

CITY OF NEWTON

BOARD OF ALDERMEN

JOINT FINANCE, PROGRAMS & SERVICES AND
COMMITTEE OF THE WHOLE REPORT

WEDNESDAY, NOVEMBER 14, 2012

Present: Ald. Baker, Blazar, Crossley, Danberg, Fischman, Fuller, Gentile (chair), Harney, Hess-Mahan, Johnson, Kalis, Laredo, Lappin, Linsky, Merrill, Rice, Salvucci, Sangiolo, Swiston, Yates and Lennon

Absent: Ald. Albright, Ciccone and Schwartz

Also present: Robert Rooney, Chief Operating Officer; Maureen Lemieux, Chief Financial Officer; Police Chief Howard Mintz; Asst. City Solicitor Ouida Young, Superintendent David Fleischman; Asst. Superintendent Sandy Guryan; and School Committee Members Matt Hills and Jonathan Yeo

REFERRED TO FINANCE AND APPROPRIATE COMMITTEES

#322-12 HIS HONOR THE MAYOR submitting the FY14-FY18 Capital Improvement Program pursuant to section 5-3 of the Newton City Charter. [10/09/12 @ 2:38 PM]

ACTION: PUBLIC HEARING OPENED AND CLOSED; ITEM HELD

NOTE: Ald. Gentile opened the Committee of the Whole and reminded the Board that the Capital Improvement Plan would be voted on as part of the budget in April or May. He introduced Chief Operations Officer Robert Rooney who made a presentation on the FY14 – FY18 Capital Improvement Plan for the Public Hearing. Mr. Rooney reminded the Board that the CIP is a living document and things do need to change. In the past 30 days hurricane Sandy destroyed the Salt Sheds at Crafts Street and the Manet Road Reservoir property has become available, so the document is updated to both deal with, and take advantage of, current situations.

The CIP is a five year plan and includes a comprehensive list of Capital projects that the City will need to undertake in the next 20 years. Of the 41 Capital projects that were approved for FY13, 90% have already been started. The City has improved the capital project process by getting projects started within the first five months of the fiscal year.

In a few months the Mayor will be docketing the FY14 projects for approval by the Board of Aldermen. The Capital Improvement Plan as presented counts on funds from the overrides. School projects will account for \$23 million, municipal building projects will total approximately \$10 million, water and sewer projects \$10 million, and roadwork and vehicles \$4 million.

His presentation is attached to this report.

Ald. Yates asked if the Zervas project listed in the FY14 projects was the full replacement of the building or if it accounted for just small projects. Mr. Rooney noted that this was for the feasibility study.

Ald. Yates also asked if the recent structural report on the Elliot Street Bridge that indicated that the bridge was in worse condition than thought would call for a reexamination of the Wales Street Bridge Project which is in the CIP and possible substitution of the Elliot Street Bridge Project to take its place. Mr. Rooney responded that the full scope of the problem is not known yet, but if it is in worse condition, he would be amenable to moving the Elliot Street Bridge up in priority.

Ald. Baker was concerned that some projects listed in the CIP as CPA fundable might be better funded with other funds, or that these projects would not be funded by the CPA at all. Mr. Rooney stated that they are listed as "CPA Eligible" because they did not want to make the decision for the CPA.

Ald. Johnson asked what the long term plan for the Carr School and Horace Mann School will be.

Ald. Fischman asked if some money could be set aside for work along Needham Street. If there are amenities that the state is not willing to pay for, Mr. Rooney noted that the City should be prepared to take on some of those costs, or create a Business Improvement Zone where the businesses could choose to pay for them.

Ald. Fuller asked why the Storm Water Assessment was not being addressed until FY17 and asked if it could be done sooner. She also asked what is happening with the stalled CPA projects that have already been funded. What is the status of each of these projects?

