

# Office of the Comptroller

## Mission

*To maintain, prepare, and distribute timely and accurate financial reports to management, the City Council, state and federal agencies, taxpayers, and members of the public and to provide supervision and oversight of all financial activities.*

The Office of the Comptroller is the key to financial compliance. In Newton, proper accounting standards are used to record virtually every transaction in all facets of the City, from the setting of the annual tax rates, to changes in long and short-term liabilities, to the calculation of annual free cash, and maintenance of appropriated legal levels of control over revenues and expenditures. The City's local aid, through the Commonwealth of Massachusetts and the Federal government, are predicated upon the timely and accurate reporting of the City's financial position each year.

Annual reporting in Newton includes the Annual Financial Report (Budgetary Basis) and the audited Generally Accepted Accounting Principles (GAAP) based financial statements including balance sheets and operating statements. Newton's Annual Comprehensive Financial Report is useful to residents, elected officials and bond rating agencies including Moody's Investors Service.

Despite the continued financial and operational challenges of Coronavirus Disease 2019 (COVID-19) impacting the world for the last two years, the financial position of the City remains strong throughout fiscal year 2022. Highlights of the Comptroller's Office include:

- Worked with the City's financial management team to maintain a credit rating of Aaa from Moody's Investors Service, Inc. (January 2022).
- Issued the audited FY21 Annual Comprehensive Financial Report with Generally Accepted Accounting Principles (GAAP) reporting and the FY21 internal Budgetary Basis Annual Financial Report. Both reports reflect the positive view by the City's external annual audit performed by *CliftonLarsonAllen, LLP*.
- Continued improvement in the reconciliation of receivables with Treasury and the automation of different revenue source recognition.
- Participated in professional development opportunities to ensure staff continue to grow with professional development opportunities each year.
- Continued to find resolutions to improve Munis, our new software system for Receivables, Financials and Payroll. Assisted in the planning to upgrade to the newest version of Munis this Fall.
- Advised members of the Finance Committee, the Executive Office, and other City departments as issues and questions arose.

In FY2023, the Office of the Comptroller will maintain a level-funded budget and continue the department's exceptional performance.

The Comptroller's Office thrives because of the long-term experience and professional commitment of staff including Regina Zegarelli,

Denise King, Stela Zaloshnja, Michelle Tan and Olivia Alves.

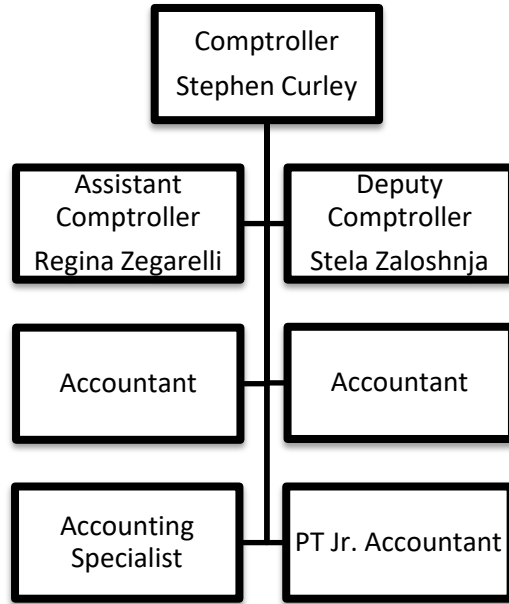
The Office of the Comptroller transitioned to a new Comptroller after 5 years of professional leadership from Sue Dzikowski, who will be missed by all after almost 20 years with the City.

The smooth transition to the new Comptroller is an example of the Comptroller's office continued focus on professional development, cross-training, and succession planning.

