



Finance Committee Agenda

City of Newton In City Council

Monday, May 24, 2021

The Finance Committee will hold this meeting as a virtual meeting on Monday, May 24, 2021 at 7:00 pm. To view this meeting using Zoom use this link:

<https://us02web.zoom.us/j/89698081034> or call 1-646-558-8656 and use the following Meeting ID: 896 9808 1034

Item scheduled for discussions:

Chair's Note: *There was a scrivener's error in the account number for the following item which has been corrected and is reflected in the attached draft Council Order.*

Referred to Public Facilities and Finance Committees

- #198-21** **Transfer \$400,000 to the Transportation Network Improvement Program**
HER HONOR THE MAYOR requesting authorization to transfer the sum of four hundred thousand dollars (\$400,000) from FY21 salary savings from the Department of Public Works, Street Maintenance Division Acct# 0140120-511002 Full-Time Wages to Acct #01C401142-579500 Department of Public Works- Transportation Network Improvement Program.
Public Facilities Approved 8-0 on 05/19/21

Referred to Public Safety & Transportation and Finance Committees

- #194-21** **Transfer \$172,400 to the IT Department, Micro/Network Services, Computer Equipment**
HER HONOR THE MAYOR requesting authorization to transfer the sum of one hundred seventy-two thousand four hundred dollars (\$172,400) from Acct# 0110498-579000 FY21 Budget Reserve to Acct # 0111154-585111 Information Technology Department, Micro/Network Services, Computer Equipment for the purpose of upgrading all desktop computers at the Police Department that are no longer supported by Microsoft, as well as other technology improvements throughout City Departments.
Public Safety & Transportation Approved 8-0 on 05/20/21

The location of this meeting is accessible and reasonable accommodations will be provided to persons with disabilities who require assistance. If you need a reasonable accommodation, please contact the city of Newton's ADA Coordinator, Jini Fairley, at least two business days in advance of the meeting: jfairley@newtonma.gov or (617) 796-1253. The city's TTY/TDD direct line is: 617-796-1089. For the Telecommunications Relay Service (TRS), please dial 711.

Referred to Public Safety & Transportation and Finance Committees

- #196-21** **Appropriate \$300,000 to establish a non-lapsing Police Department Account**
HER HONOR THE MAYOR requesting authorization to appropriate and expend the sum of three hundred thousand dollars (\$300,000) from the June 30, 2020 Certified Free Cash to establish a non-lapsing Police Department Best Practices/ Training Account.
Public Safety & Transportation Approved 8-0 on 05/20/21
- #192-21** **Transfer \$114,500 to make an adjustment to the FY21 Budget**
HER HONOR THE MAYOR requesting authorization to transfer the sum of one hundred fourteen thousand five hundred dollars (\$114,500) from Acct #6100-3240 Sewer Fund Free Cash to Acct #61A10771-581F11 Bond Maturities-MWRA Sewer Services for the purpose of making an adjustment to the FY21 Budget.
- #193-21** **Transfer \$4,435 to make an adjustment to the FY21 Budget**
HER HONOR THE MAYOR requesting authorization to transfer the sum of four thousand four hundred and thirty-five dollars (\$4,435) from Acct #6200-3240 Stormwater Fund Free Cash to Acct #62A10491-570700 Stormwater Contributory Retirement-NCRS for the purpose of making an adjustment to the FY21 Budget.

Please Note: Budget materials can be found on the City's website at the following link:

<https://www.newtonma.gov/government/comptroller/budget>

DEPARTMENT BUDGET & CIP DISCUSSIONS:**Financial Information Systems****Assessing****Treasury****Purchasing**

- #1-21** **Submittal of the FY 2022 to FY 2026 Capital Improvement Plan**
HER HONOR THE MAYOR submitting the Fiscal Years 2022 to 2026 Capital Improvement Plan pursuant to section 5-3 of the Newton City Charter.
- #1-21(2)** **Submittal of the FY 2022 – FY 2026 Supplemental Capital Improvement Plan**
HER HONOR THE MAYOR submitting the FY 2022 – FY 2026 Supplemental Capital Improvement Plan.
- #1-21(3)** **Submittal of the FY 2022 Municipal/School Operating Budget**
HER HONOR THE MAYOR submitting in accordance with Section 5-1 of the City of Newton Charter the FY21 Municipal/School Operating Budget, passage of which shall be concurrent with the FY22-FY26 Capital Improvement Program.
EFFECTIVE DATE OF SUBMISSION 05/12/21; LAST DATE TO PASS THE BUDGET 06/25/2021