Ald. Fuller noted that the Pavement Condition Index is broken out by functional classification and by the second classification system which includes boulevards, parkways, scenic roads, etc. and asked what the current paving condition is for each of these two types of classifications. If the City continues to use Chapter 90 funds, what will be the Pavement Condition Index over the next 20 years and if we get the override what happens? She also noted that it seems that the CIP is short by \$1 million to get us to a maintenance of effort situation on our roads.

Mr. Rooney stated that currently 45% of our roads are in the "poor" or "deficient" condition. With the override funds the City will be able in 5 years to get all our major roads to at least a "good" condition. In 15 years all of our roads would be out of the "poor" or "deficient" category. Ald. Fuller asked to see the data that was used for these claims. It was asked what will happen if the override fails, does that mean we will only be able to do 40% of the projects identified? Mr. Rooney noted that without the override the City will be in a hole that it will not be able to address in a timely manner.

Ald. Lappin asked why the IT Infrastructure Plan will not be completed in the next 2 to 3 years as was required by the IT group, but seems to be strung out over 6 years. Maureen Lemieux stated that the fiber project is on track to be completed in three years and that funds listed in

future years are for other IT projects. The Chief Information Officer is working on a long-term plan. Ald. Lappin asked for information on the status of the Fiber Loop Plan.

It was asked when the CIP will be updated with the projects like the Salt Sheds that have just been identified. Mr. Rooney noted that the Executive Office would be presenting something in the next few months.

Ald. Crossley asked about staffing. Does the city have the staff to undertake these CIP Projects listed in the plan? She noted that internal staffing is extremely important and some of the CPA projects have stalled for lack of staffing. Ald. Crossley would like to see both short and long term staffing plans developed.

Ald. Crossley stated that there is so much work to do to get our heads around what needs to be done in each of the three school buildings included in the override. We are only guessing at numbers at the moment. She noted that it is right to ask for the override right now, but there needs to be more detail on the process including the swing space and how the school projects fit together. Mr. Rooney called everyone's attention to the appendix of the CIP for information.

Ald. Hess-Mahan noted that there are a significant number of projects in the CIP that have a funding source of Community Development Block Grants (CDBG). He would like to make sure that there is money for Affordable Housing Projects and would like to see a comparison of the amount of money available through CDBG and what is included for CDBG funding in the CIP.

Ald. Swiston asked why the Zervas School is showing up at project 33 in the CIP list, when the project is an important project. Mr. Rooney responded that the projects in the top tier are there because they involve life-safety issues. Space is critical, but does not compete to the same level as life-safety issues. Ald. Swiston would like to see the formula used to rank the projects adjusted to better reflect the needs at Zervas. She is finding it hard to say that we are asking for an override to address Zervas when it is number 33 on the list.

Ald. Swiston asked about Lincoln-Eliot as it featured at number 7 on the CIP priority list but has not been talked about much as part of the override discussion. Asst. Superintendent Sandy Guryan noted that the modular classrooms listed there are to address short term space needs and that the modulars may or may not be placed at Lincoln-Eliot.

Ald. Danberg asked about the status of the sidewalks. Mr. Rooney noted that in the appendix of the CIP there is information on the sidewalk projects. Ald. Danberg asked for the plan for sidewalk replacement. Mr. Rooney said that the DPW crew did a phenomenal job this summer dealing with the sidewalk replacements. There had been a backlog of 400 panels and that was eliminated this summer. Adding sidewalks where none exist now did not do as well, and more needs to be done in this area. The Override does include funds for sidewalks and will allow us to quadruple our work.

Ald. Kalis asked how the City has been able to cover the additional costs at Carr. What has the Mayor's Office delayed or cancelled to find the funds for these overruns and cost escalations. He asked if the Mayor's Office could start implementing a system that shows the initial cost of a

project and what happened to the costs over the course of the project. Mr. Rooney noted that most projects come in under budget and it is only the ones that go over budget that you hear about. Funds budgeted but not used for projects can be transferred to cover the costs of other projects. Ms. Lemieux reiterated that the City has many projects that have come in under budget. Carr school costs have escalated because the scope of the project has changed. The windows and the roof are now included as part of the project because the School Department will need to use this space for a long time and they need to be replaced. Since Carr will be used for the next 20 years, it makes sense to do them now.

