

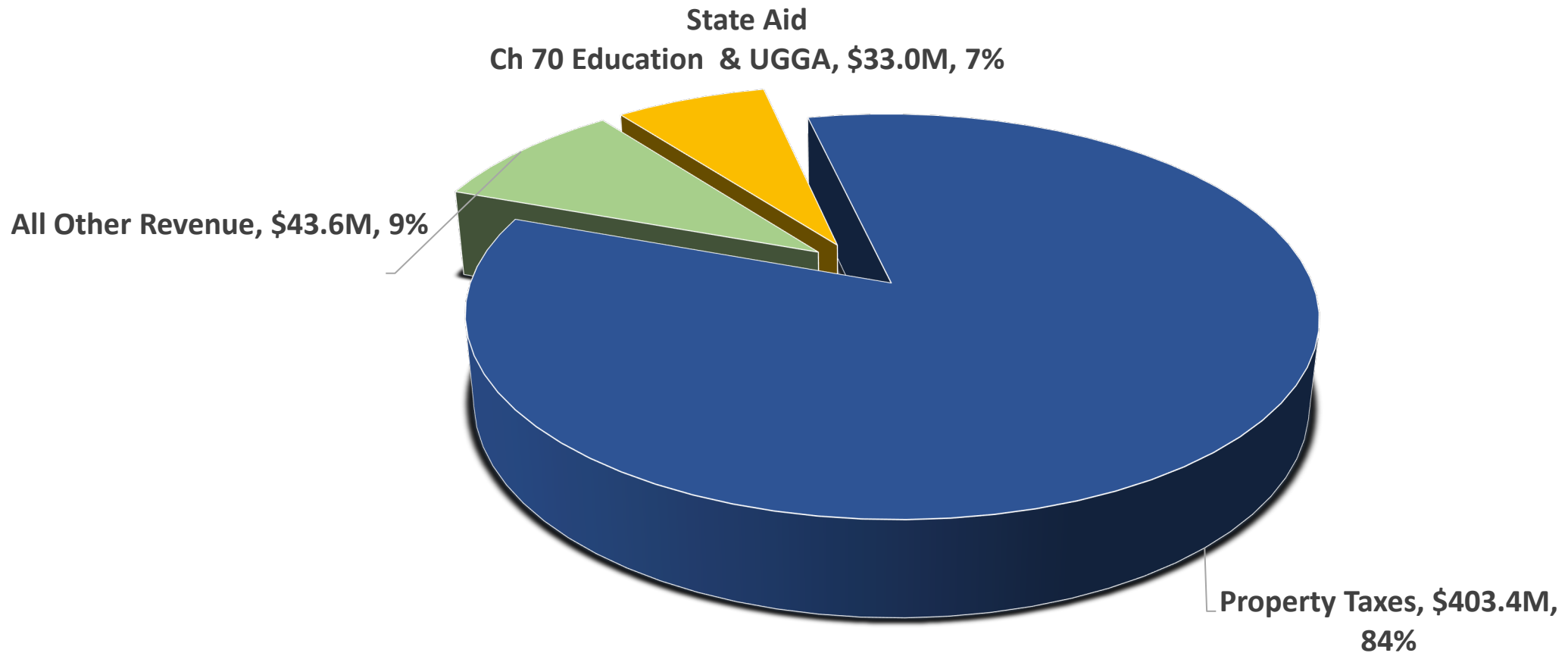
FY2024-FY2028 FIVE YEAR FINANCIAL FORECAST,
LONG RANGE FINANCIAL PLAN, AND
MARCH 2023 PROPOSED OVERRIDE INFORMATION

Mayor Ruthanne Fuller,
November 2022

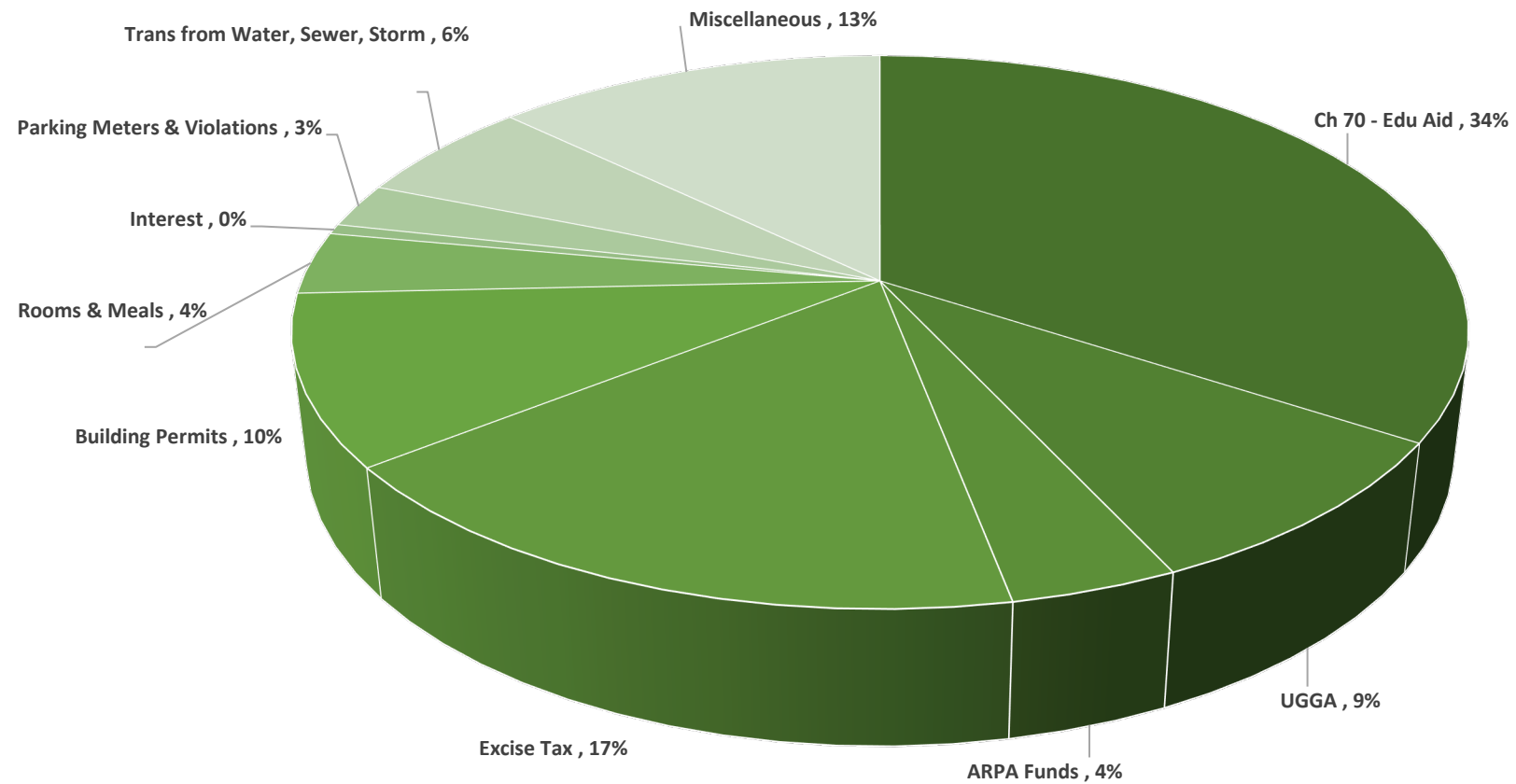
FY2024-FY2028 FIVE YEAR FINANCIAL FORECAST
and
LONG RANGE FINANCIAL PLAN

FY2023 Total Revenue - \$480 M

Property Taxes and State Aid = 91%

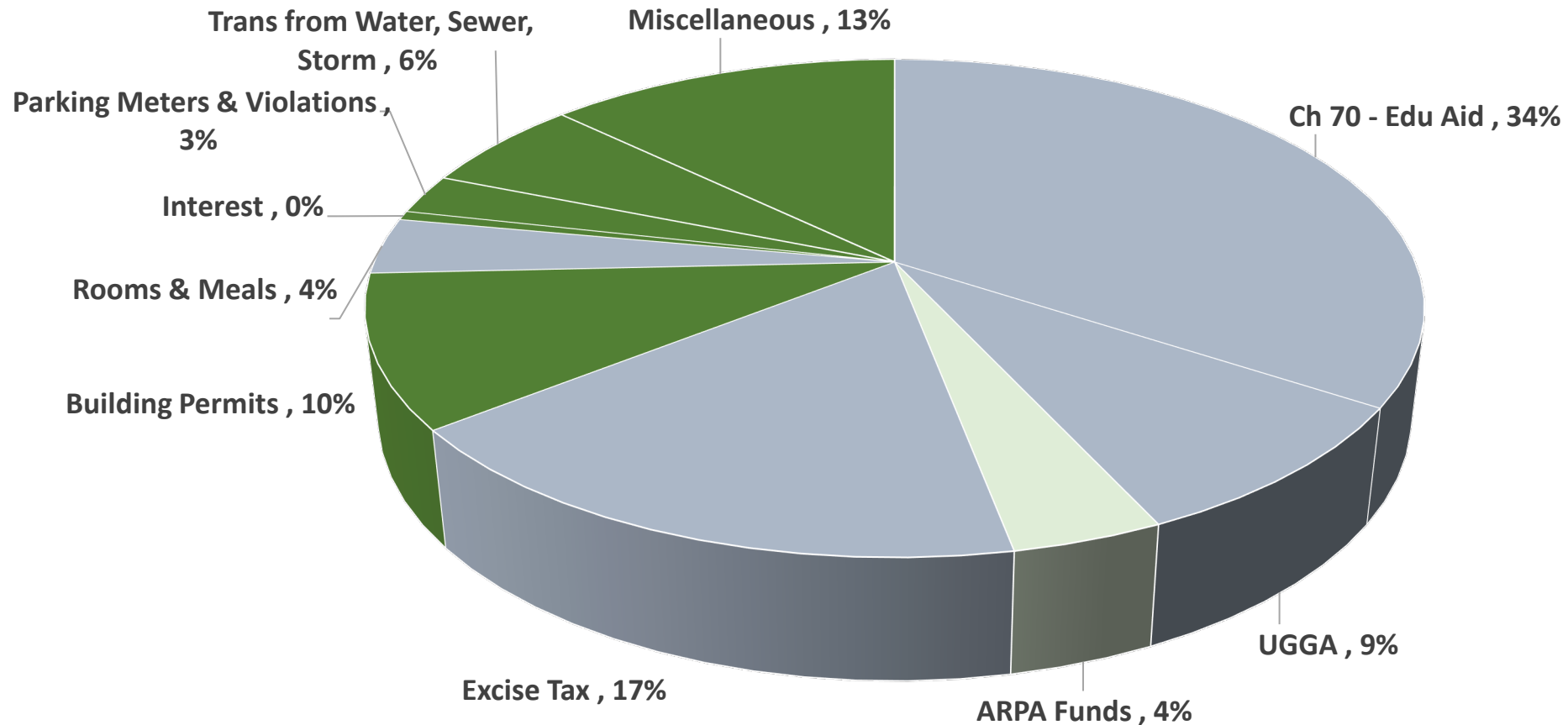


FY2023 Non-Tax Revenue - \$76 M



FY2023 Non-Tax Revenue - \$76 M

We can only impact \approx \$25 - \$30 M



Projected Revenue Growth FY2024–FY2028

Assumes NO Override

(\$ MILLIONS)

	<u>FY23</u>	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>
<u>TOTAL REVENUE WITHOUT</u> <u>VERRIDE</u>	\$480	\$498	\$517	\$534	\$551	\$571
\$ Annual Increase		\$ 18	\$ 19	\$ 17	\$ 17	\$ 20
% Annual Increase		3.7%*	3.9%*	3.2%	3.2%	3.7%

