

FY2015 – FY2019 FINANCIAL FORECAST

City of Newton, Massachusetts
Setti D. Warren, Mayor
21 October 2013



**DEVELOPING
A
SUSTAINABLE STRATEGY**

Sustainability – “meeting the needs of the present without compromising the ability of future generations to meet their needs”

***The City of Newton
a livable, sustainable city for the 21st Century***

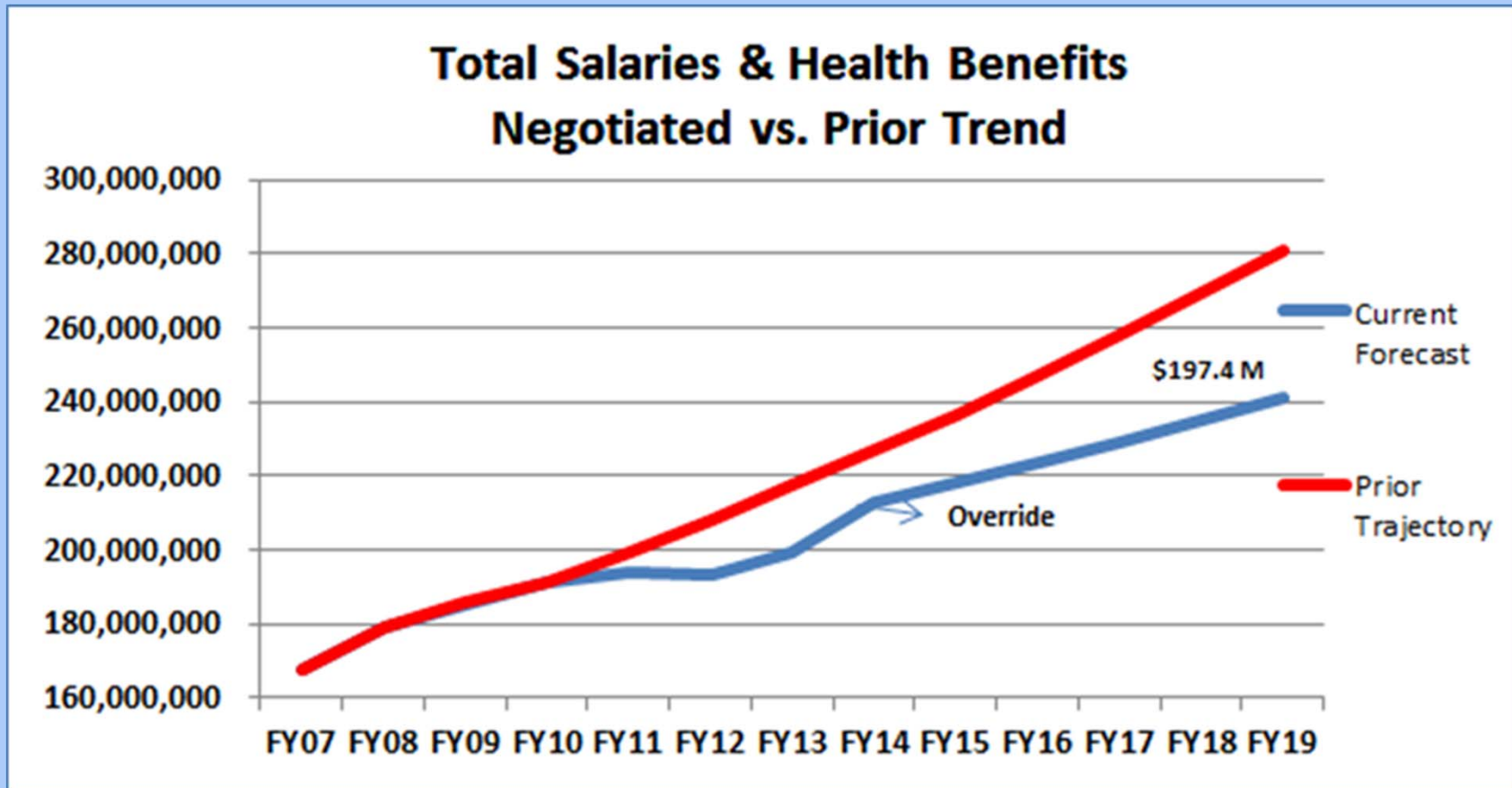
DEFINING AND ACHIEVING THE VISION



DEVELOPING A SUSTAINABLE BUDGET

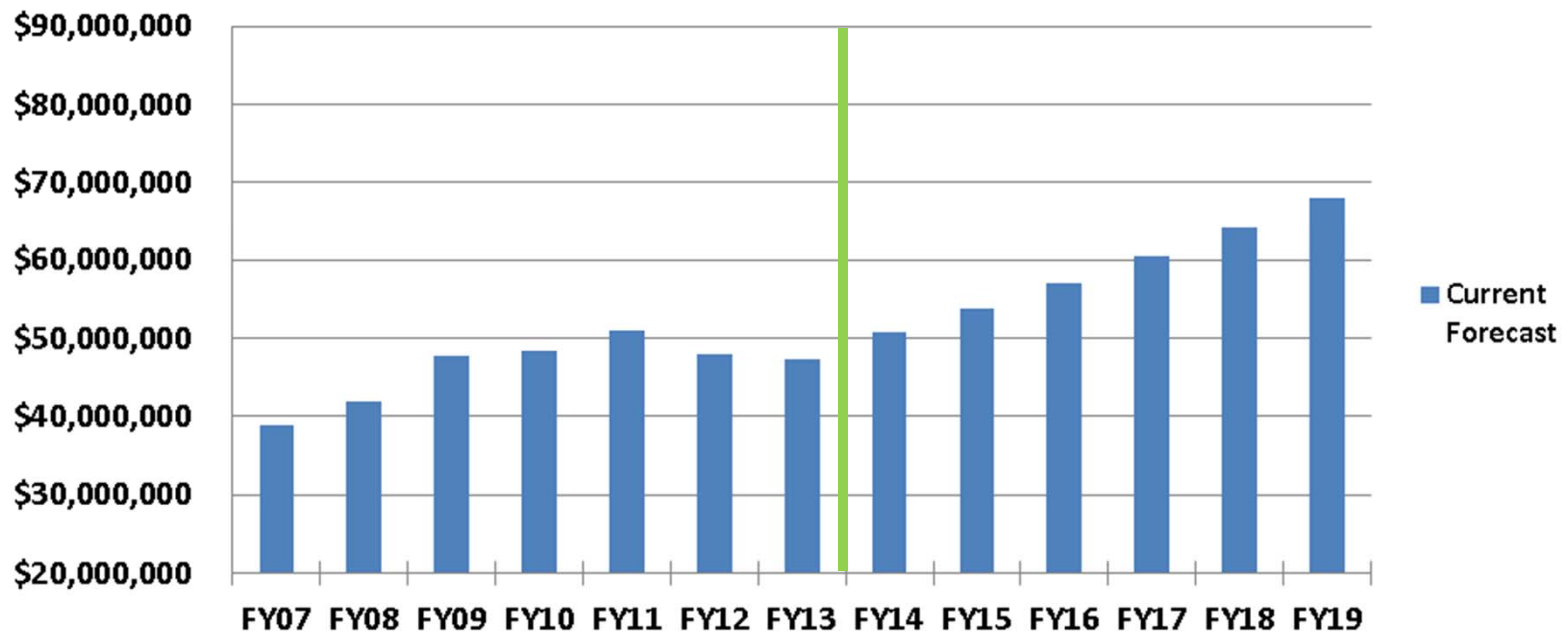
- **Collective Bargaining Agreements**
- **Zero-Based Budgeting**
- **Performance-Based Management**
- **Comprehensive Citywide Infrastructure Assessment**
- **Economic Development**