Ald. Kalis asked for a list of completed and in process Capital projects and whether they are over or under budget from the initial estimate, ending cost, overage/leftover, and implications.

Ald. Gentile opened the Public Hearing and with no one from the public seeking to be heard, the Public Hearing was closed.

REFERRED TO FINANCE COMMITTEE

#323-12 **HIS HONOR THE MAYOR** requesting local acceptance of the following sections of Massachusetts General Laws Chapter 59 related to tax exemptions:

- The provisions of Chapter 59 section 5 added by Chapter 181 of the Acts of 1995, which authorizes an annual increase in the amount of the exemption granted to senior citizens, surviving spouses and surviving minors under General Laws Chapter 49, Section 5, Clause 17D by up to 100% of the percentage increase in the U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index (CPI) for the previous year as determined by the Commissioner of Revenue, and to fix that annual increase at 100% of the CPI: to be effective for exemptions granted any fiscal year beginning on or after July 1, 2013.
- Chapter 59, Section 5, Clause 17E, which authorizes an annual increase in the asset (the whole estate) limit for exemptions granted to senior citizens, surviving spouses, and surviving minors by the percentage increase in the U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index for the previous year as determined by the Commissioner of Revenue, to be effective for exemptions granted any fiscal year beginning on or after July 1, 2013.
- Chapter 59, Section 5, Clause 41D, which authorizes an annual increase in the income (gross receipts) and asset (whole estate) limits for exemptions granted to senior citizens by the percentage increase in the U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index for the previous year as determined by the Commissioner of Revenue, to be effective for exemptions granted any fiscal year beginning on or after July 1, 2013.

- Chapter 59, Section 5N to establish a Veteran's Tax Work-Off Program that will authorize a qualifying veteran or a proxy, if the qualifying veteran is physically unable to perform the work, to work-off up to the maximum reduction of the real property⁷ tax bill based on 125 volunteer service hours in a given tax year. .
- Chapter 59, Section 5K, (Senior Tax Work-Off Program) and the amendment to Section 27-20 of the Revised Ordinances of the City of Newton 2012 to allow the maximum reduction to be based on 125 hours of service, rather than \$1,000, as well as discussion of adopting a provision to allow a proxy to perform the work on behalf of a qualifying senior who is physically unable to perform the volunteer service.

ACTION: ITEM HELD IN COMMITTEE OF THE WHOLE

NOTES: Chief Financial Officer Maureen Lemieux made a presentation on #323-12, the tax exemptions request, and #324-12 the Override questions. The presentation is attached.

Ms. Lemieux presented the five recommendations for additional tax exemptions that the Mayor is proposing to be adopted. There are four informational brochures that have been developed and copies were distributed to Board members. Copies of these brochures are attached.

Ald. Danberg asked if the asset limitations included IRAs or other assets that individuals could not easily access. Ms. Lemieux indicated that those are included as an asset in the income calculations.

Ald. Lennon asked if the cost of living increases included in Chap 59, Sec. 5, Clause 17E would have to be voted on each year by the Board of Aldermen. Ms. Lemieux indicated that once the statute is adopted those increases are automatically calculated each year by the DOR using the Consumer Price Index and do not need to be approved by the Board.