* Includes ARPA

MAJOR COST DRIVERS

Major Cost Drivers – Significant Annual Increases

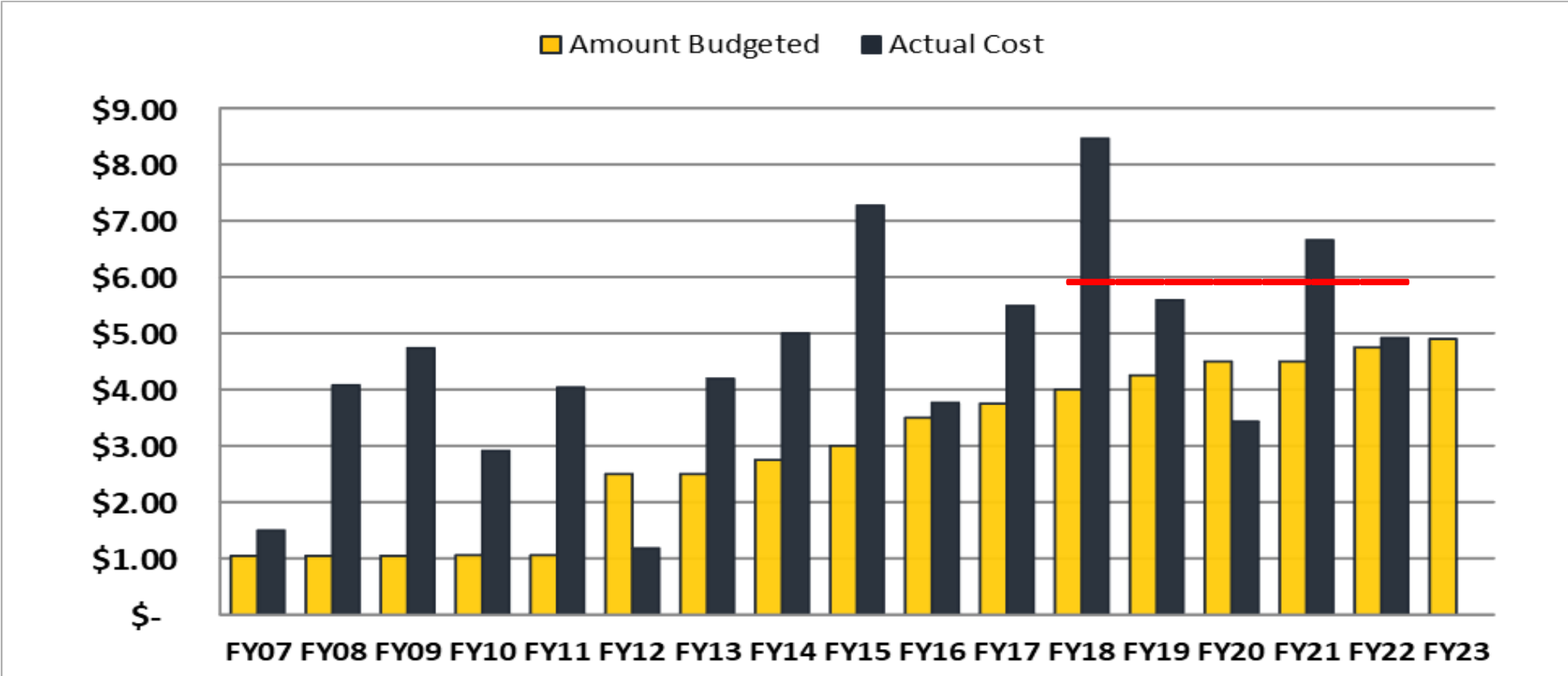
- Removal of Snow & Ice/High Wind Events
- Solid Waste & Recycling
- Health Insurance
- Long Term Liabilities – Pensions & OPEB