COLLECTIVE BARGAINING AGREEMENTS

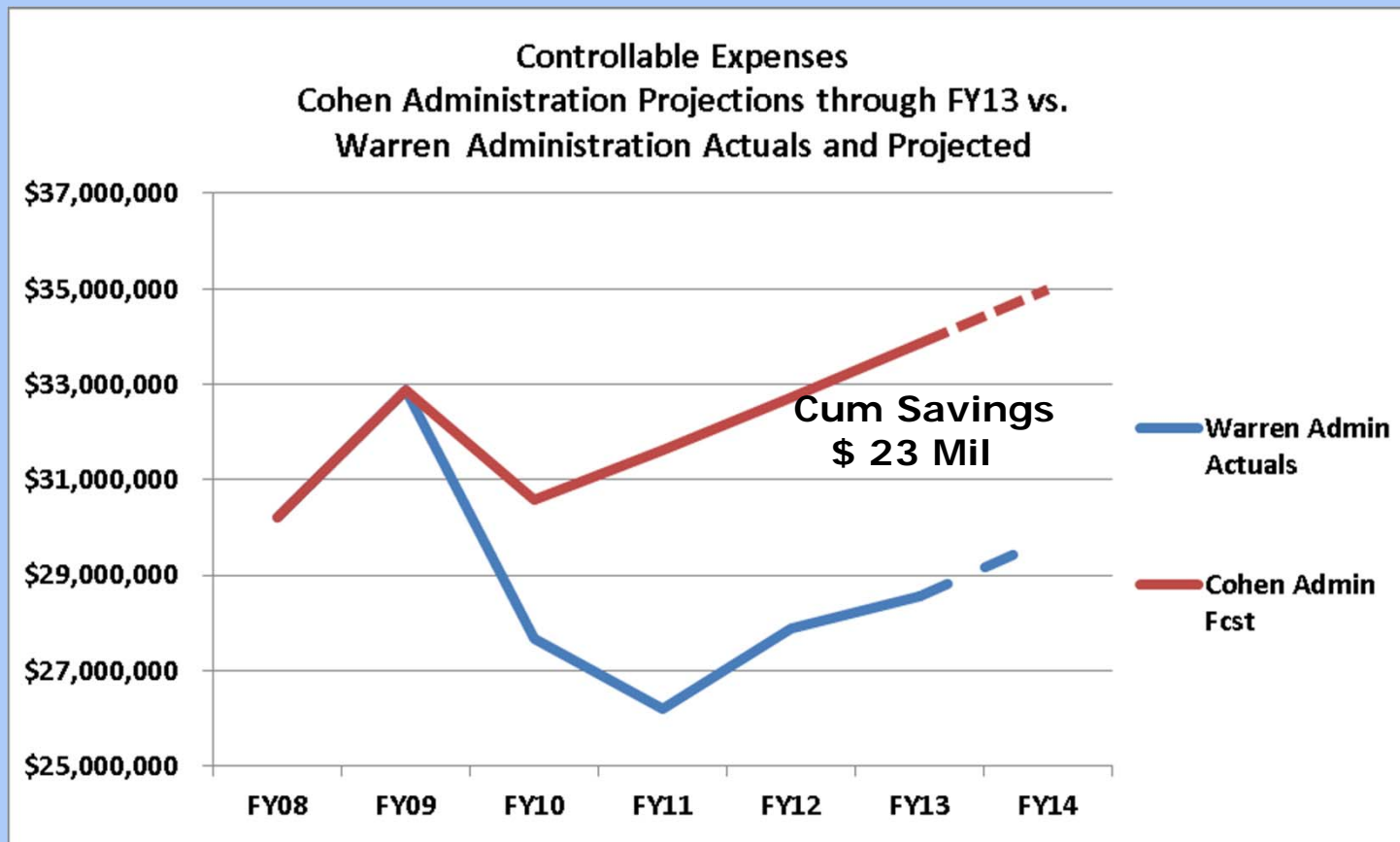


HEALTH INSURANCE

Total Health Insurance Costs Currently Negotiated vs. Prior Trend



ZERO BASED BUDGETS



Utilities, Gasoline, Services, Solid Waste & Supplies and Materials

PERFORMANCE MANAGEMENT

Public Buildings Department

City of Newton Performance Management Scorecard
September 2013

Traffic Light Key

Green = actual value meeting or exceeding the target
Yellow = actual value within 10% of meeting target
Red = actual value more than 10% away from meeting target

Trend Key

cumulative
Year-to-Date
better than
Last Year-to-

Metrics measured monthly unless otherwise noted

Metric	Yearly Goal	Monthly				Yearly		
		Avg.	Target	Actual	Result	Last YTD	YTD	Trend
Outcome #1 - Efficient Project Management								
% of Large school construction/renovation projects within budget	Maintain 100% of projects on budget		100	100			100	
% of School Building projects on schedule	Maintain 100% of projects on schedule		100	100			100	
Outcome #2 - Citywide Capital Improvement Plan								
% of Capital projects within budget (municipal and school projects over \$75,000)	Keep % at or above the monthly historical average	82	82	98		88	98	
% of Capital projects on schedule (municipal and school projects over \$75,000)	Keep % at or above the monthly historical average	69	69	97		83	100	
Outcome #3: Effective Maintenance & Operations								
% of Emergency or safety requests completed within 24 hours	Maintain 100% emergency maintenance work completed within 24 hours	100	100	100		100	100	
# of work orders older than 30 days	Reduce number of monthly outstanding work orders-target based on historical monthly average	584	584	570			570	
% of Regular maintenance work requests completed within 7 days	Maintain or increase the % completed within 7 days-target based on historical monthly average	38	38	74		71	72	
Outcome #4: Achieve 20% Improved Energy Efficiency from 2008 Baseline								
% reduction in energy consumption since 2008 in MMBTU"	Reduce energy consumption from the previous year	30	30	24		30	24	