REFERRED TO PROGRAMS & SERVICES AND FINANCE COMMITTEES

#324-12 HIS HONOR THE MAYOR requesting the following:

- (1) To present the following levy limit override and debt exclusion ballot questions to the voters in accordance with the procedure prescribed by Massachusetts General Law Chapter 59, Section 21C(g) and (k):
 - Shall the City of Newton be allowed to assess an additional \$8,400,000 in real estate and personal property taxes for the purpose of funding municipal and school operating and capital expenses to support increased student enrollment, fund street and sidewalk paving, fund public safety personnel, address the condition and capacity of Zervas Elementary School, fund the relocation of the fire Department Wires Division, and

fund the replacement of Fire Headquarters and Fire Station 3 in Newton Centre for the fiscal year beginning July 1, 2013?

Yes _____ No _____

- Shall the City of Newton be allowed to exempt from the provisions of Proposition 2 1/2, so called, the amounts required to pay for the bonds issued in order to renovate or replace the A.E. Angier Elementary School?

Yes _____ No _____

- Shall the City of Newton be allowed to exempt from the provisions of Proposition 2 1/2, so called, the amounts required to pay for the bonds issued in order to renovate or replace the Cabot Elementary School?

Yes _____ No _____

(2) A request to call a special election to present the levy limit override and debt exclusion ballot questions to the voters and set a date of March 12 2013, for such special election.

(3) A Request to appropriate from Budget Reserve the sum of eighty-five thousand dollars (\$85,000) for the purpose of funding the costs of a special election to present the levy limit override and debt exclusion ballot questions to the voters.

ACTION: ITEM HELD IN COMMITTEE OF THE WHOLE

NOTES: Chief Financial Officer Maureen Lemieux made a presentation on #323-12, the tax exemptions request, and #324-12 the Override questions. The presentation is attached.

Residents will be asked to vote on three questions. One operational override and two debt exclusion overrides.

Question #1: Ms. Lemieux discussed the components of the \$8.4 million override. She stated that an operating override is a permanent increase to the tax levy. The first year of the increase will be used for the items that are specifically stated in the ballot question. However, as time goes on, there is no requirement to spend specifically for those items in future years.

Of the \$8.4 million, growth in school enrollment will cause the use of \$3.5 million and another \$1 million will be used for space needs such as modular classrooms. She noted that by year two the operating impact in the schools will be more than \$4.5 million and it will all be spent on teachers. \$1 million of the \$8.4 million will be used for streets and sidewalks, \$.5 million for four additional police officers, and \$1.6 million for debt service on Zervas, Fire Station #3, Fire Headquarters, and additions to Fire Station #10.

Superintendent David Fleischman presented the enrollment numbers which have been increasing over the last eight years. Five hundred new students have come into the system in the last three years. Our enrollment has increased by four thousand over the last few decades, but we have the same number of facilities. The City has more students per classroom because of this increase.

The \$1 million targeted for streets and sidewalks will be used to make sure that the streets and sidewalks which are in terrible repair will be repaired with a concentration on those streets and sidewalks that are within a quarter mile radius of schools and village centers.

Our number of sworn officers is at an all-time low and the \$.5 million will be used to add four additional officers to the Police force.

Fire Station #3 and Fire Headquarters will be replaced to bring them up to seismic code, increase the size of the building to accommodate the equipment, and to have the engines exit directly onto Center Street instead of onto Willow Street as they do now thus cutting down on response time. The wires division currently at fire station #3 will move to station #10.

Zervas School will be an 80,000 sq. ft. building and is a \$40 million dollar project. This school is important in that it is on a large site and in the center of the city. We have an opportunity to increase the size of the building while keeping it within what residents want for a neighborhood school.

Question #2: Debt Exclusion for Angier School. The term of this debt will be 30 years, which means that this additional tax will be on the tax bill for the next 30 years. In terms of timing, the debt exclusion will not be put in effect until the bonding has been approved by the Board of Aldermen. The state allows for bonded debt reserves and the hope is that once the projects are approved the city can start taxing and placing the funds in a bonded debt reserve so that in years when the debt is going to be more than usual, we can use the money in the reserve to smooth the spike. The tax increase will begin the November after the Board's vote.