SNOW, ICE & HIGH WINDS

Costs for Removal of Snow & Ice, High Wind Events

5 Year Average - \$5.8 M



SOLID WASTE & RECYCLING

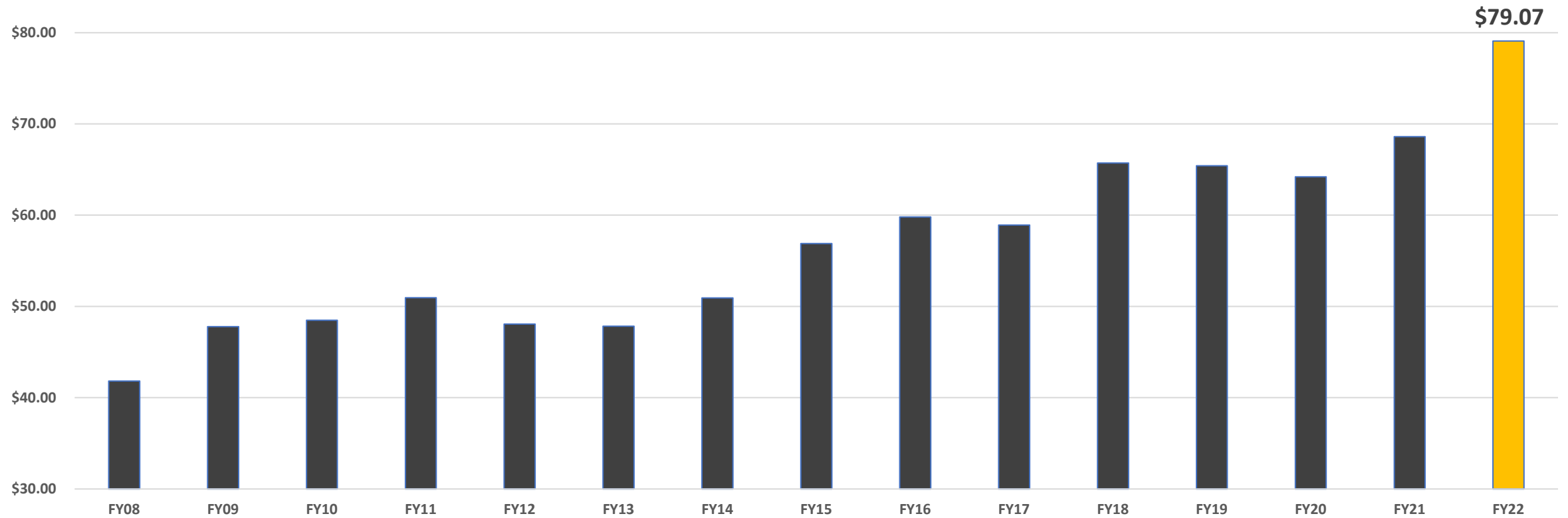
Solid Waste & Recycling Costs

Average Annual Growth: 7.2%

<u>FISCAL YEAR</u>	<u>AMOUNT</u>	<u>% OF MUNICIPAL BUDGET</u>
FY2017	\$ 7.9 M	4.3%
FY2023	\$ 11.3 M	4.9%

HEALTH INSURANCE

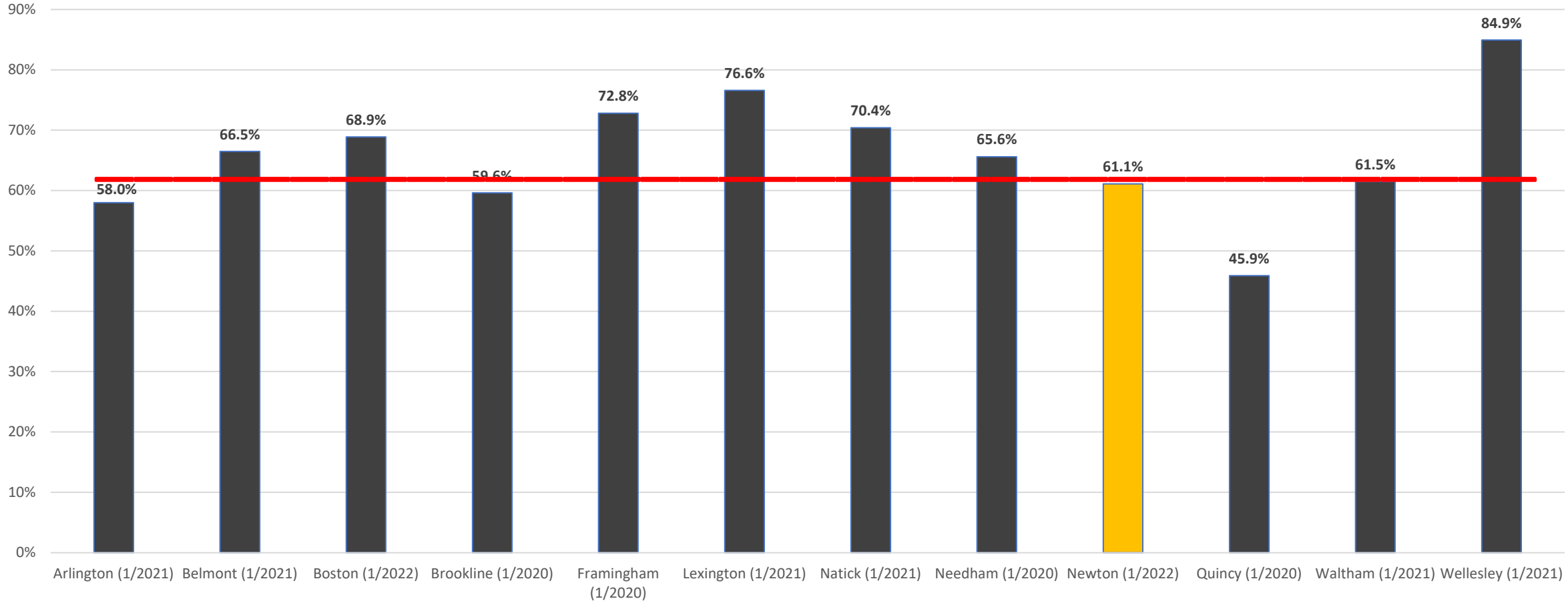
Health Insurance Totals



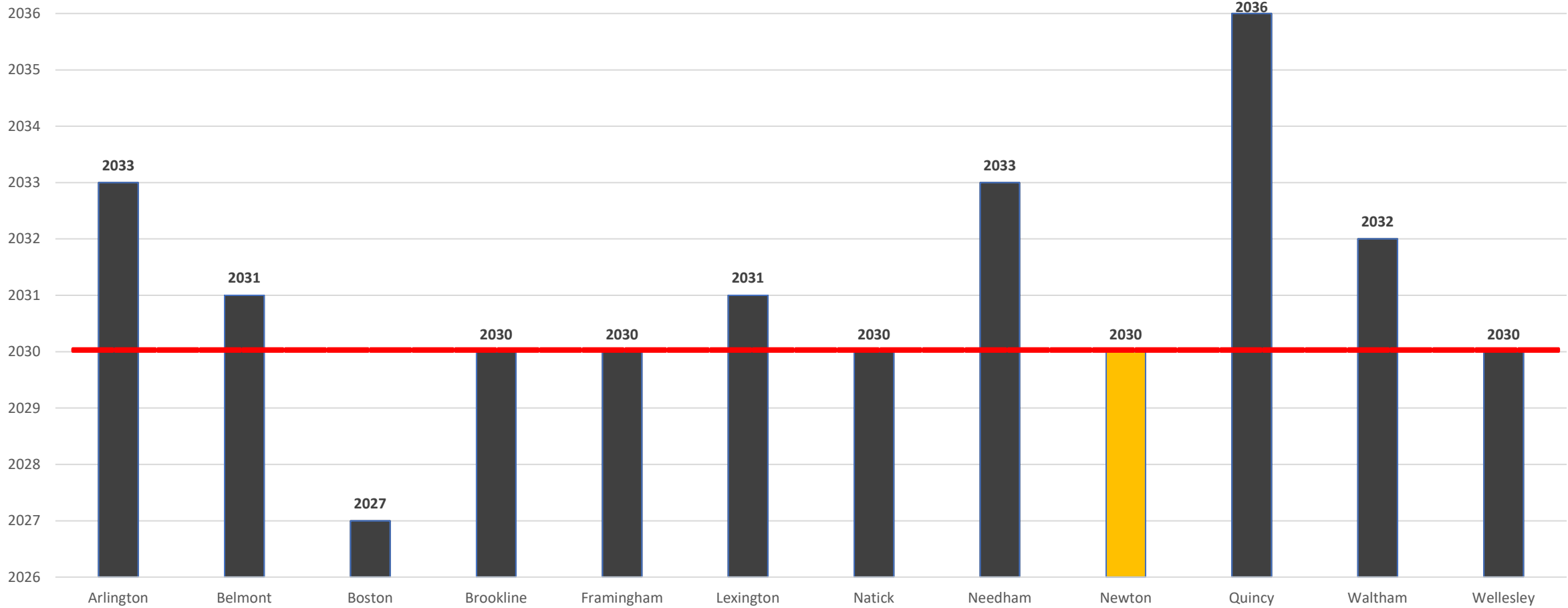


LONG TERM LIABILITIES: PENSIONS & OPEB

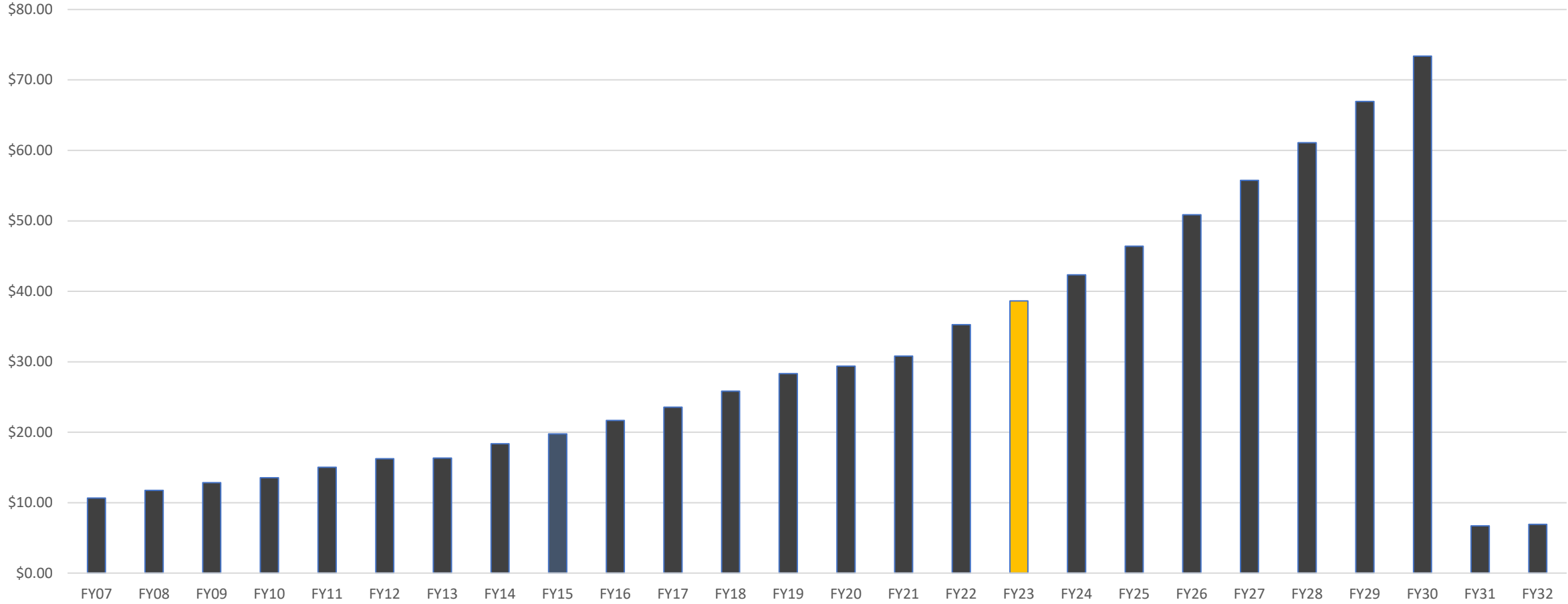
% of Pensions Funded by Community



Achievement Year of Funding Pensions by Community



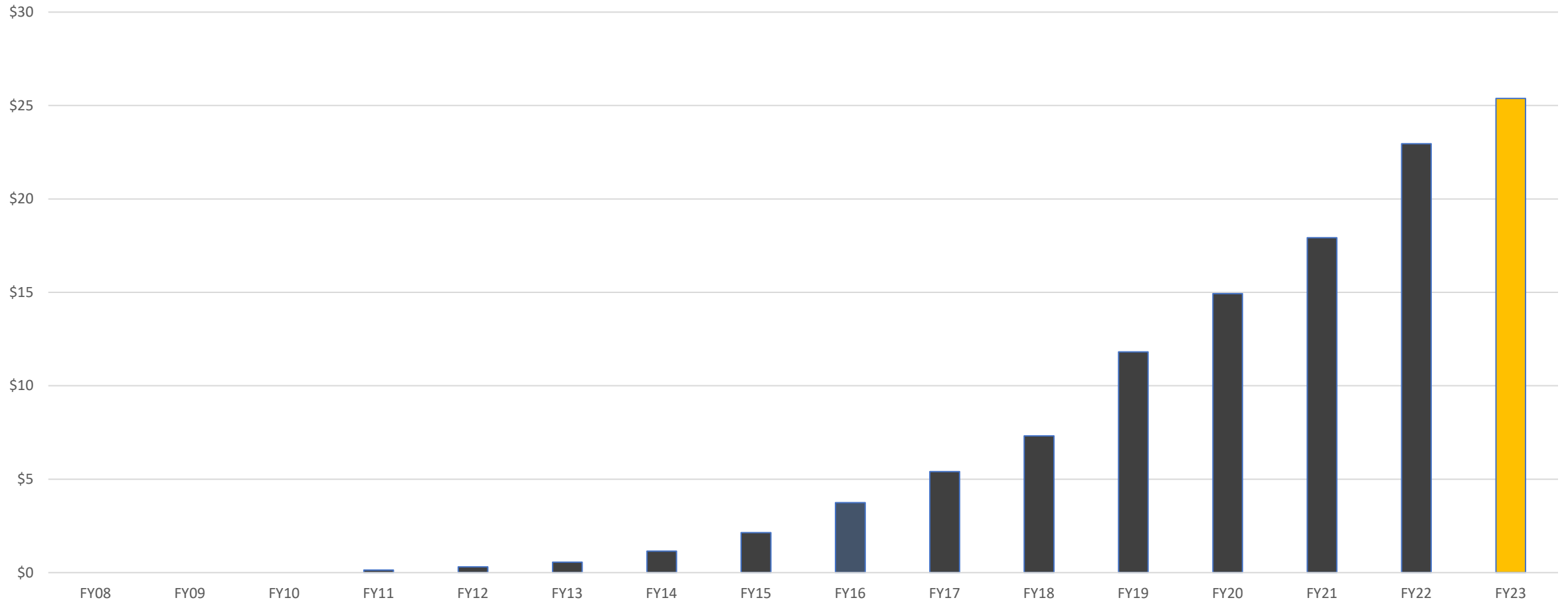
General Fund Contributions to Pension Fund



OPEB Trust Fund Value

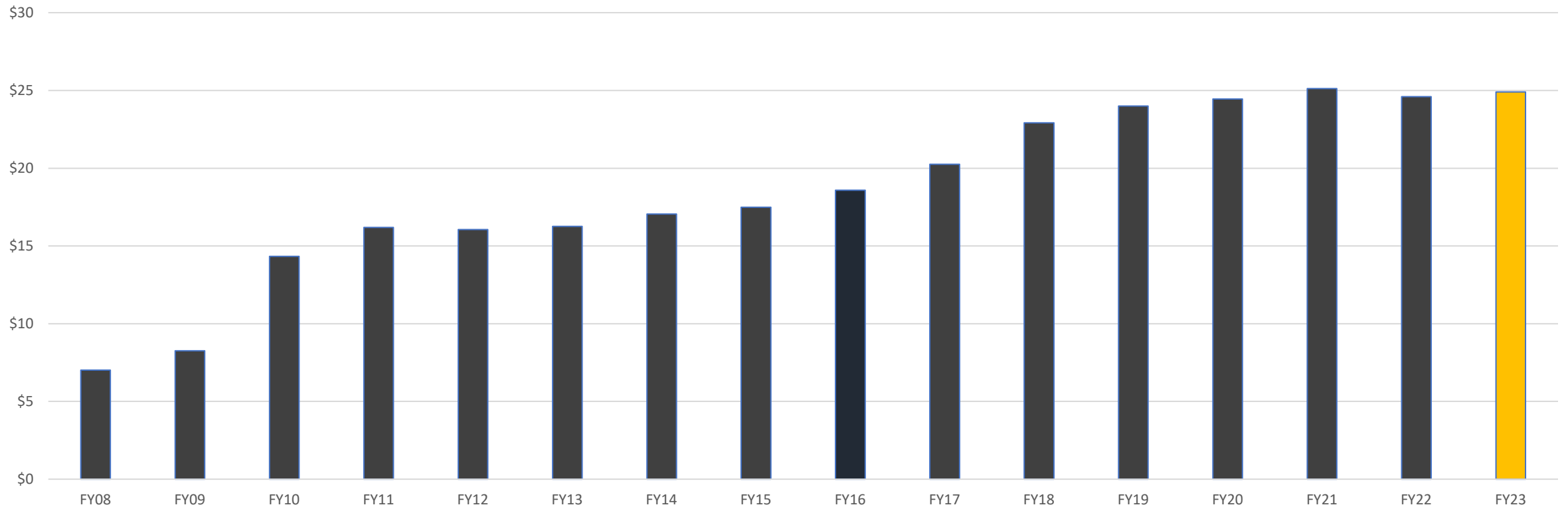
Current Value \$25 M

Current Liability \$667 M

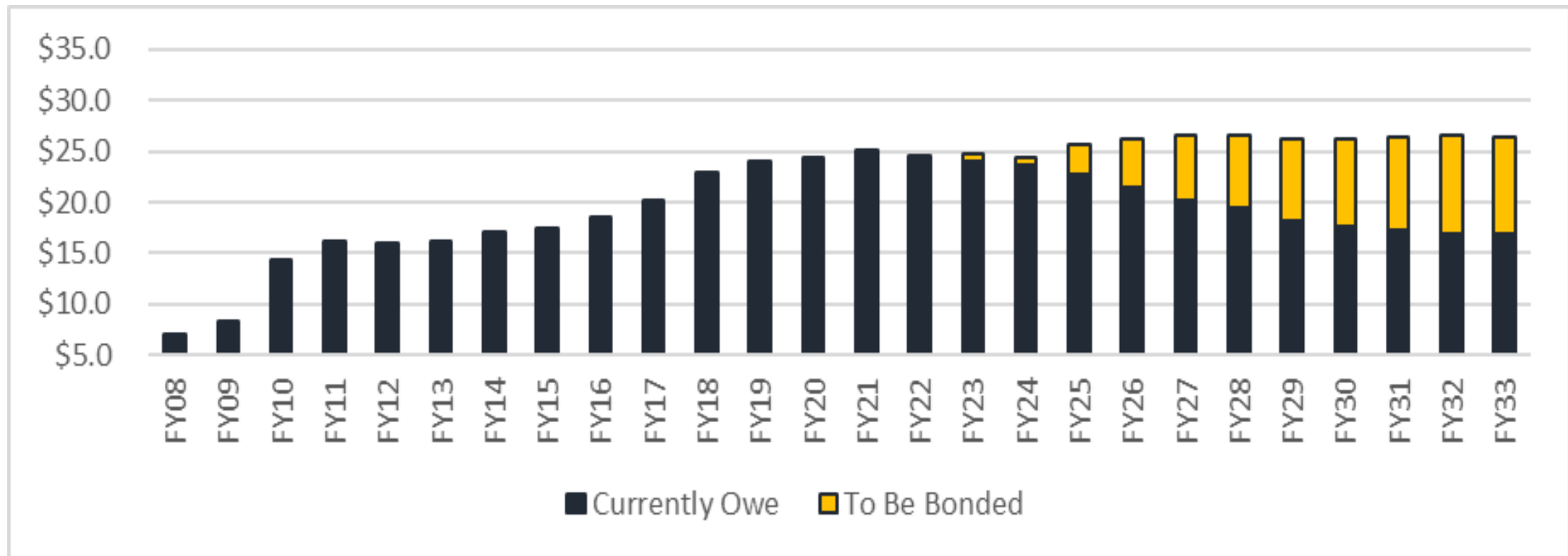


DEBT

Debt Service – Current Debt \$25 M



Projected Debt Service Costs (NECP, Lincoln-Eliot, NewCAL, Police HQ)



RECENT PROJECTS

DONE WITH GENERAL FUND DOLLARS

EXAMPLES OF DPW PROJECTS W/O OVERRIDE FUNDS

- West Newton Square
- Newtonville
- Auburndale Square
- Dedham/Nahanton/Brookline
- Library Parking Lot
- Elliott Street Bridge
- Oak & Christina Intersection
- Washington Street
- Harvard @ Washington Intersection