## Stephen Curley

Comptroller

# Comptroller



# Financial and Operating Highlights

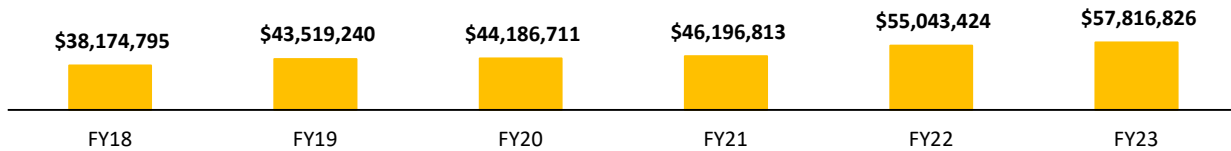
## Financial Highlights

	<-----Actual----->				Original	Proposed
	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
<b>Expenditure by Department</b>						
Comptroller	\$ 716,823	\$ 701,803	\$ 766,869	\$ 712,309	\$ 798,496	\$ <b>795,667</b>
Retirement	\$ 35,566,546	\$ 39,410,176	\$ 41,058,809	\$ 42,916,424	\$ 48,152,428	\$ <b>52,020,527</b>
Workers Comp	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ <b>800,000</b>
Property Ins.	\$ 506,172	\$ 517,261	\$ 586,233	\$ 640,480	\$ 681,000	\$ <b>700,631</b>
Reserve Funds	\$ -	\$ -	\$ -	\$ -	\$ 4,611,500	\$ <b>3,500,000</b>
Inter-Fund Trans.	\$ 585,254	\$ 2,090,000	\$ 974,800	\$ 1,127,600	\$ -	\$ -
<b>Total</b>	\$ 38,174,795	\$ 43,519,240	\$ 44,186,711	\$ 46,196,813	\$ 55,043,424	\$ <b>57,816,826</b>
<b>% Incr</b>	2.55%	14.00%	1.53%	4.55%	19.15%	<b>5.04%</b>

## Personnel

Full-Time	6	6	6	6	6	<b>6</b>
Part-Time	1	1	1	1	1	<b>1</b>
<b>Total</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>

## Total Comptroller Expenditures



## Operating Highlights

### Bond Rating

Moody's Aaa

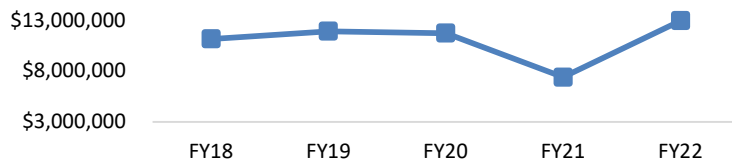
### FY21 Revenue by Source (GAAP)

Property/Oth. Tax	60%
Grants/Revolving	22%
Fees/Charges	14%
All Other	4%

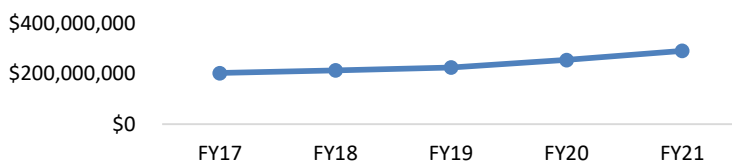
### FY21 Expenses by Function (GAAP)

Education	60%
DPW Water/Sewer	12%
Public Safety	17%
General Gov't	6%
Culture/Recr.	3%
Interest on Debt	2%

### Free Cash



### Fund Balance (All Funds)



# Office of the Comptroller

## Fiscal Year 2023 Outcomes and Strategies

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### Outcome 1

#### Meet All Statutory Requirements

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Meeting statutory requirements is a critical outcome and includes doing the analytical work to complete necessary reports accurately and on-time. The timeline of reports include the following from July 2022 through June 2023: Complete the budgetary basis annual financial report within three months of fiscal year end; submit free cash certification documents to the State in September; issue the audited Annual Comprehensive Financial Report (ACFR), without any audit qualifications, within six months of fiscal year end; prepare and submit the City's annual Schedule A to the state Department of Revenue, Division of Local Services by the due date; submit financial requirements for certification of the City's tax rate by the date provided by the City Assessor; issue quarterly interim financial reports for all City funds within 60 days of month end; prepare the Comptroller's portion of bond Offering Statements according to the schedule of the bond issue; prepare citywide budgetary roll-up documents as per the schedule set by the Mayor and CFO; and prepare the budgetary analysis and City Council Order for the annual operating budget. In addition, the Comptroller's Office is tracking the use of the American Rescue Plan Act (ARPA). With hard work, growing experience and ongoing training of the Comptroller's staff, we are confident we will continue to achieve this critical outcome.

Meeting statutory requirements is a critical outcome and includes doing the analytical work to complete necessary reports accurately and on-time. The timeline of reports include the following from July 2022 through June 2023: Complete the budgetary basis annual financial report within three months of fiscal year end; submit free cash

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For reliable and innovative reporting by the City of Newton to continue for many years, the Comptroller's Office needs to retain and promote staff from within the department. This dedication to progressive learning and succession planning has led to the promotion of our Deputy Comptroller to be the new Comptroller with the retirement of

former Comptroller, Sue Dzikowski. The Comptroller's team continues to prove every day their abilities to problem solve to keep the Comptroller's Office moving forward amid great change. The staff has years of institutional knowledge with our Assistant Comptroller and Accountant combining for over 30 years of service. There has also been great development, mentoring and training of staff that have joined our team in the last few years. We have filled one opening in our department through promotions from within, and are currently looking to fill our vacant position, externally. Nonetheless, training is going well, and this transition year has been very smooth.