If the cost rises substantially, determined to be over 5%, then the DOR will require the city to go back to the voters to increase the debt exclusion, or the city could figure out how to cover the remainder of the project within its operating budget.

Angier is projected to be a 75,000 sq. ft. building with a total project cost of \$37 million. The Massachusetts School Building Authority (MSBA) will provide approximately \$10 million in reimbursement. The local share will be approximately \$27.5 million.

Question #3 will be a debt exclusion for Cabot School. The project will be an 85,000 sq. ft. building with a projected cost of \$45 million with a \$10 million reimbursement from the MSBA. The local share will be approximately \$35 million.

The Mayor's Office is comfortable with the estimates for the building. They consulted the design firm that was hired for the Angier project. The firm has three schools that have recently been completed or are currently in construction and the estimates for Angier are in line with what the firm has recently done. Ms. Lemieux also checked on other school building projects in the state and is comfortable that they have the right numbers. Ms. Lemieux believes that the cost estimates are conservative and that they are as tight as prudently possible.

The costs for Cabot included a little bit of an escalation factor because it will be started later.

Ms. Lemieux noted that there is a tax impact calculator on the city's webpage for both residential and commercial properties. The impact will be about 50 cents per \$1,000 of valuation. For the average homeowner with a median home value of \$686,000 it would be a \$343 tax increase.

Ald. Gentile asked Superintendent Fleischman what the plans for the Carr School will be and how long it will be used as swing space. He responded that it will be used for swing space for a very long time. Twelve of the 15 elementary schools need work and Carr will be used as swing space for the next 20 – 25 years.

Ald. Baker asked Ms. Lemieux if the amount being asked for in the general operating override is enough given the large need and the continued increase in enrollment in the schools. He noted that Aldermen in areas of the City that do not include one of these new school projects at this time are going to have to make a case for the general good and is the number sufficient for that. He also asked if the city is frozen in the allocations of the funds as described in the ballot question and if the Mayor set on the number to ask for.

Ms. Lemieux responded that the administration thought long and hard about what to ask for. They knew that some people would think that they had not asked for enough and others that we had asked for too much. The office tried to strike a balance and to find a number that would cover the costs without asking for more money than is needed. If the growth continues in the schools, the \$4.5 million being asked for in the general operating override for the schools will not cover the costs in the next five years. But the administration feels that it can live within this number. She noted that the City has great union contracts and that there are places to continue to realize cost savings. The goal will be to free up money for other things that city needs. In terms of the impact on residents, everyone with students in the city will be impacted by the growth in enrollment. She noted that as the City builds these three new schools, the cost of technology will be built into the projects, thus rather than taking our technology budget and spreading it over 15 elementary schools, we will be spreading it over 12. Everyone will benefit from this.

Ald. Fuller asked about Zervas and Cabot. She noted in the schedule that the plan is to do Angier, then Cabot, then Zervas. They are planned to be done sequentially so that we can use the Carr swing space. She asked why the plan was not to also make Zervas a debt exclusion question which would leave the City the opportunity to apply to the MSBA for up to \$10 million or more to mitigate the cost. The City has a billion dollars in capital infrastructure needs. Every million dollars that can be reimbursed from the state is hugely important. With Zervas as part of the general operating override, the administration is shutting the door on this money.

Ms. Lemieux stated that the MSBA has told the city that they will not entertain funding three schools at the same time. If this all passes, the city will do the feasibility studies on Cabot and Zervas at the same time. If possible, we will move on Zervas much faster. Ms. Lemieux stated that she is not convinced that the projects have to be done sequentially because Zervas is a large site. She believes that there is the possibility that an addition could be built while the school is being used, then move the students to the addition and renovate the current spaces. Zervas is a smaller school and the needs for swing space are much less than some of the other schools.

Maureen reiterated that the MSBA has told them that they will not entertain three schools at a time.