Paving Funding Sources- \$9.5 M

Free
Cash/Other
Appropriations
51%
\$4.8 M

General
Fund
25%
\$2.4 M



Chapter 90
24%
\$2.3 M

SCHOOL PROJECTS

W/O OVERRIDE FUNDS

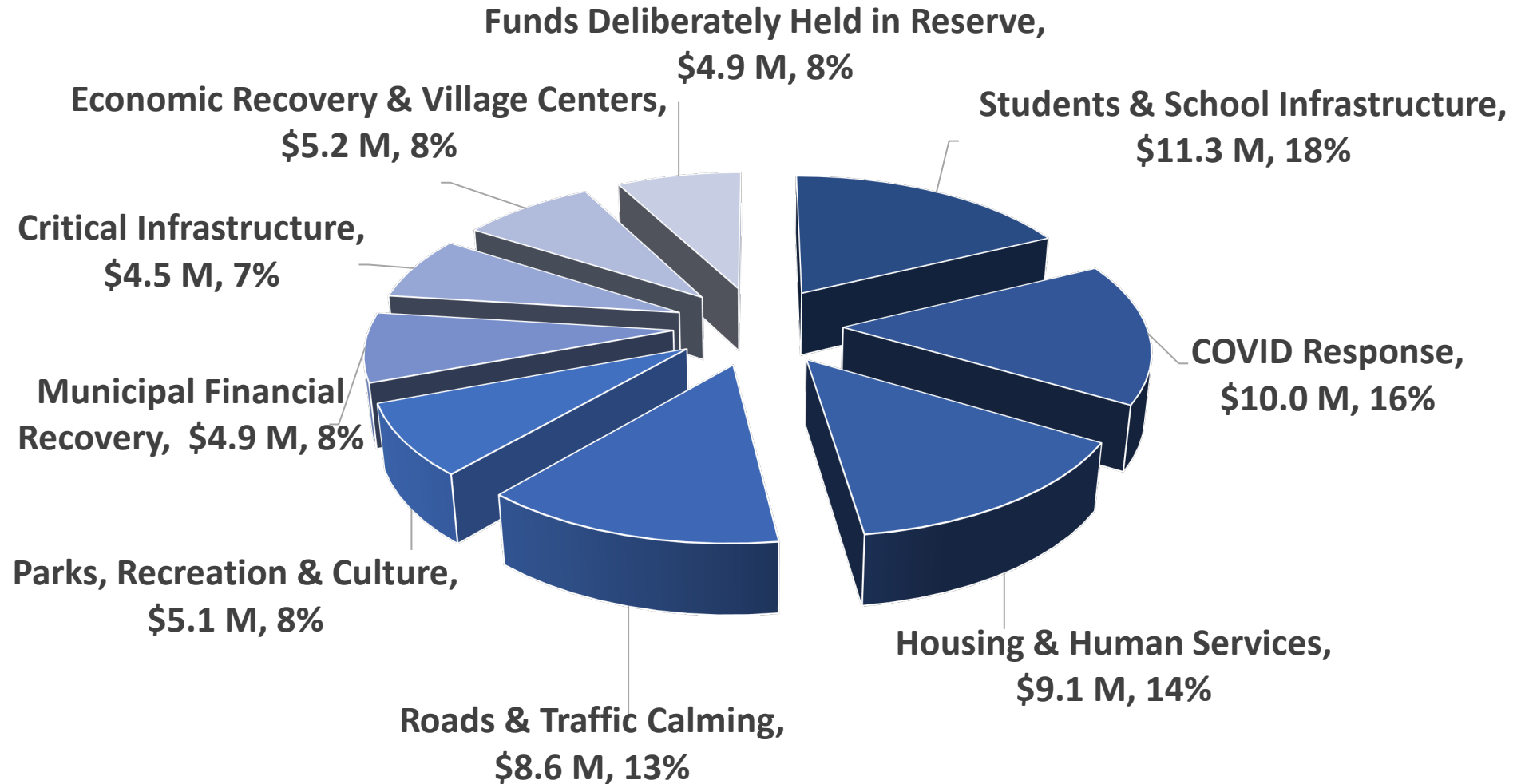
- Full Day Kindergarten
- Expanding Special Ed In-District Opportunities for Students
- Oak Hill 3 Classroom Addition
- Newton Early Childhood Program- NECP @ 687 Watertown St
- Lincoln-Eliot @ 150 Jackson

Other Major Projects W/O OVERRIDE FUNDS

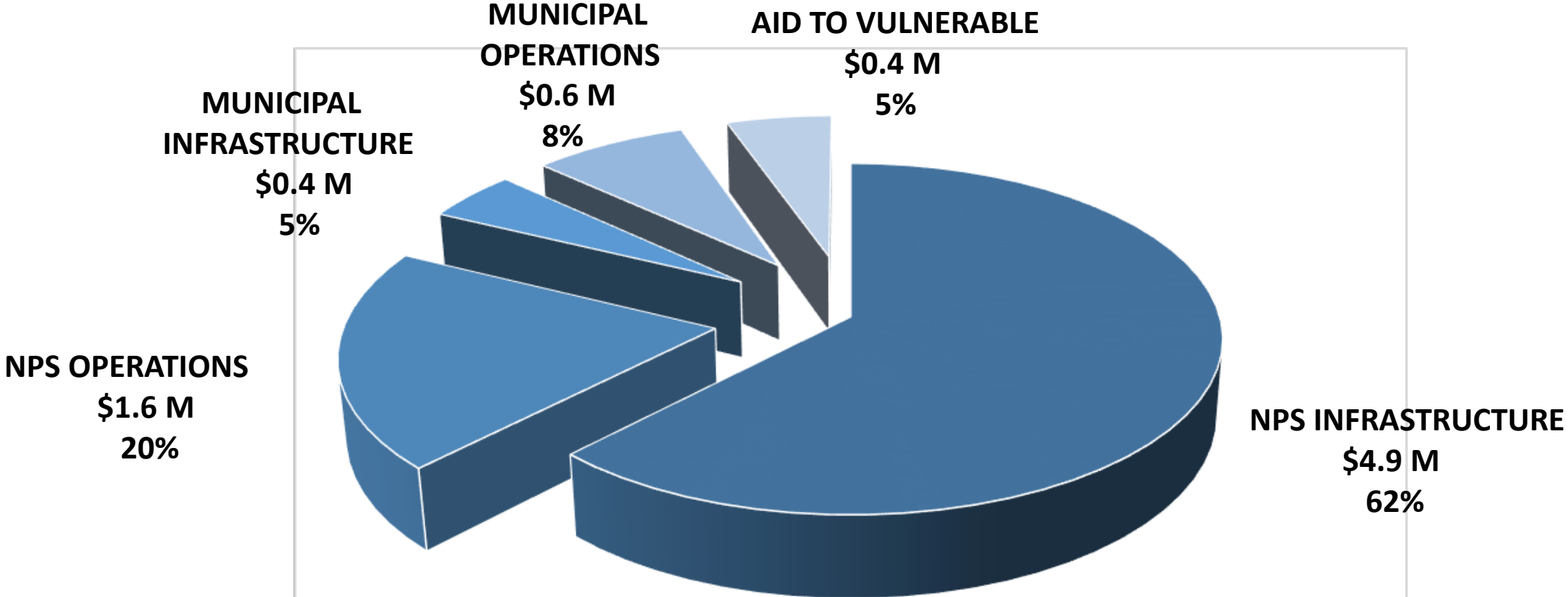
- NewCAL
- Gath Pool
- Police Headquarters Upgrades

WHAT HAPPENED TO ARPA, CARES
AND FREE CASH??

ARPA - \$63.5 M



CARES - \$7.8 M



Using FREE CASH to Lower Impact on Taxpayers

Lower Annual Debt Service Payments

Fire Engine	\$.8 M
Newton South Synthetic Turf Fields	\$ 2.1 M
DPW Fleet Replacements	\$ 2.0 M

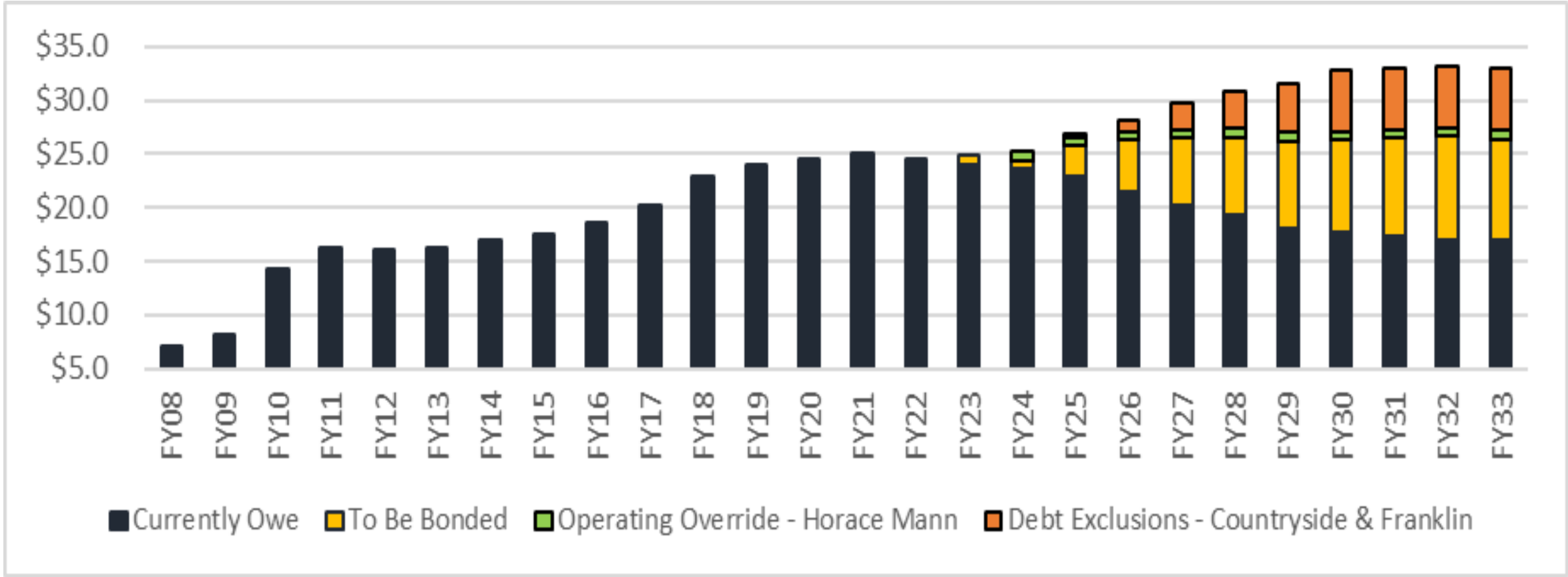
Lower Override Request

Horace Mann Addition	<u>\$ 7.5 M</u>
----------------------	-----------------

\$ 12.4 M

WHY DO WE NEED AN OVERRIDE??

Projected Debt Service Costs Including Countryside, Franklin & Horace Mann WILL ADD \$6.5 M TO ANNUAL DEBT SERVICE



Newton Public Schools – FY2023 Budget

(\$ MILLIONS)

	<u>FY23</u>
NEWTON PUBLIC SCHOOLS FY23 ALLOCATION	\$262.1
NPS CARRY FORWARD	\$ 4.5
NPS DEFACTO BUDGET	\$266.6

Accelerate Investments in Our Shared Values

- Streets, Sidewalks & Traffic Safety
- Parks, Playgrounds, Athletic Fields
- Trees & Tree Canopy
- NewCAL - Seniors
- Sustainability & Climate Resiliency

OVERRIDE QUESTIONS

Voting by Newton for Newton

TWO DEBT EXCLUSION OVERRIDES

	Annual amount to service 30-year bonds
Countryside Elementary	\$2,300,000
Franklin Elementary	\$3,500,000

- *Temporary tax increase for the life of the bonds*
- *Kicks in when we start bonding*

Voting by Newton for Newton

TWO DEBT EXCLUSION OVERRIDES

	Annual amount to service 30-year bonds	Total Project Cost	
Countryside Elementary	\$2,300,000	\$61,000,000	<i>MSBA funds ~30%</i>
Franklin Elementary	\$3,500,000	\$61,000,000	

- *Temporary tax increase for the life of the bonds*
- *Kicks in when we start bonding*



COUNTRYSIDE ELEMENTARY SCHOOL

PRESENT / FUTURE





FRANKLIN ELEMENTARY SCHOOL

PRESENT



FUTURE



Voting by Newton for Newton

ONE OPERATING OVERRIDE

Horace Mann Elementary	\$775,000
Streets and Sidewalks	\$1,400,000
Parks, Fields, Courts and Playgrounds	\$1,000,000
Plant and Nurture Trees	\$500,000
Sustainability and Climate Resiliency	\$500,000
Senior Services and Programs	\$500,000
Supporting Student Needs	\$4,500,000
	\$9,175,000