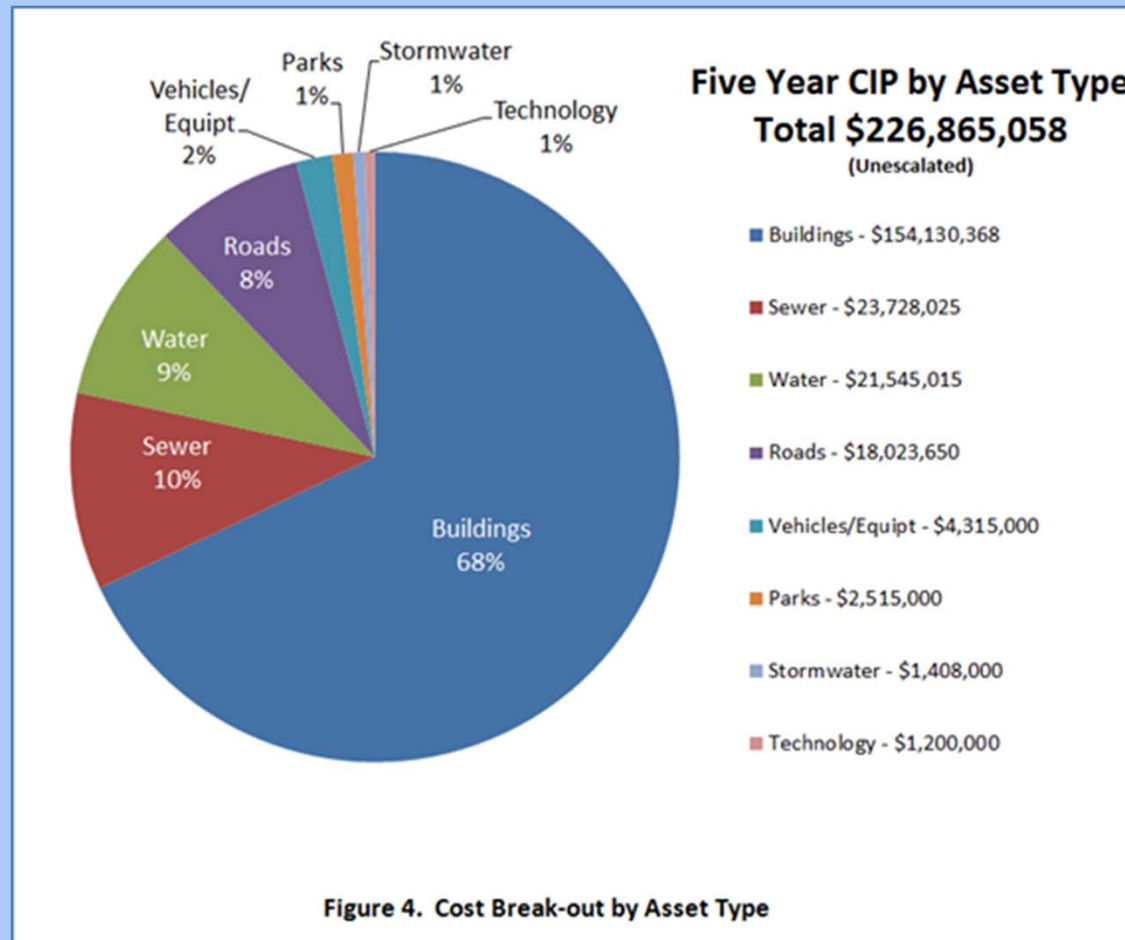
ECONOMIC DEVELOPMENT



**Station
at
Riverside**

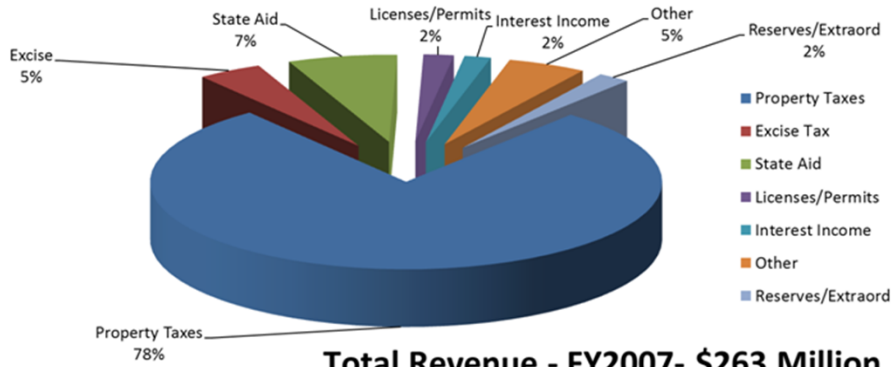


FULLY INTEGRATED PRIORITIZED CAPITAL IMPROVEMENT PLAN

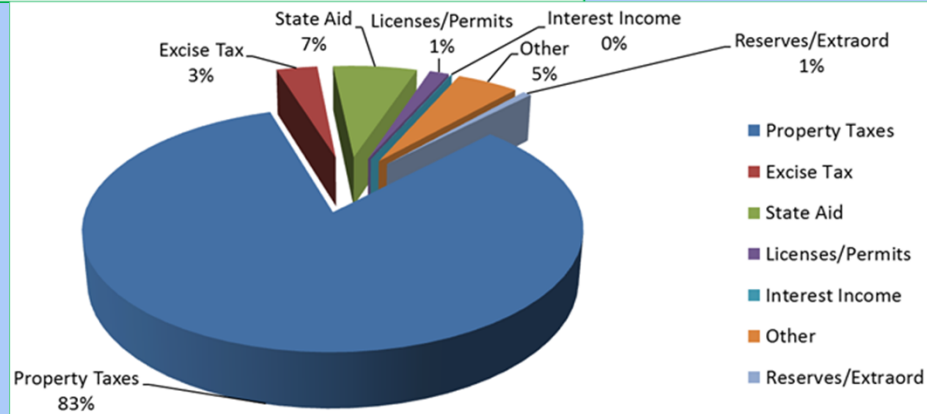