Ald. Fuller noted that by doing Zervas as a debt exclusion override, the City does not have to ask the MSBA for money, but it does leave the door open to do that, should we find after the feasibility study that we have to do them sequentially. It may also be the smartest thing to do them sequentially given our financial situation. We have not even done the feasibility studies yet to see what we can do.

Ald. Fuller asked about the \$4.5 million which is in the operating override to cover increased enrollment. She asked if the schools need the entire \$4.5 million in FY14 or will it be needed by FY15. Could the Board get a spreadsheet of the \$4.5 million over time? Maureen responded that in FY14 the schools will need \$3.5 million to cover enrollment costs and \$1 million will be used for modulars and space. By year two, the operating budget will require more than the \$4.5 million will cover.

Ald. Fuller noted that major crimes in the city are down substantially. We seem to be a safer city. Cycling and pedestrian numbers are up but are small numbers. She would like to understand what the four police offers will be doing and asked for that information in writing. Police Chief Mintz noted that the Police Department is at the lowest staffing levels in 30 years. Currently the Police Department does not have a traffic specialist on Saturday or Sunday and could use one especially on Saturdays. The Chief could easily put two officers in the Traffic Bureau. The City is currently having a problem with car burglaries and house breaks and he could use two officers engaged in specialized patrol. If someone calls the Police Department for crime prevention, there is no one trained or specialized in that area right now. The department also needs laptops for four cruisers and additional vehicles which the override will help address.

Ald. Gentile noted that he felt that the Board will vote to put the override questions on the ballot, and hoped that the Board could finish its discussions sooner rather than later so that plans could be made to provide information to the public. The Board will meet again on November 29th, to continue discussion and ask any final questions. If the committee work is completed that night, the item could be voted on December 3rd. He asked that the Board focus its attention on the text of the questions.

Ald. Baker asked for clarification on the Board's role in its ability to amend the language of the questions. What is the scope of the Board's authority to shape the questions, or the number of questions presented, or different questions be proposed?

Ald. Gentile noted that he was surprised to hear that we could not put a specific dollar amount in the question for the voters to know what they were voting on. The state is very restrictive in how the questions can be worded.

Ouida Young responded that Ald. Gentile was correct; the statute is very strict about what language can appear on the ballot. The debt exclusion cannot include the dollar amount so this is where informational presentations are key to getting that information to the public. The numbers

presented in the information will be key in future years as those numbers will be used to determine if the cost of the project has gone substantially over what was presented to the voters.

For the operational override to go to the voters, this is where the Mayor and the Board have to come to an agreement over what the language should be. If the board doesn't vote what the Mayor has suggested and he does not agree to the change, he can choose not to allow the question to go forward to the voters.

Ald. Baker asked if the Mayor could veto the item. Ms. Young responded that he could. Ald. Yates asked if the Board has the option of overriding the veto. Ms. Young responded that this is a charter question and asked for some time to reflect on that question. Ald. Baker asked if the Board so chose, could it approve the Zervas component as its own debt exclusion item. Ms. Young noted that there are a number of ways to get a debt exclusion question on the ballot, but wanted to take the time to reflect on this. Ald. Baker asked for an outline from the Law Department of the Board's options.

Ald. Crossley noted that the questions that are being asked about the overrides are because the Board is lacking details. She would like to know more about what is behind the numbers. She asked Ms. Lemieux how comparable the site conditions are of the projects in other communities that were referenced in the presentation to the sites of the proposed Newton building projects. Ms. Lemieux noted that three of the buildings were done by Denisco and that additional information can be gotten from them for the meeting on the 29th. Ald. Crossley asked if the numbers include all of the related site work costs. Ms. Lemieux noted that the estimates include those costs. The numbers have been run by the owner's project manager to make sure that they are in-line with where they should be.