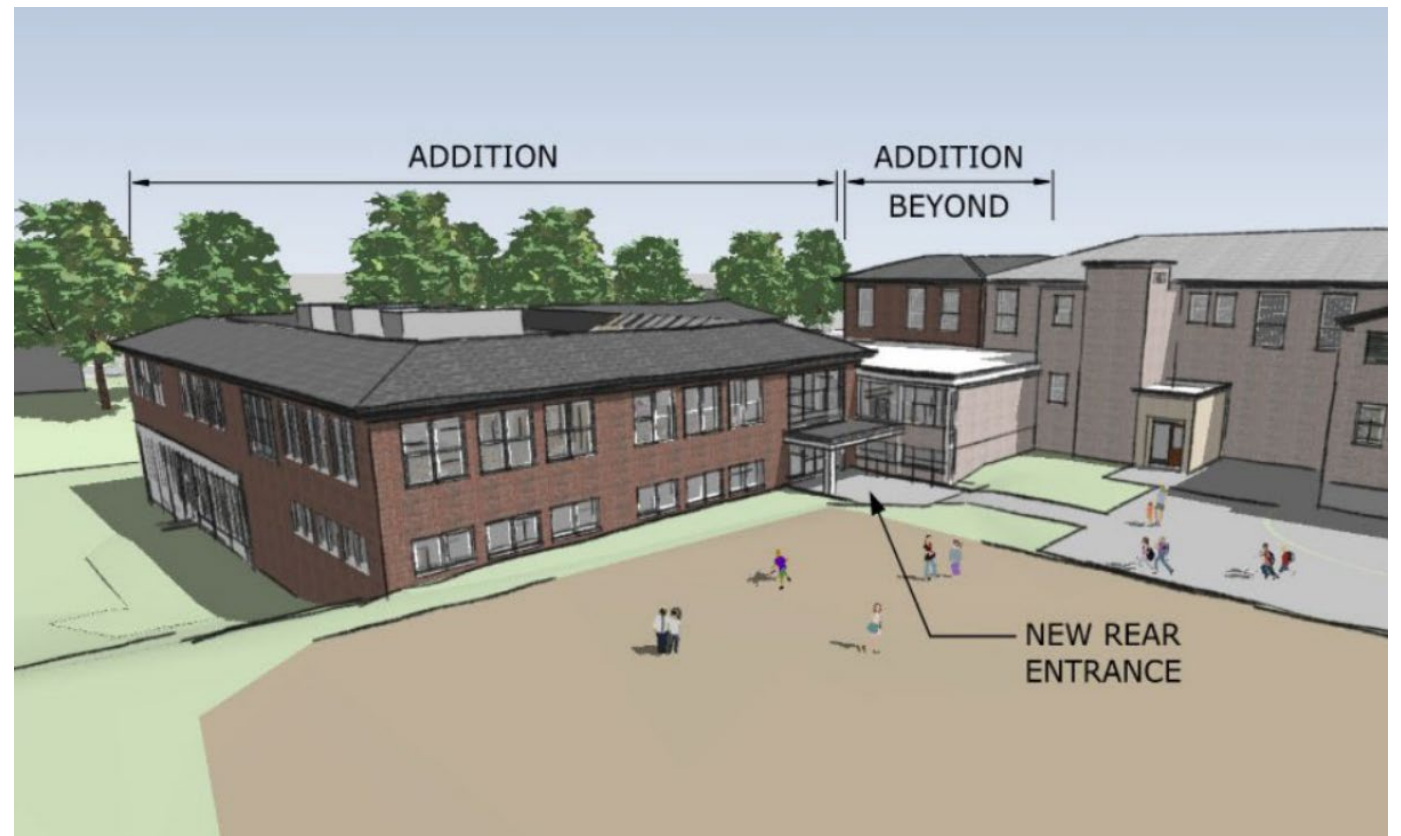
- *Permanent tax increase*
- *Starts on July 1, 2023*

Voting by Newton for Newton

ADDITIONAL SPACE FOR HORACE MANN - \$775,000

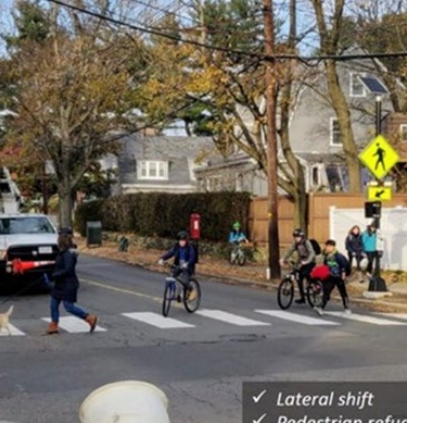
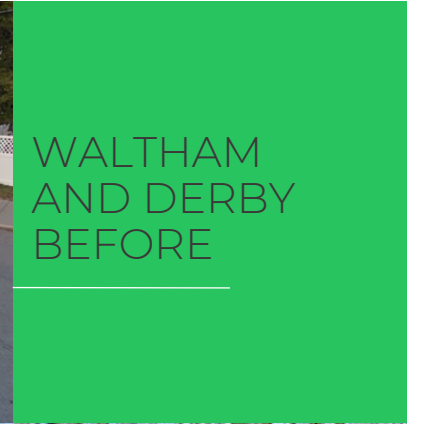
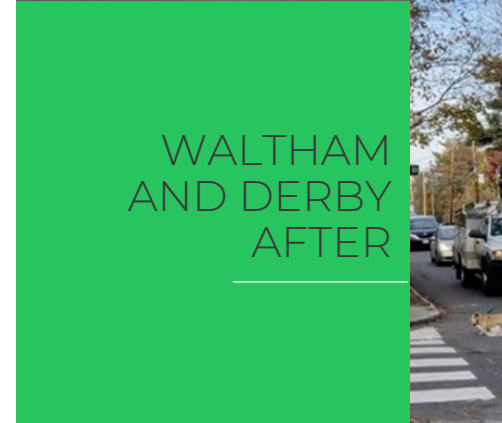
Existing Recommended

Classrooms	<input type="radio"/>	<input checked="" type="radio"/>
Library	<input type="radio"/>	<input checked="" type="radio"/>
Special Education Space	<input type="radio"/>	<input checked="" type="radio"/>
Cafeteria	<input type="radio"/>	<input checked="" type="radio"/>



Voting by Newton for Newton

FIXING STREETS AND SIDEWALKS AND MAKING THEM SAFER – \$1.4M



**CITY OF NEWTON PROPOSED OPERATING OVERRIDE
STREET/SIDEWALK PAVING, SAFETY IMPROVEMENTS**

ACCT DESCRIPTION	FY2017 ORIG	FY2018 ORIG	FY2019 ORIG	FY2020 ORIG	FY2021 COVID	FY2022 ORIG	FY2023 ORIG	OVERRIDE
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	FUNDS ADDED TO FY23 BASE
ENGINEERING SERVICE-ENGINEERIN	\$ 4,000	\$ 450,000	\$ 510,000	\$ 510,000	\$ -	\$ -	\$ -	
ENGINEERING SERVICE-PAVING SUP	\$ -	\$ 750,000	\$ -	\$ -	\$ 710,000	\$ 1,200,000	\$ -	
STREET DIVISION-CONSTRUCTION S	\$ 100,000	\$ 100,000	\$ 16,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	
STREET DIVISION-EMULSION	\$ -	\$ -	\$ 10,000	\$ 10,000	\$ 5,000	\$ 5,000	\$ 5,000	
STREET DIVISION-WOOD	\$ -	\$ -	\$ 5,000	\$ 6,237	\$ 10,000	\$ 10,000	\$ 10,000	
STREET DIVISION-PAVING SUPPLIE	\$ 260,000	\$ 270,000	\$ -	\$ -	\$ 10,000	\$ 20,000	\$ 20,000	
STREET DIVISION-ASPHALT	\$ -	\$ -	\$ 343,956	\$ 130,520	\$ 200,000	\$ 200,000	\$ 200,000	
STREET DIVISION-PAVING REPAIRS	\$ -	\$ -	\$ 270,306	\$ 388,685	\$ 300,000	\$ 300,000	\$ 300,000	
STREET DIVISION-WINTER POTHOLE	\$ -	\$ -	\$ -	\$ 54,558	\$ -	\$ -	\$ -	
STREET DIVISION-CURBING SUPPLI	\$ 75,000	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	
STREET DIVISION-GRANITE CURBIN	\$ -	\$ -	\$ 135,000	\$ 135,000	\$ -	\$ -	\$ -	
DPW ADMIN/SUPPT-CONSULTANTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000	
DPW ADMIN-PAVING SUPP OVERRIDE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,150,000	
SUPPL STREET/SIDEWA-PUBLIC PRO	\$ 979,450	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
TRANSPORTATION-PAVEMENT MARKIN	\$ -	\$ 225,000	\$ 275,000	\$ 275,000	\$ 225,000	\$ 300,000	\$ 300,000	
TRANSPORTATION-TRAFFIC CALMING	\$ -	\$ -	\$ 150,000	\$ 175,000	\$ 175,000	\$ 350,000	\$ 350,000	
OVERRIDE FUNDS								\$ 1,400,000
STREET/SIDEWALK PAVING, SAFETY IMPI	\$ 1,418,450	\$ 1,870,000	\$ 1,715,262	\$ 1,710,000	\$ 1,660,000	\$ 2,410,000	\$ 2,410,000	\$ 3,810,000
		31.83%	-8.27%	-0.31%	-2.92%	45.18%	0.00%	58.09%

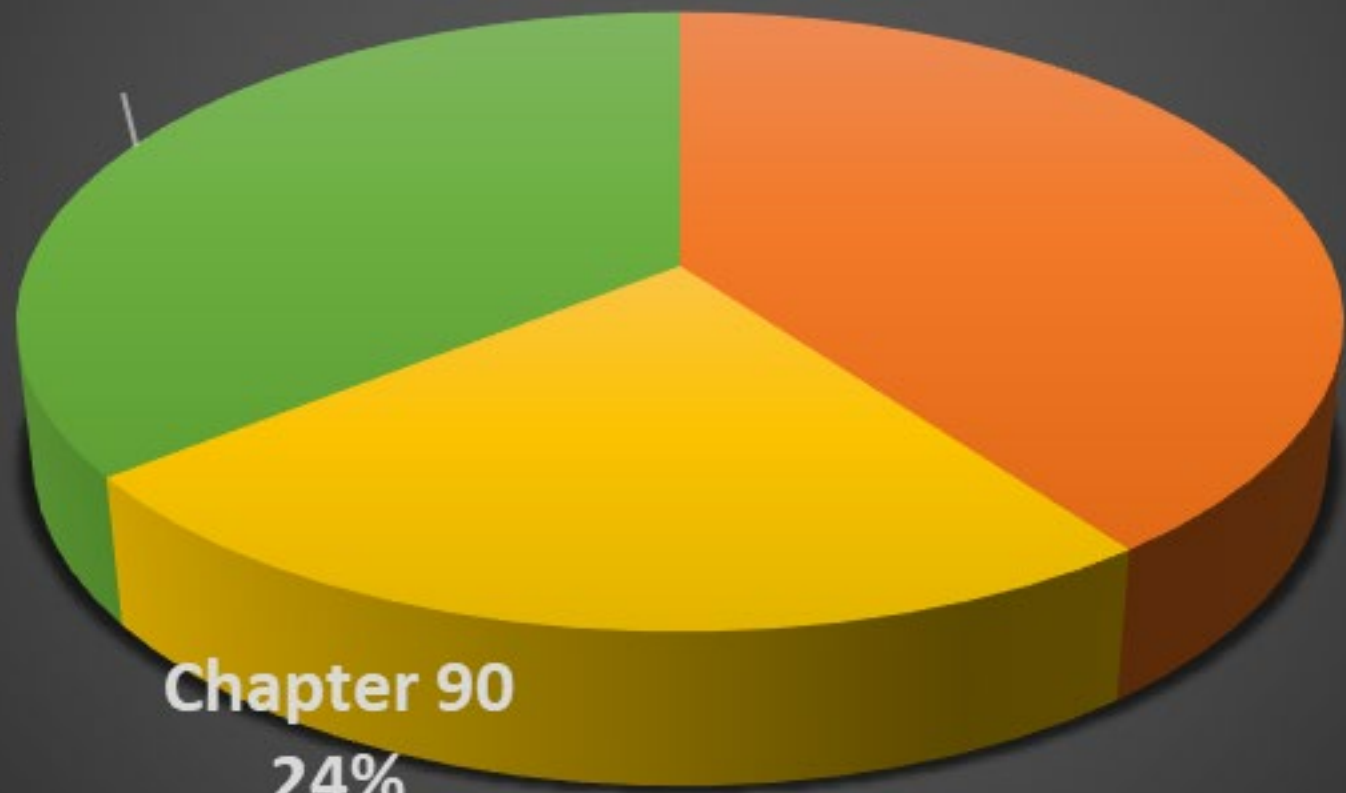
PLEASE NOTE: ADDITIONAL NON-GENERAL FUND SOURCES INCLUDE STATE CHAPTER 90 (\$2.3M), APPROPRIATIONS FROM FREE CASH, AND YEAR-END UNEXPENDED APPROPRIATIONS WITH THE GOAL OF TOTAL ANNUAL FUNDING FROM ALL SOURCES OF \$9.5M.

