role nationally as I host a convening of the US Conference of Mayors. On Wednesday and Thursday, in Boston, Cambridge and Newton, I will bring

together mayors and civic leaders from around the country to identify specific ways we can increase economic mobility using the principles I've developed.

I invite all of you to join me this week and in the coming months to provide opportunity for all of our residents and track our progress here in Newton.

Thank you – God bless our city and our great country.