Public Hearing

#200-21 Request for Reorganization of Financial Information Systems Department

HER HONOR THE MAYOR submitting, pursuant to Chapter 6, Section 6-2 of the City of Newton Charter, a reorganization plan for the Financial Information Systems Department. The proposed reorganization plan includes ordinance amendments to Chapter 2, Article VI to replace the “Financial Information Systems Department” with “Financial Services Department” as well as changes to the structure and number of FTEs in the department. (90-day Action Date: August 15, 2021)

Respectfully submitted,

Rebecca Walker Grossman, Chair



RUTHANNE FULLER
MAYOR

City of Newton, Massachusetts
Office of the Mayor

198-21

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(617) 796-1100

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(617) 796-1089

E-mail
rfuller@newtonma.gov

May 10, 2021

Honorable City Council
Newton City Hall
1000 Commonwealth Avenue
Newton Centre, MA 02459

Councilors:

I respectfully submit a docket item to your Honorable Council requesting authorization to transfer the sum of \$400,000 from FY21 salary savings from the Department of Public Works, Street Maintenance Division Acct # 0140120-511002 Full-Time Wages to 01C401112 – Department of Public Works - Transportation Network Improvement Program. These funds will be used to continue to augment our Transportation/Traffic/Paving Improvement Program in FY2022.

Thank you for your consideration of this matter.

Sincerely,

Ruthanne Fuller
Mayor

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2021 MAY 10 PM 4:03
CITY CLERK
NEWTON, MA 02459

CITY OF NEWTON

IN CITY COUNCIL

DRAFT

ORDERED:

That, in accordance with the recommendation of the Public Facilities Committee through its Chair Alison M. Leary and the Finance Committee through its Chair Rebecca Walker Grossman, to transfer the sum of four hundred thousand dollars (\$400,000) from FY21 salary savings from the Department of Public Works, Street Maintenance Division Acct# 0140120-511002 Full-Time Wages to Acct #01C40112-579500 Department of Public Works- Transportation Network Improvement Program be and is hereby approved as follows:

FROM:	DPW Street Maintenance Division-Full Time Wages (0140120-511002)..... \$400,000
TO:	Accelerated Roads Program- Undistributed (01C40112-579500) \$400,000

Under Suspension of Rules
Readings Waived and Approved
DRAFT

(SGD) NADIA H KHAN

Acting City Clerk

(SGD) RUTHANNE FULLER

Mayor

Date: _____



RUTHANNE FULLER
MAYOR

City of Newton, Massachusetts
Office of the Mayor

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Councilors:

I respectfully submit a docket item to your Honorable Council requesting authorization to transfer the sum of \$172,400 from Acct # 0110498-579000 FY21 Budget Reserve to Acct # 0111154-585111 Information Technology Department, Micro/Network Services, Computer Equipment, for the purpose of upgrading all desktop computers at the Police Department that are no longer supported by Microsoft, as well as other technology improvements throughout City Departments.

Thank you for your consideration of this matter.

Sincerely,

Ruthanne Fuller
Mayor

CITY OF NEWTON

IN CITY COUNCIL

DRAFT

ORDERED:

That, in accordance with the recommendation of the Public Safety & Transportation Committee through its Chair Andrea Downs and the Finance Committee through its Chair Rebecca Walker Grossman, to transfer the sum of one hundred seventy-two thousand four hundred dollars (\$172,400) from Acct# 0110498-579000 FY21 Budget Reserve to Acct # 0111154-585111 Information Technology Department, Micro/Network Services, Computer Equipment for the purpose of upgrading all desktop computers at the Police Department that are no longer supported by Microsoft, as well as other technology improvements throughout City Departments be and is hereby approved as follows:

FROM:	Reserve Funds-FY21 Budget Reserve (0110498-579000).....	\$172,400
TO:	Micro/Network Services-PC Hardware (0111154-585111).....	\$172,400

Under Suspension of Rules
Readings Waived and Approved
DRAFT

(SGD) NADIA H KHAN
Acting City Clerk

(SGD) RUTHANNE FULLER
Mayor

Date: _____



City of Newton, Massachusetts
Office of the Mayor

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NEWTON, MA 02459
May 10, 2021

Councilors:

I respectfully submit a docket item to your Honorable Council requesting authorization to appropriate and expend the sum of \$300,000 from June 30, 2020 Certified Free Cash to establish a non-lapsing Police Department Best Practices/Training Account.

NPD Officers receive a lot of training currently. Even more is needed. To perform community policing and accomplish its mission, officers and civilians must be up to date on best practices and continue to develop their skills. A variety of training and professional development will be provided in areas such as Anti-Bias Free Policing and Crisis Intervention Training, including De-Escalation, Mental Health Crises, appropriate Use of Force, and Peer Intervention.

Our goal is to ensure that every one of our officers is trained to identify explicit bias, recognize patterns that indicate implicit bias, and are equipped with the knowledge and skills to guide best practice response to individuals impacted by unmet mental health needs, developmental disorders, and co-occurring substance use issues.