Paving Funding Sources w/Override- \$9.5 M

Free
Cash/Other
Appropriations
36%
\$3.4 M

General
Fund
40%
\$3.8 M

Chapter 90
24%
\$2.3 M



Voting by Newton for Newton

PARKS, ATHLETIC FIELDS, COURTS AND PLAYGROUNDS – \$1M



Parks and Public Grounds

- Village centers
- Community spaces
- Gardens
- Plantings
- Arts & Cultural activities
- Trails
- Swim facilities



Athletic Fields

- Mowing
- Field Prep
- Turf Maintenance
- Irrigation
- Aerification
- Topdressing



Sports Court Improvements

- Sealcoating
- Line Painting
- Hoop/Backboard Maintenance
- Tennis and Pickleball Crack Repairs



Playgrounds

- Updating out of date playground structures
- Accessible Surfacing
- Repairs

**CITY OF NEWTON PROPOSED OPERATING OVERRIDE
PARK & REC FACILITY IMPROVEMENTS AND MAINTENANCE**

ACCT DESCRIPTION	FY2017 ORIG	FY2018 ORIG	FY2019 ORIG	FY2020 ORIG	FY2021 COVID	FY2022 ORIG	FY2023 ORIG	OVERRIDE
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	FUNDS ADDED TO FY23 BASE
PUBLIC GROUNDS MAIN-SALARIES & COM	\$ 864,304	\$ 880,780	\$ 883,111	\$ 917,551	\$ 915,754	\$ 921,781	\$ 998,264	
PUBLIC GROUNDS MAIN-OPERATING EXPE	\$ 211,654	\$ 235,960	\$ 241,960	\$ 251,450	\$ 248,950	\$ 248,950	\$ 273,950	
PUBLIC GROUNDS REPAIRS & MAINT	\$ 550,000	\$ 550,000	\$ 575,000	\$ 575,000	\$ 575,000	\$ 700,000	\$ 700,000	
PUBLIC GROUNDS - ATHLETIC FIELDS	\$ 30,000	\$ 30,000	\$ 30,000	\$ 75,000	\$ 75,000	\$ 250,000	\$ 300,000	
PUBLIC GROUNDS MAIN-PLAYGROUND	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 225,000	\$ 150,000	\$ 150,000	
PUBLIC GROUNDS MAIN-BENEFITS	\$ 153,582	\$ 157,161	\$ 167,167	\$ 190,174	\$ 209,636	\$ 191,847	\$ 224,075	
OVERRIDE FUNDS								\$ 1,000,000
PARK & REC FACILITY IMPROVEMENTS A	\$ 1,959,540	\$ 2,003,901	\$ 2,047,238	\$ 2,159,475	\$ 2,024,339	\$ 2,537,578	\$ 2,646,289	\$ 3,646,289
		2.26%	2.16%	5.48%	-6.26%	25.35%	4.28%	37.79%

Voting by Newton for Newton

PLANTING AND NURTURING TREES - \$500,000



Tree Planting

Plant over 8,000
new trees by 2030



Young Tree Care

Care for improved
longevity



Tree Pruning

Prune every mature
Street tree every 5 years

TREE PLANTING & MAINTENANCE								OVERRIDE
ACCT DESCRIPTION	FY2017 ORIG	FY2018 ORIG	FY2019 ORIG	FY2020 ORIG	FY2021 COVID	FY2022 ORIG	FY2023 ORIG	FUNDS ADDED
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	TO FY23 BASE
FORESTRY SERVICES - SALARIES & COMPEI	\$ 616,696	\$ 632,152	\$ 672,922	\$ 689,672	\$ 653,523	\$ 752,252	\$ 764,932	
FORESTRY SERVICES - OPERATING EXPENS	\$ 231,510	\$ 219,010	\$ 231,310	\$ 259,710	\$ 218,210	\$ 214,810	\$ 265,040	
FORESTRY SERVICES-FORESTRY/TREE SER\	\$ 400,000	\$ 500,000	\$ 550,000	\$ 570,000	\$ 500,000	\$ 700,000	\$ 700,000	
FORESTRY SERVICES - BENEFITS	\$ 87,291	\$ 136,463	\$ 130,041	\$ 123,624	\$ 138,065	\$ 145,596	\$ 153,153	
OVERRIDE FUNDS								\$ 500,000
TOTAL TREE PLANTING & MAINTENANCE	\$ 1,335,497	\$ 1,487,625	\$ 1,584,277	\$ 1,643,007	\$ 1,510,698	\$ 1,812,658	\$ 1,883,125	\$ 2,383,125
		11.39%	6.50%	3.71%	-8.05%	19.99%	3.89%	26.55%

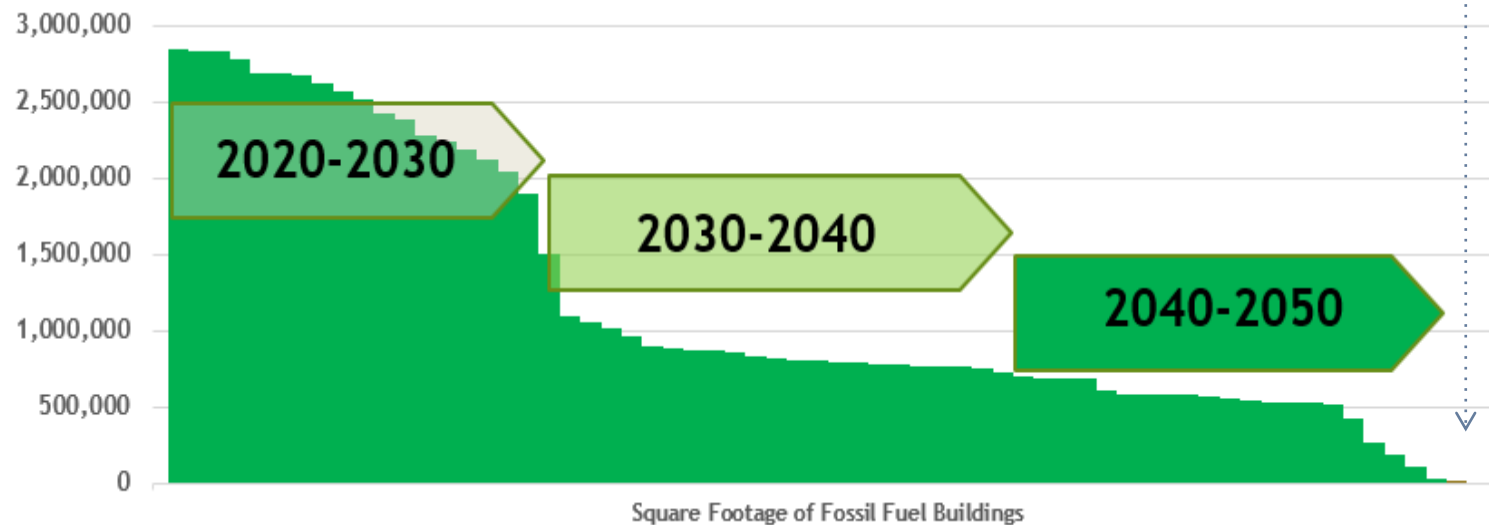
Voting by Newton for Newton

SUSTAINABILITY AND CLIMATE RESILIENCY- \$500,000



Phase out Fossil Fuels in
Newton Municipal &
School Buildings

Carbon-neutrality
by 2050.



**Newton leading in
age-friendly
programs &
services.**

- Expanded Programs
- Increased Services
- Dedicated Resources



New Senior Center Facility (NewCAL)

**CITY OF NEWTON PROPOSED OPERATING OVERRIDE
SENIOR SERVICES PROGRAMMING & OPERATIONS**

ACCT DESCRIPTION	FY2017 ORIG	FY2018 ORIG	FY2019 ORIG	FY2020 ORIG	FY2021 COVID	FY2022 ORIG	FY2023 ORIG	OVERVERRIDE
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	FUNDS ADDED TO FY23 BASE
SENIOR SERVICES SALARIES & COMPENSA	\$ 298,126	\$ 262,442	\$ 275,823	\$ 290,424	\$ 286,169	\$ 297,611	\$ 356,710	
SENIOR SERVICES - OPERATING EXPENSES	\$ 83,463	\$ 78,850	\$ 81,350	\$ 81,200	\$ 79,700	\$ 147,700	\$ 151,800	
SENIOR SERVICES-TRANSPORTATION	\$ 215,000	\$ 215,000	\$ 250,000	\$ 350,000	\$ 350,000	\$ 275,000	\$ 275,000	
SENIOR SERVICES - BENEFITS	\$ 52,904	\$ 39,481	\$ 60,656	\$ 62,249	\$ 77,751	\$ 81,287	\$ 87,810	
OVERVERRIDE FUNDS								\$ 500,000
SENIOR SERVICES PROGRAMMING & OPE	\$ 649,493	\$ 595,773	\$ 667,829	\$ 783,873	\$ 793,660	\$ 801,598	\$ 870,529	\$ 1,370,529
		-8.27%	12.09%	17.38%	1.25%	1.00%	8.60%	57.44%



**Newton Public
Schools**
Building for Our Future

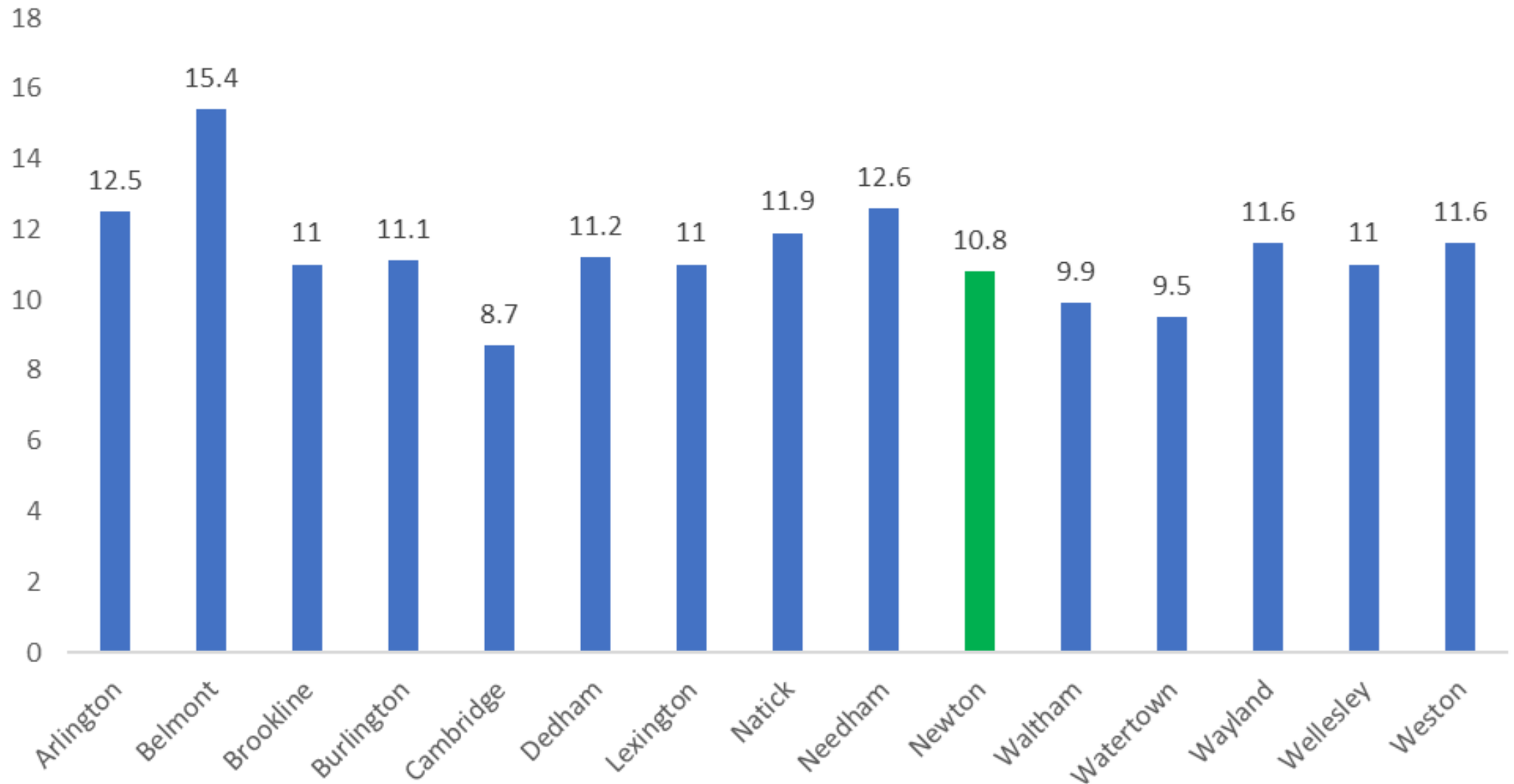


A review of NPS since 2013, the last operating override...