REVENUE

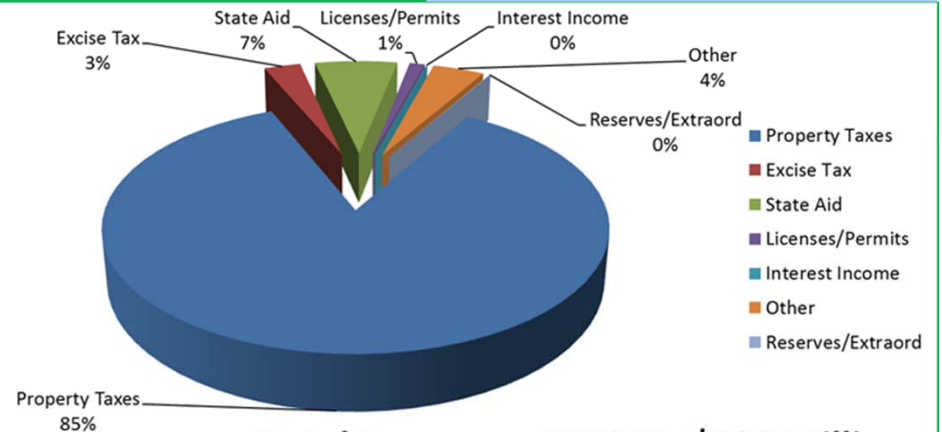
REVENUE



Total Revenue - FY2007- \$263 Million



Total Revenue - FY2014- \$331 Million

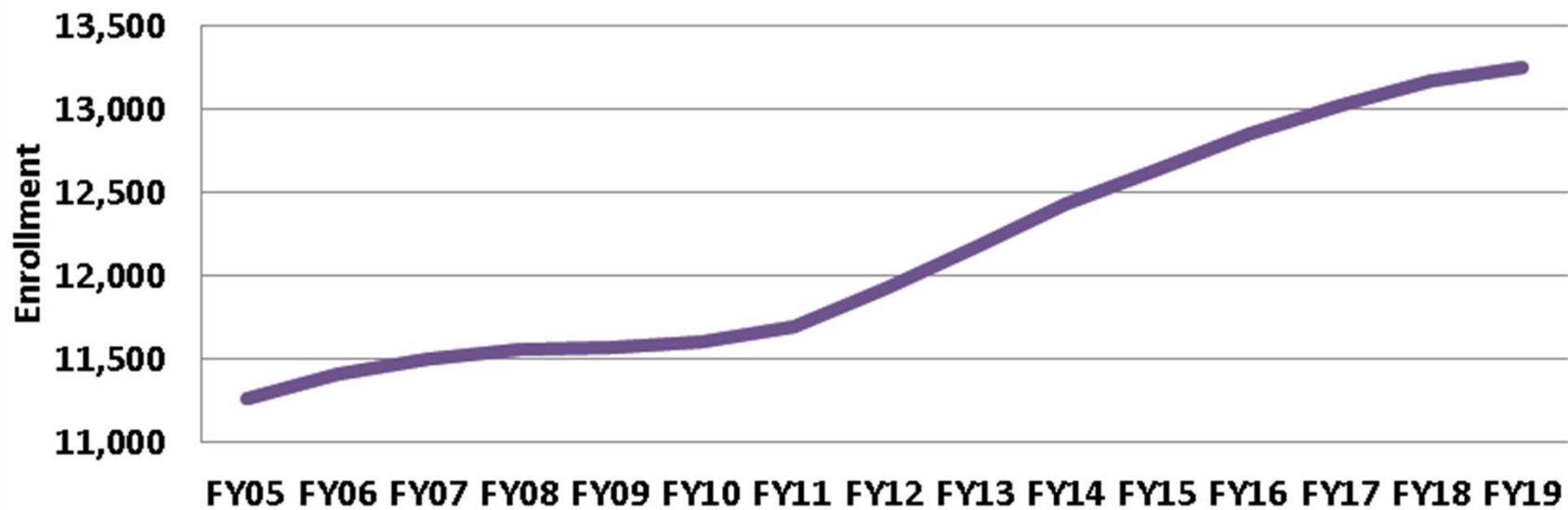


Total Revenue - FY2019- \$388 Million