Thank you for your consideration of this matter.

Sincerely,

Ruthanne Fuller
Mayor

CITY OF NEWTON

IN CITY COUNCIL

DRAFT

ORDERED:

That, in accordance with the recommendation of the Public Safety & Transportation Committee through its Chair Andrea Downs and the Finance Committee through its Chair Rebecca Walker Grossman, to appropriate and expend the sum of three hundred thousand dollars (\$300,000) from the June 30, 2020 Certified Free Cash to establish a non-lapsing Police Department Best Practices/ Training Account be and is hereby approved as follows:

FROM:	General Fund Free Cash (0001-3240).....	\$300,000
TO:	Police Best Practices Training- Undistributed (01C20108-579500)	\$300,000

Under Suspension of Rules
Readings Waived and Approved
DRAFT

(SGD) NADIA H KHAN

Acting City Clerk

(SGD) RUTHANNE FULLER

Mayor

Date: _____



RUTHANNE FULLER
MAYOR

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Office of the Mayor

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May 10, 2021

Honorable City Council
Newton City Hall
1000 Commonwealth Avenue
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Councilors:

I respectfully submit a docket item to your Honorable Council requesting authorization to make the following two adjustments to the FY2021 Budget.

FY21 Sewer Fund Debt Service – The debt service payment of \$114,500 for an interest free loan in the amount of \$1,145,000 from the MWRA was inadvertently omitted from the FY21 debt service operating budget. Therefore, please transfer the amount of \$114,500 from Acct 6100-3240 Sewer Fund Free Cash to Acct # 61A10771-581F11 Bond Maturities – MWRA Sewer Services.

FY21 Contributory Retirement Account – The FY21 Stormwater Pension Contribution was inadvertently understated by \$4,435. Therefore, please transfer the amount of \$4,435 from Acct 6200-3240 Stormwater Fund Free Cash to Acct # 62A10491-570700 Stormwater Contributory Retirement – NCRS.

Thank you for your consideration of this matter.

Sincerely,

Ruthanne Fuller
Mayor

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IN CITY COUNCIL

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ORDERED:

That, in accordance with the recommendation of the Finance Committee through its Chair Rebecca Walker Grossman, to transfer the sum of one hundred fourteen thousand five hundred dollars (\$114,500) from Acct #6100-3240 Sewer Fund Free Cash to Acct #61A10771-581F11 Bond Maturities-MWRA Sewer Services for the purpose of making an adjustment to the FY21 Budget be and is hereby approved as follows:

FROM:	Sewer Fund Free Cash (6100-3240).....	\$114,500
TO:	Bond Maturities-MWRA Sewer System (61A10771-581F11)	\$114,500

Under Suspension of Rules
Readings Waived and Approved
DRAFT

(SGD) NADIA H KHAN

Acting City Clerk

(SGD) RUTHANNE FULLER

Mayor

Date: _____

CITY OF NEWTON

IN CITY COUNCIL

DRAFT

ORDERED:

That, in accordance with the recommendation of the Finance Committee through its Chair Rebecca Walker Grossman, to transfer the sum of four thousand four hundred and thirty-five dollars (\$4,435) from Acct #6200-3240 Stormwater Fund Free Cash to Acct #62A10491-570700 Stormwater Contributory Retirement-NCRS for the purpose of making an adjustment to the FY21 Budget be and is hereby approved as follows:

FROM:	Stormwater Fund Free Cash (6200-3240).....	\$4,435
TO:	Stormwater Contributory Retirement-NCRS (62A10491-570700)	\$4,435

Under Suspension of Rules
Readings Waived and Approved
DRAFT

(SGD) NADIA H KHAN

Acting City Clerk

(SGD) RUTHANNE FULLER

Mayor

Date: _____



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Councilors:

In accordance with Chapter 6, Section 6-2 of the Newton City Charter, I respectfully submit the following reorganization plan:

- 1) Delete in its entirety, Chapter 2, Article VI of the Revised Ordinances of the City of Newton: Financial Information Systems Department.
- 2) Insert in its place a new Chapter 2, Article VI establishing a Financial Services Department as detailed in the draft amendment language attached to this letter.
- 3) Amend any reference to the "Financial Information Systems Department" with the words "Financial Services Department" throughout the Revised Ordinances of the City of Newton.

While we have recognized for some time that the areas of Payroll and Financial Services needed additional staff, we focused our efforts and funding on other key areas in the delivery of services to the residents of this good City. However, this year we recognized that it was time to make the commitment to address this area of significant need.