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### Outcome 2

#### Provide Succession Planning Within the Comptroller's Office

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# Office of the Comptroller

## Fiscal Year 2023 Outcomes and Strategies

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### Outcome 3

#### Pursue Areas of Exploration In MUNIS

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Now that the payroll system has gone live as of January 2021, the Comptroller's Office will explore how to continue taking advantage of more functionalities of MUNIS. This includes the possible further upgrades in efficiencies and effectiveness through:

- Continuing to fine tune the Payroll process working with the City's new Payroll team
- Assisting in the upgrade of Munis to the newest version of Financials
- Using the newest version of Munis to increase our reporting capabilities
- Working with MUNIS cubes and SSRS
- Utilizing employee screens by employees

The Comptroller's Office will work with other departments on these and other MUNIS initiatives.

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Reliable and accurate reporting by the City of Newton Comptroller's Office is dependent upon continuing professional development. From auditing best practices to MUNIS tutorials to Retirement Board seminars, each staff member participates in varied professional development.

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### Outcome 4

#### Prioritize Professional Development & Training

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Participating in professional development training, including the Certified Governmental Accountant accreditation (CGA), is a priority because it increases knowledge within the office and builds a support network with other communities. We currently have one CGA on staff, which must be recertified every two years, and another staff member working toward the designation.