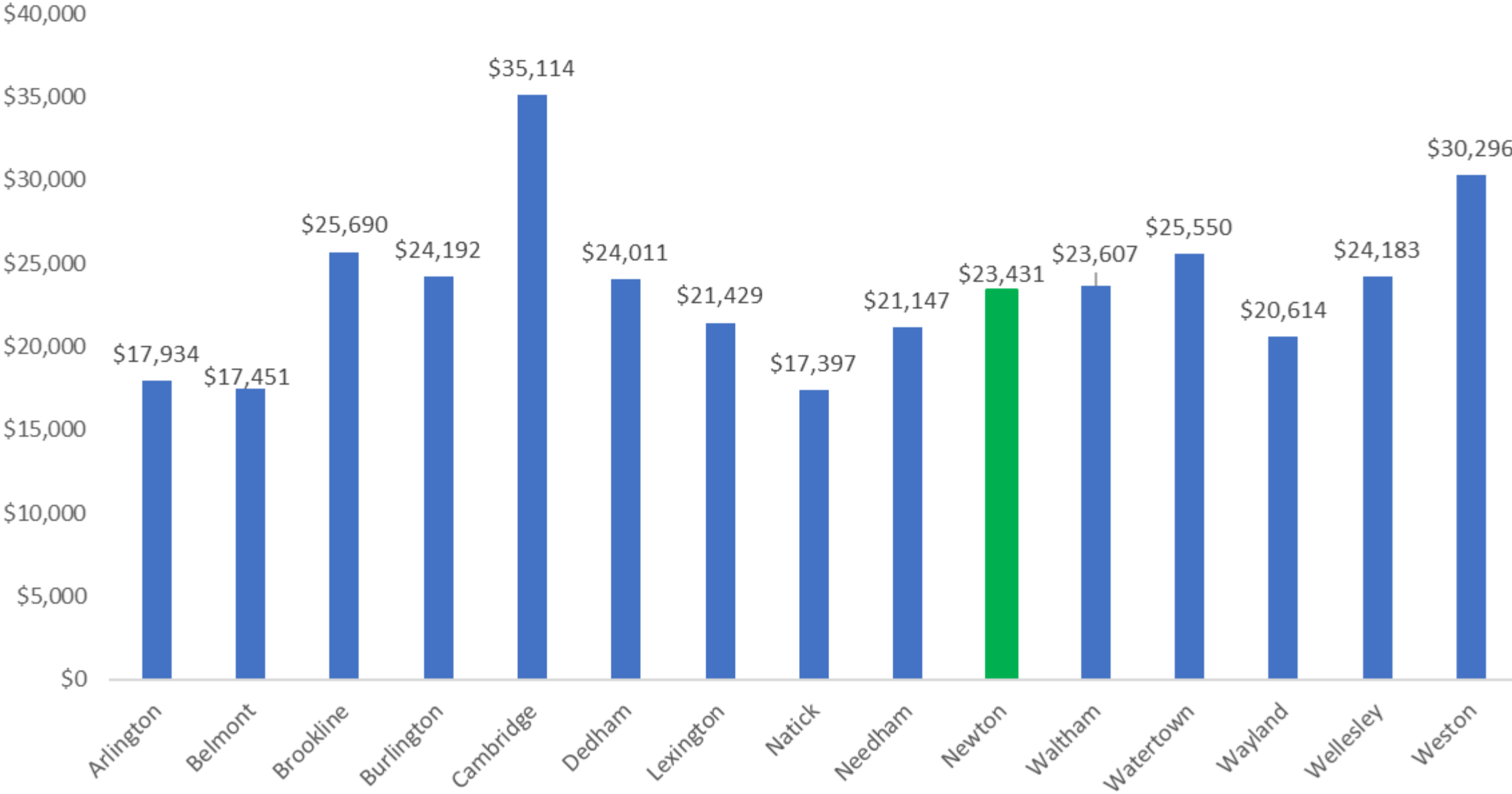
[Milestones Video Link](#)

Student:Teacher Ratio (FY22)



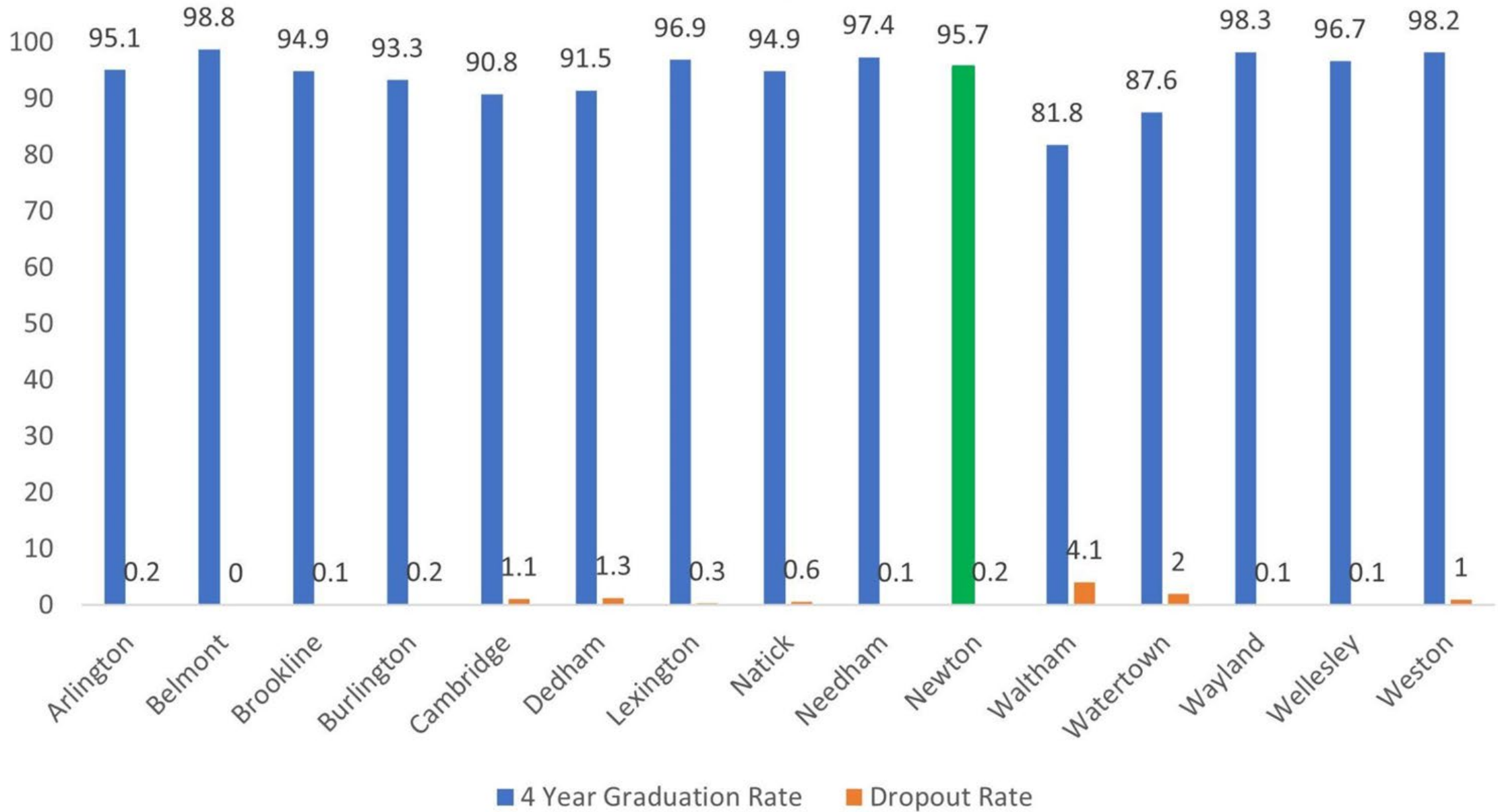
Source: DESE School and District Profiles

Per Pupil Expenditure (FY21)