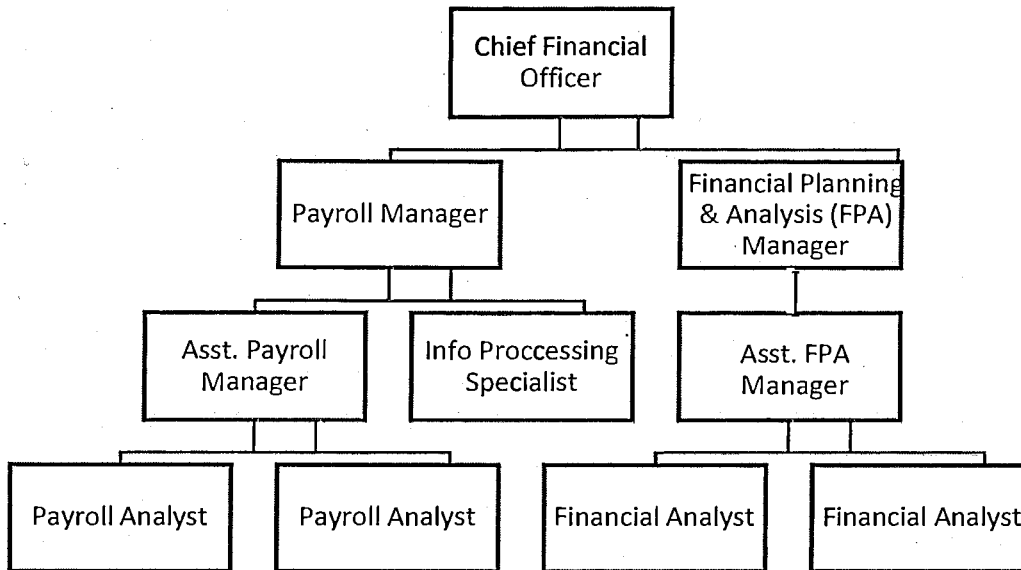
In March 2021, we engaged the services of CliftonLarsonAllen (CLA), the City's outside Auditing Firm, to conduct an assessment of the financial areas of the City with a focus on:

- Payroll Related Processes,
- Financial Capabilities and Organizational Structure,
- Financial Reporting and Analysis Capabilities,
- Segregation of Duties in Payroll

Upon completion of this Assessment in late April 2021, CLA presented their findings and recommendations. These findings include the recommendation that the City establish a Financial Services Department consisting of a Payroll Division and a Financial Planning and Analysis (FP&A) Division, with both divisions reporting to a Director/Chief Financial Officer. CLA also recommends substantially increasing the staffing levels so the City of Newton has sufficient ability to do these important functions sustainably.

May 10, 2021
CITY CLERK
NEWTON, MA 02459
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In total, it is recommended to be a nine-person department. We expect several key members of our staff will transfer to this new department, and we will utilize several key vacancies to hire new staff who will bring the knowledge and expertise that the City requires. It is our expectation that this organization will ultimately result in the creation of three new full-time equivalent positions. All three positions from the former Financial Information Systems Department will be transferred to this new organization, as well as, one position (Financial Analyst) will be transferred from the Mayor's Office, and two positions (Capital Analyst and Payroll Analyst) will be transferred from DPW. The organizational chart is provided below:



Thank you for your consideration of this matter.

Sincerely,

Ruthanne Fuller

Ruthanne Fuller
Mayor

**ARTICLE VI
FINANCIAL SERVICES DEPARTMENT**

Sec. 2-246. Established.

There is hereby established a financial services department in the city.

Sec. 2-247. Director, authority.

The financial services department shall be headed by a director who is appointed by the mayor. The director shall be responsible for planning, organizing and controlling the overall activities of financial services, and shall act as liaison between the department of financial services and other departments of municipal government.

Sec. 2-248. Functions of the department.

The financial services department shall be comprised of a payroll division and a financial planning and analysis division.

The payroll division shall:

- (1) Manage the City's computerized payroll system in accordance with Federal, State, and City regulations, policies and procedures.
- (2) Ensure the accurate and timely processing of weekly, semi-monthly, and other payrolls.
- (3) Ensure compliance with federal, state, and local payroll, wage, and hour laws.
- (4) Process garnishments, child support payments, benefit adjustments, annual leave payments and all other payroll related adjustments in accordance with federal and state regulations.
- (5) Manage the payment and reporting of federal and state withholding taxes and the preparation of related reports. (W-2's, and all related reports)
- (6) Provide assistance and advice to all departments, payroll representatives, and employees on payroll policies and procedures.

The financial planning and analysis division shall:

- (1) Manage the timely and accurate development and preparation of the annual long -range financial plan.
- (2) Manage the timely and accurate development and preparation of the annual operating budget.
- (3) Manage the timely and accurate development and preparation of the capital improvement plan and the supplemental capital improvement plan.
- (4) Analyze financial data to inform the strategic decision-making process.