**EXPENDITURES
&
CHALLENGES**

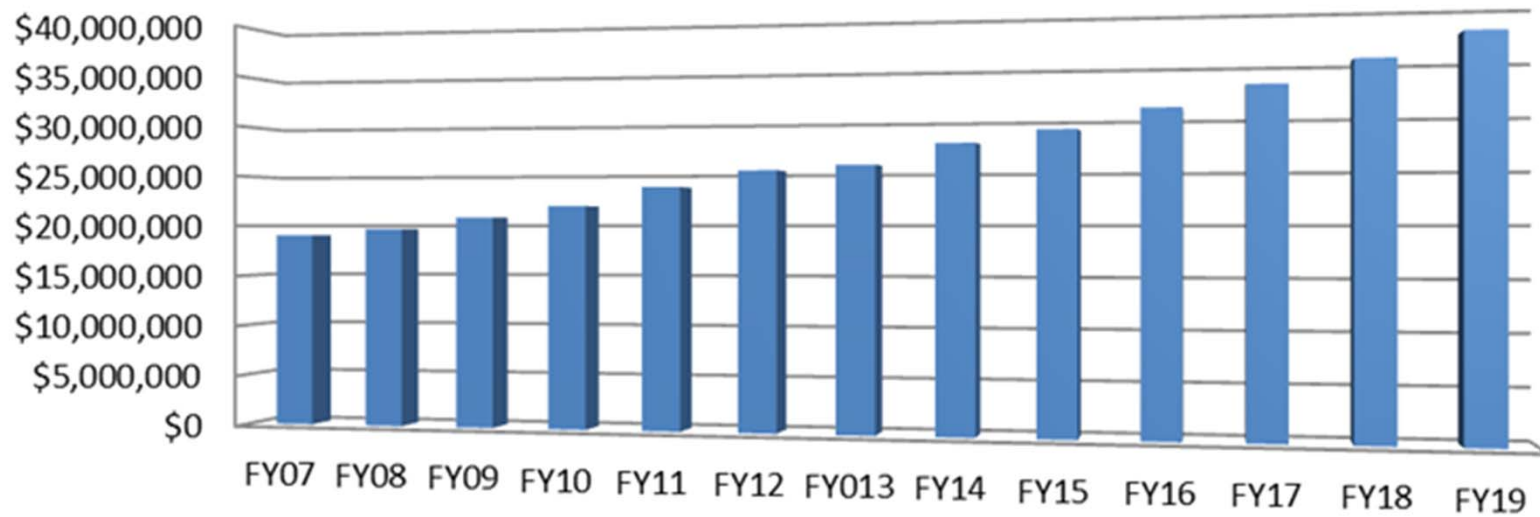
CHALLENGES

Newton Public Schools - Projected Enrollment



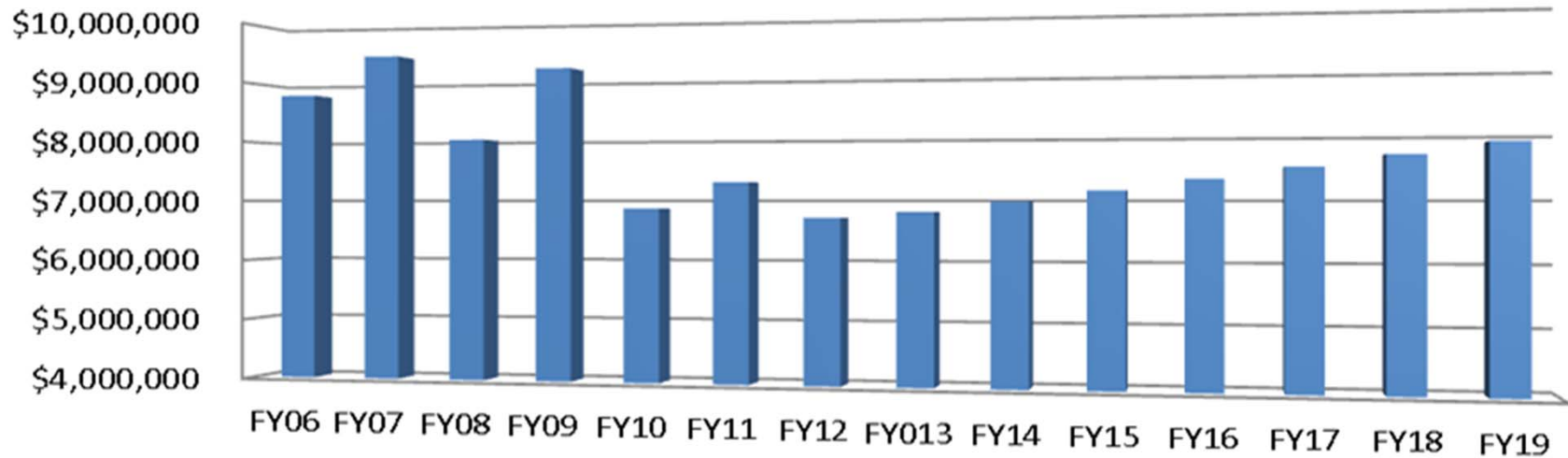
CHALLENGES