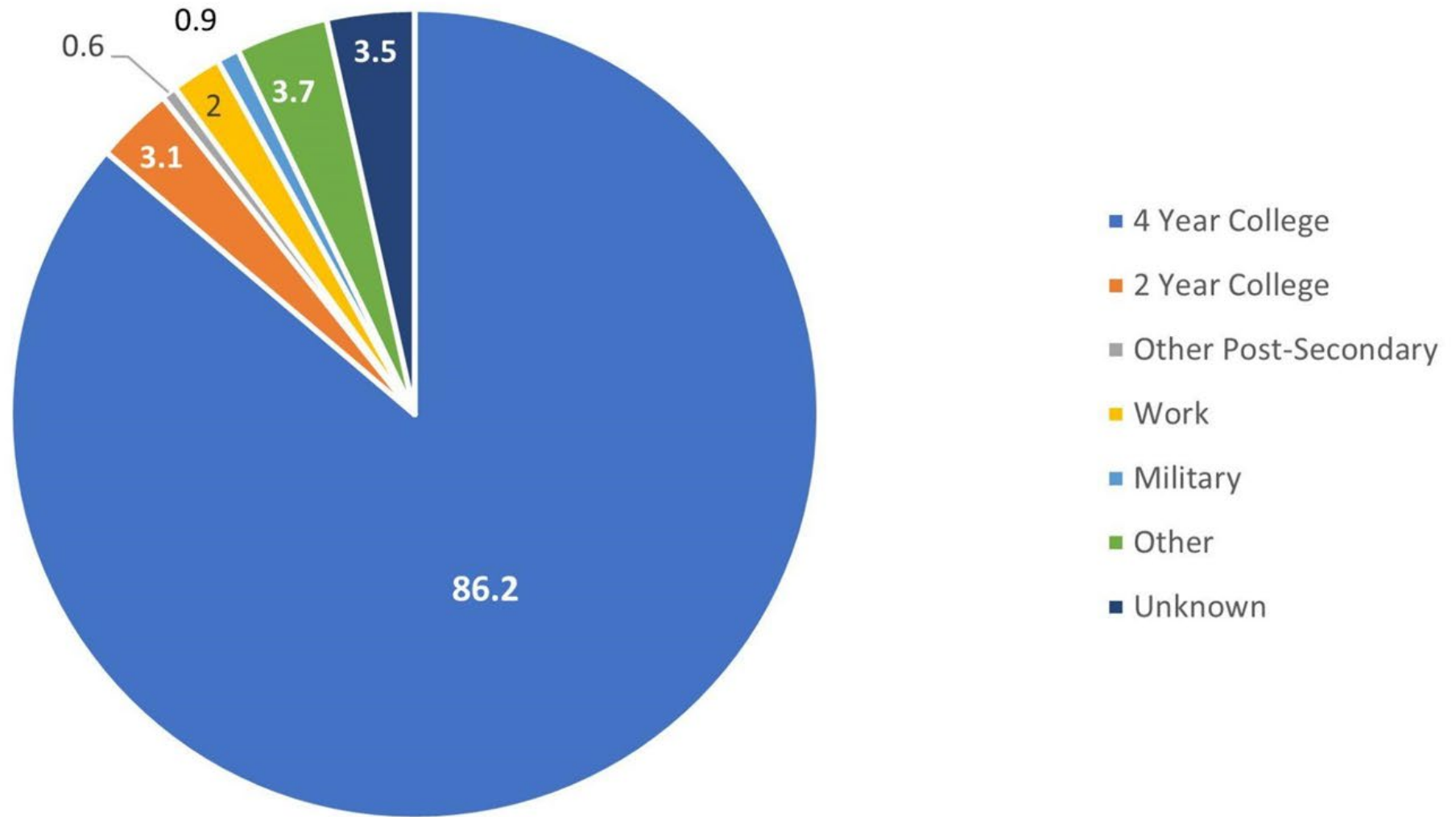


Source: <https://www.doe.mass.edu/finance/statistics/per-pupil->

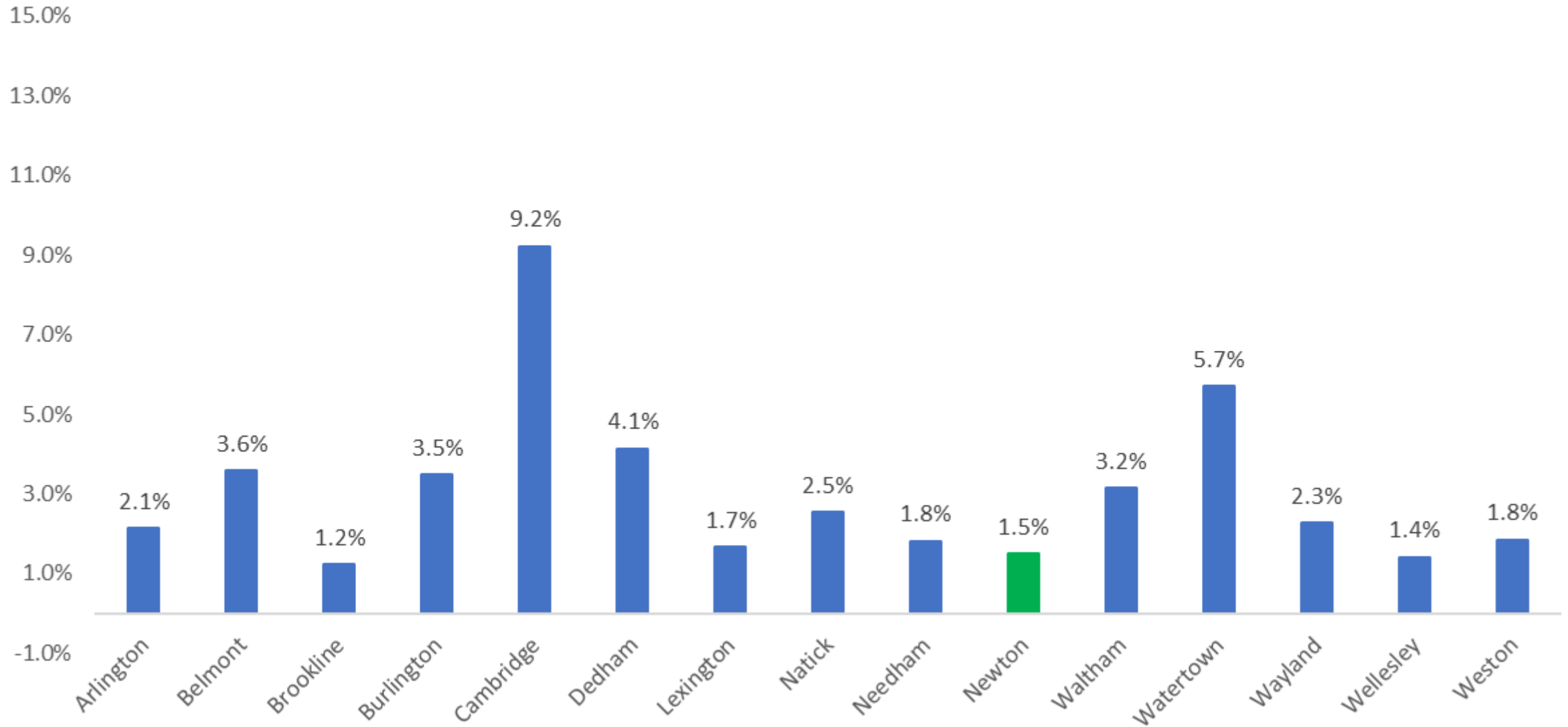
Graduation and dropout rates (FY21)



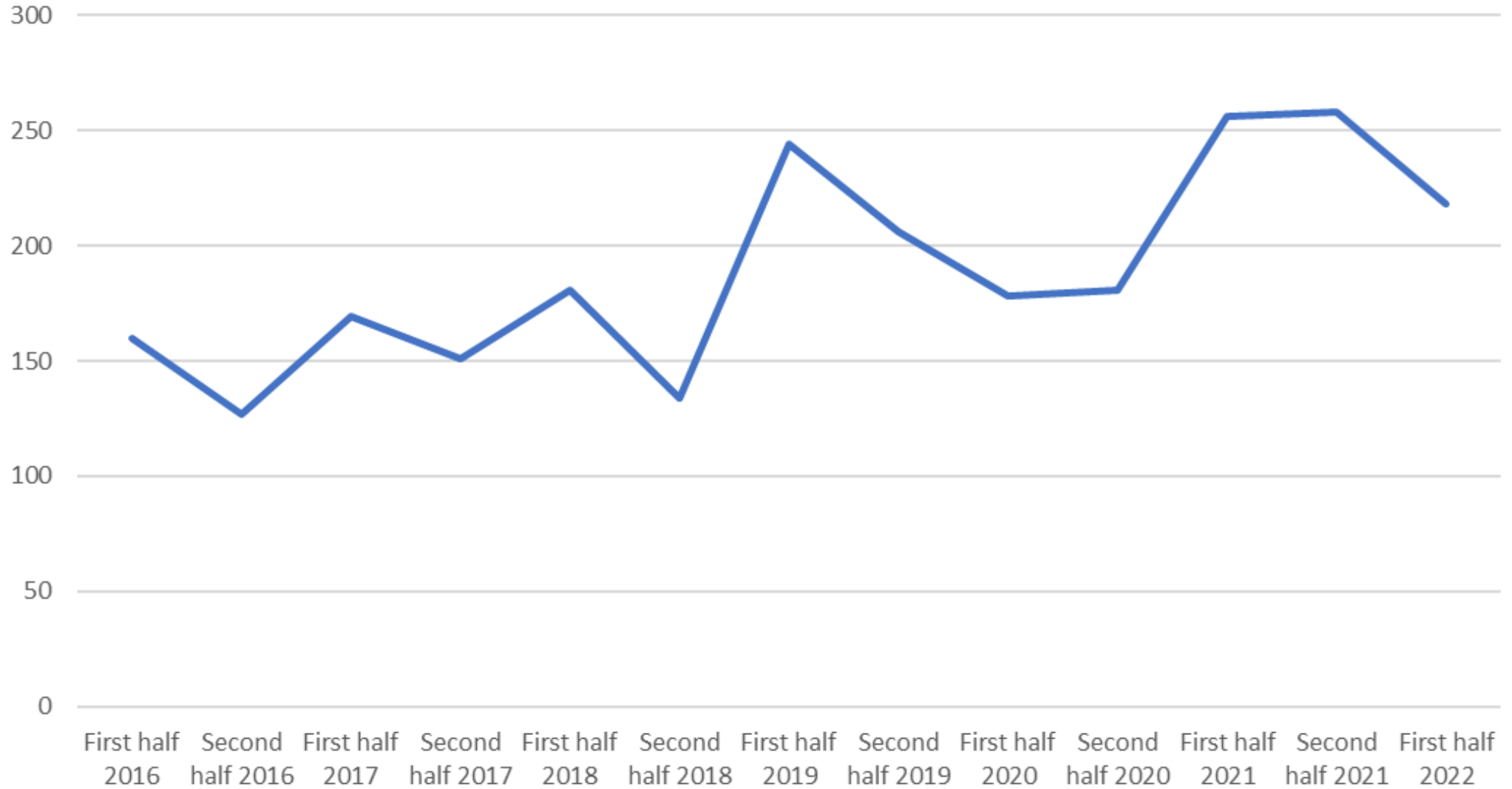
Student post-graduation plans (FY21)



Outplaced Students (FY21)



Mental health referrals 2016-2022



Referrals through William James INTERFACE Referral Service

OVERRIDE INVESTMENT FOR OPERATING BUDGET



Annual additional funding: \$4,500,000



The background of the slide is a faded photograph of a classroom. In the foreground, a teacher is seen from behind, leaning over a table and interacting with several young children. The children are focused on a task on the table. In the background, there is a chalkboard, a yellow storage bin, and a door with a 'GO' sign. The overall atmosphere is bright and educational.

What does this override mean for our district?

○ **Maintain:**

- **Strong, challenging, and engaging academic program**
- **Smaller elementary schools and school communities that are welcoming and inclusive**
- **Robust and meaningful mental health supports**
- **Modern, innovative, and readily accessible technology**

OUR COMMITMENT:

STRONG, CHALLENGING AND ENGAGING ACADEMIC PROGRAM OF STUDY



- Small class sizes with personalized learning
- Specialist teachers to support classroom instruction
- Academic coordination across district
- Multiple pathways for diverse learners (AP classes, CTE, etc.)





OUR COMMITMENT:

INCLUSIVE & WELCOMING SCHOOLS AND SCHOOL COMMUNITIES

- ● ● ● ● ●
- Smaller elementary schools
- In-district programming to serve needs of diverse learners
- ELL programs - more than 50 languages
- Athletics, fine arts, clubs, and activities beyond academia



OUR COMMITMENT:

ROBUST AND MEANINGFUL MENTAL HEALTH SUPPORTS



- Staff Specialists
 - School guidance counselors
 - Social workers
 - Adjustment counselors
 - Psychologists
 - Social emotional interventionists
- Programming
 - Social & emotional learning programs
 - Partnerships with community mental health organizations





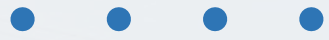
OUR COMMITMENT:

MODERN, INNOVATIVE, AND ACCESSIBLE TECHNOLOGY



- o Dedicated 1:1 device program
- o Interactive curricular material
- o Sophisticated assessment tools
- o Digital creation tools
- o Access to content by text, audio, & video

Q: Why is \$4.5 million needed for the operating budget?



A: Rising costs have or will exceed average yearly budget increase (3.5%)

- o Transportation
- o Health Insurance
- o Commitment to in-district programs and out-of-district tuition rates

A: Continued use of one-time funds (rollover, ESSER/ARPA) to fund recurring operating costs

- o Technology
- o Building Maintenance
- o Mental health supports

Q: What difference will \$4.5 million make for the district moving forward?

• • • •

A: The addition of \$4.5 million to the NPS operating budget will allow the district to maintain current programming and services and build a budget that is sustainable over time.

TAX RELIEF PROGRAMS

Voting by Newton for Newton

TAX ASSISTANCE FOR PEOPLE WHO ARE OLDER, DISABLED OR VETERANS

DOUBLING 7 PROGRAMS

EXPANDING 2 PROGRAMS

- Tax Relief
- Tax Deferral
- Tax Exemption
- Tax Work-Off (with Proxies)
- Water/Sewer Discount

Tax Relief Programs – Proposed Adoption of M.G.L. Chapter 59, Section 5C ½ - Docket Item # 500-22

DOUBLES THE EXEMPTION

- **For Older Citizens (Clause 41C)***

Mayor Fuller has proposed doubling this exemption from \$1,000 to \$2,000

- **Elderly Surviving Spouse, Minor Child (Clause 17D)***

Mayor Fuller has proposed doubling this exemption from \$219 to \$438

- **Disabled Veteran (Clause 22)**

Mayor Fuller has proposed doubling this exemption from \$400 to \$800 for partially disabled veterans, and from \$1,000 to \$2,000 for totally disabled veterans

- **Blind Persons (Clause 37A)**

Mayor Fuller has proposed doubling this exemption from \$500 to \$1,000

Tax Relief Programs – Proposed Special Act Requests

Docket Item # 501-22

- **Senior Property Tax Work-Off Program**

Mayor Fuller has proposed increasing the maximum number of hours worked from 125 hours to 200 hours and doubling this exemption from \$1,500 to \$3,000

- **Veteran Property Tax Work-Off Program**

Mayor Fuller has proposed increasing the maximum number of hours worked from 125 hours to 200 hours and doubling this exemption from \$1,500 to \$3,000

Tax Relief Programs – Proposed Ordinance Change

Docket Item # 484-22

- **For Older Citizens: Tax Deferral (Clause 41A)***

Mayor Fuller has proposed increasing the total gross income limit from \$86,000 to \$93,000

- **Newton Water and Sewer Discount Program**

Upon approval of the income limit for the Tax Deferral Program, the total gross income limit for the city Water and Sewer Discount Program will automatically be increased from \$86,000 to \$93,000

Voting by Newton for Newton

WHAT WILL THIS COST ME?

OVERRIDE CALCULATOR

City of Newton, Massachusetts

Estimated Property Tax Increase From March 2023 Property Tax
Override

Please enter an address below:

House Number

Street Name

Unit (if applicable)

Search for this Property

[NEWTONMA.GOV/OVERRIDE](https://newtonma.gov/override)

Voting by Newton for Newton

WHAT WILL THIS COST ME?

MEDIAN SINGLE FAMILY HOME VALUE \$1.2 million IMPACT

Q1: OPERATING
OVERRIDE
First Year (FY24)
\$290

Q2 & 3: DEBT EXCLUSION
OVERRIDES
Seventh Year (FY30)
+\$183

~25th PERCENTILE SINGLE FAMILY HOME VALUE \$750,000 IMPACT

Q1: OPERATING
OVERRIDE
First Year (FY24)
\$173

Q2 & 3: DEBT EXCLUSION
OVERRIDES
Seventh Year (FY30)
+\$110



QUESTIONS