FUND: 0001 - GENERAL FUND  
DEPARTMENT: 104 - COMPTROLLER

CITY OF NEWTON BUDGET  
DEPARTMENTAL DETAIL

	ACTUAL 2019	ACTUAL 2020	ACTUAL 2021	ORIGINAL 2022	RECOMMENDED 2023	CHANGE 2022 to 2023
<b>104 - COMPTROLLER</b>						
<b>0110434 - COMPTROLLER</b>						
<b>PERSONNEL SERVICES</b>						
511001 FULL TIME SALARIES	483,389	505,605	531,689	562,123	545,889	-16,234
511101 PART TIME < 20 HRS/WK	21,532	16,516	10,766	20,880	27,631	6,751
514001 LONGEVITY	5,608	5,400	4,800	4,800	3,800	-1,000
514399 ADMIN SUPPORT STIPEND	3,120	3,120	0	0	0	0
515003 SPECIAL LEAVE BUY BAC	6,000	0	0	0	0	0
515005 BONUSES	5,300	5,000	0	0	0	0
515006 VACATION BUY BACK	10,698	0	727	0	0	0
515102 CLEANING ALLOWANCE	500	0	0	0	0	0
<b>TOTAL PERSONNEL SERVICES</b>	<b>536,147</b>	<b>535,641</b>	<b>547,982</b>	<b>587,803</b>	<b>577,320</b>	<b>-10,483</b>
<b>EXPENSES</b>						
530201 AUDITING SERVICES	66,500	77,975	66,750	87,500	88,750	1,250
530215 ACTUARIAL SERVICES	5,900	67,900	14,350	40,000	40,900	900
531900 TRAINING EXPENSES	4,477	390	1,898	3,000	4,000	1,000
534010 TELEPHONE	227	169	183	225	225	0
534100 POSTAGE	22	5	11	50	50	0
534200 PRINTING	525	496	354	500	400	-100
542000 OFFICE SUPPLIES	3,649	1,133	3,569	2,000	2,000	0
571000 VEHICLE USE REIMBURSE	190	0	21	0	0	0
573000 DUES & SUBSCRIPTIONS	438	925	213	925	925	0
<b>TOTAL EXPENSES</b>	<b>81,929</b>	<b>148,993</b>	<b>87,349</b>	<b>134,200</b>	<b>137,250</b>	<b>3,050</b>
<b>FRINGE BENEFITS</b>						
57DENT DENTAL INSURANCE	1,135	1,013	1,016	1,106	1,106	0
57HLTH HEALTH INSURANCE	73,525	71,448	66,385	64,588	66,896	2,307
57LIFE BASIC LIFE INSURANCE	142	113	80	114	0	-114
57MEDA MEDICARE PAYROLL TAX	6,716	7,406	7,642	8,462	8,372	-90
57OPEB OPEB CONTRIBUTION	2,208	2,254	1,854	2,223	4,724	2,501
<b>TOTAL FRINGE BENEFITS</b>	<b>83,727</b>	<b>82,235</b>	<b>76,978</b>	<b>76,493</b>	<b>81,097</b>	<b>4,604</b>
<b>TOTAL COMPTROLLER</b>	<b>701,803</b>	<b>766,869</b>	<b>712,309</b>	<b>798,496</b>	<b>795,667</b>	<b>-2,829</b>
<b>0110490 - INTER-FUND TRANSFERS</b>						
<b>TRANS TO OTHER FUND</b>						
595500 TRANS TO-RECEIPTS RES	0	0	127,600	0	0	0
595900 TRANS TO-RAINY DAY STA	390,000	150,000	1,000,000	0	0	0
597300 TRANS TO-SCHOOL BLDG	1,300,000	0	0	0	0	0
597320 TRANS TO- HORACE MAN	0	150,000	0	0	0	0
597528 TRANS TO-COMM AVE GR	0	200,000	0	0	0	0
597628 TRANS TO- TWO COMPAC	0	88,000	0	0	0	0
597822 TRANS TO SENIOR CTR C	400,000	0	0	0	0	0
597824 TRANS TO- POLICE HQ BOI	0	86,800	0	0	0	0
597826 TRANS TO- 687 WASH ST	0	300,000	0	0	0	0
<b>TOTAL TRANS TO OTHER FUND</b>	<b>2,090,000</b>	<b>974,800</b>	<b>1,127,600</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL INTER-FUND TRANSFERS</b>	<b>2,090,000</b>	<b>974,800</b>	<b>1,127,600</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>CITY OF NEWTON BUDGET DEPARTMENTAL DETAIL</b>
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	ACTUAL 2019	ACTUAL 2020	ACTUAL 2021	ORIGINAL 2022	RECOMMENDED 2023	CHANGE 2022 to 2023
<b>0110491 - RETIREMENT</b>						
<b>FRINGE BENEFITS</b>						
570700 NCRS PENSION CONTB	27,839,261	29,389,020	30,805,376	35,267,015	38,631,457	3,364,442
570800 NON CONTRIB PENS BENE	61,301	70,020	47,700	48,060	0	-48,060
57DENT DENTAL INSURANCE	450	450	685	0	0	0
57HLTH HEALTH INSURANCE	10,575,604	10,683,375	11,189,750	11,908,953	12,514,070	605,117
57LIFE BASIC LIFE INSURANCE	39,945	27,362	26,432	38,400	0	-38,400
57MEDA MEDICARE PAYROLL TAX	1,429	2,273	2,390	0	0	0
57MEDB MEDICARE PART B REIMB	892,186	884,011	841,012	890,000	875,000	-15,000
57OPEB OPEB CONTRIBUTION	0	2,298	3,078	0	0	0
<b>TOTAL FRINGE BENEFITS</b>	<b>39,410,176</b>	<b>41,058,809</b>	<b>42,916,424</b>	<b>48,152,428</b>	<b>52,020,527</b>	<b>3,868,099</b>
<b>TOTAL RETIREMENT</b>	<b>39,410,176</b>	<b>41,058,809</b>	<b>42,916,424</b>	<b>48,152,428</b>	<b>52,020,527</b>	<b>3,868,099</b>
<b>0110492 - WORKERS COMPENSATION</b>						
<b>EXPENSES</b>						
575007 WORKERS COMP INSURA	800,000	800,000	800,000	800,000	800,000	0
<b>TOTAL EXPENSES</b>	<b>800,000</b>	<b>800,000</b>	<b>800,000</b>	<b>800,000</b>	<b>800,000</b>	<b>0</b>
<b>TOTAL WORKERS COMPENSATION</b>	<b>800,000</b>	<b>800,000</b>	<b>800,000</b>	<b>800,000</b>	<b>800,000</b>	<b>0</b>
<b>0110493 - PROPERTY INSURANCE</b>						
<b>EXPENSES</b>						
575001 PROPERTY INSURANCE	511,293	586,233	640,480	675,000	694,331	19,331
575005 EMPLOYEE HONESTY BON	5,968	0	0	6,000	6,300	300
<b>TOTAL EXPENSES</b>	<b>517,261</b>	<b>586,233</b>	<b>640,480</b>	<b>681,000</b>	<b>700,631</b>	<b>19,631</b>
<b>TOTAL PROPERTY INSURANCE</b>	<b>517,261</b>	<b>586,233</b>	<b>640,480</b>	<b>681,000</b>	<b>700,631</b>	<b>19,631</b>
<b>0110498 - RESERVE FUNDS</b>						
<b>PERSONNEL SERVICES</b>						
519700 CURRENT YEAR WAGE RE	0	0	0	2,636,500	1,500,000	-1,136,500
<b>TOTAL PERSONNEL SERVICES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,636,500</b>	<b>1,500,000</b>	<b>-1,136,500</b>
<b>EXPENSES</b>						
579000 CURRENT YEAR RESERVE	0	0	0	475,000	500,000	25,000
579400 BUDGET RESERVE/SNOW	0	0	0	1,500,000	1,500,000	0
<b>TOTAL EXPENSES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,975,000</b>	<b>2,000,000</b>	<b>25,000</b>
<b>TOTAL RESERVE FUNDS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,611,500</b>	<b>3,500,000</b>	<b>-1,111,500</b>
<b>TOTAL COMPROLLER</b>	<b>43,519,240</b>	<b>44,186,711</b>	<b>46,196,813</b>	<b>55,043,424</b>	<b>57,816,826</b>	<b>2,773,402</b>