Pensions/Retiree Health Benefits



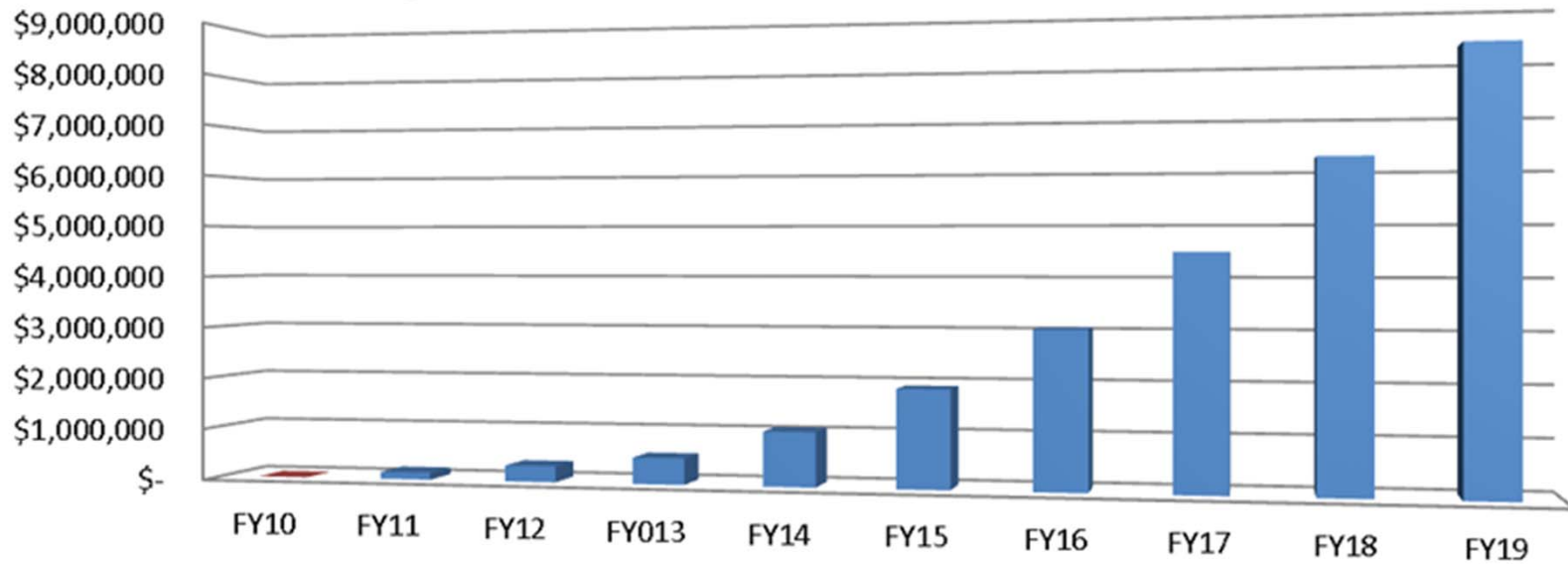
CHALLENGES

Utilities



CHALLENGES

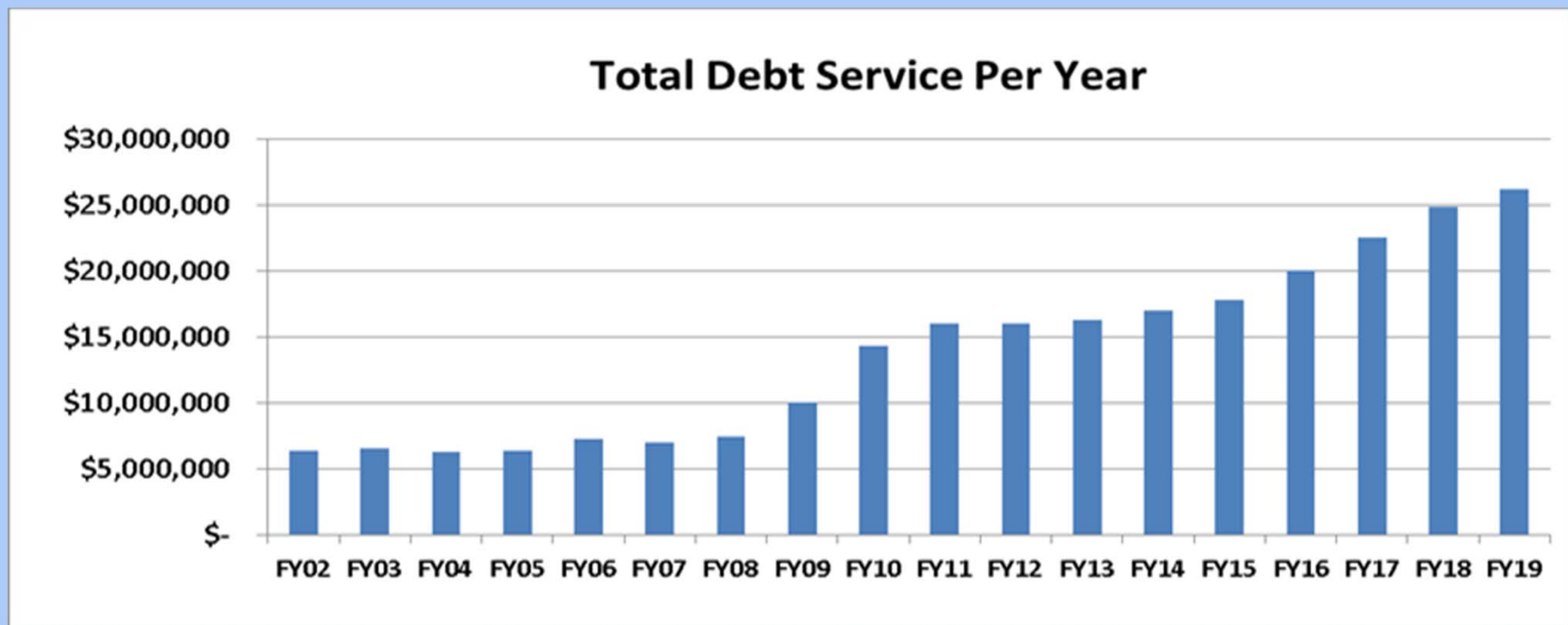
**Other Post Employment Benefits (O.P.E.B.)
Projected Trust Fund Balance**



CHALLENGES

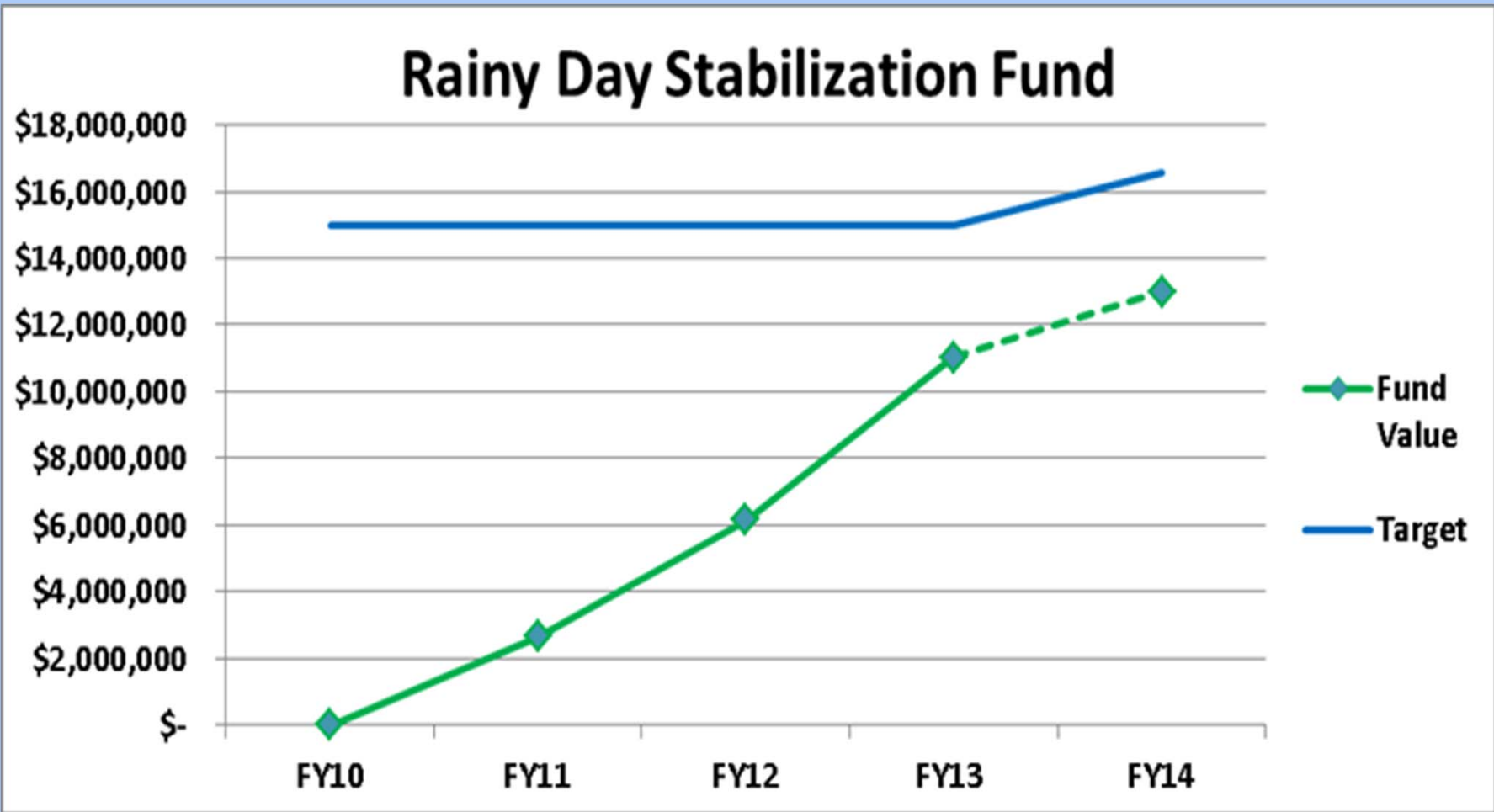
**FINANCIAL
STABILITY**

MAINTAINED AAA BOND RATING



Each Additional 1% in Interest Rate = \$15 Million

RAINY DAY STABILIZATION



SUSTAINABILITY

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