Ald. Crossley asked that if it is found that the enrollment numbers cannot be sustained over the next five years, what is plan B. What will be deferred or cut? Maureen Lemieux stated that if all of our costs are allowed to increase at the current rate, by FY18 we will have a \$10 million gap. That sounds daunting, but each year the Administration can make these numbers work. It is not insurmountable.

It was asked if there is a way to see some numbers that show that we can sustain this enrollment growth if we pass the override. How much can they continue to grow and have this override sustain this need? Ms. Lemieux stated that they can continue to grow by the School Departments projections.

Ald. Kalis stated that the City needs to be planning ahead. We have an opportunity to make sure we plan ahead. Ms. Lemieux stated that we have a challenge, but she is hopeful that cost savings over the next few years will make up that \$10 million gap. Trends in health insurance rates alone, if they continue as they have, will make up \$3 million of that gap. The City is looking at doing more energy projects, purchasing energy efficient vehicles, and other projects. These will help to save additional funds to make up the balance of that gap. These numbers are manageable.

Ald. Kalis asked why the Chief is asking for 4 officers and not some other number. Why is it not two? He asked for more information to understand the request.

Ald. Hess-Mahan asked if the override can wait until we know the actual cost for the schools from the MSBA process. He understands why the City would want to get the operating override question on the ballot in March; the answer from the voters will assist in the budgeting process in April. He also believes that we should be doing a debt exclusion for Zervas. It concerned him greatly that the City does not have real numbers for these school projects. Our last two school building costs rose and the costs for Carr have already gone from \$8.5 million to \$12 million. At this point there is not even a site plan for these schools. Even with an approved site plan for Newton North High School, the cost still rose by \$40 million after that. Why can't the Administration wait to bring this to the voters at least until the MSBA has approved a budget for the Angier project in June. The same goes for Cabot and Zervas, why can't we wait until at least we get the numbers from the MSBA to put these questions before the voters?

Ms. Lemieux noted that they have struggled with when the questions should go before the voters and what questions should be put before the voters. This was not an easy decision at all. She completely understands what is being asked, but what we have put before you is a five year plan. This is a plan that will enable the School Committee to know where they are going for the next five years. The vote will also let the Administration know if the community backs these projects. Superintendent Fleischman stated that the schools are in such significant need of space that they can't wait. Zervas offers an opportunity for additional capacity in a key part of Newton. Ms. Lemieux noted that we don't have all the answers, but it is a five year plan. The Administration talked about spreading these requests out, but feels that this plan is the best attempt at providing a five-year plan.

Ald. Swiston encouraged a re-look at pieces that could be pulled out for a debt exclusion. She is concerned about the suggestion that has been made, that the Board increase this override even more. She has heard from many people that they are hurting financially.

Ald. Johnson noted that the City population is aging and that many older homeowners will move out and their homes will be purchased by younger families. Is this calculated in the enrollment projections? What is the methodology being used for the enrollment projections? The Board needs documentation to help understand what is being asked for. We need a comprehensive package of data to help us prepare to talk with our constituents. Sandy Guryan noted that the team in her office has been working with consultants, real estate firms, the Planning Department, and others to understand the factors that affect enrollment. Included in her enrollment report is the methodology used to prepare the enrollment numbers. Ald. Johnson asked for a summary of the methodology that is used so that the Aldermen can communicate that with constituents.

Ald. Laredo asked for more information about Zervas and why not include it as a separate debt exclusion. It seemed to him that it is important to have more information on why we are not doing that. Doing these three schools is inevitable. The City needs them and we need to go out to the voters to convince them to support the override.

Ald. Gentile opened up the meeting to allow comment from the public. Marcia Tabenken and Emily Prenner of Building Newton's Future spoke. Their comments are attached. Jeff Seideman provided the attached op-ed piece and also noted that two other items that should be considered include: the repeal of the CPA – the important projects have been funded; and seeking additional compensation for students attending Newton Schools through the METCO program.

Ald. Sangiolo asked if any other questions that Board members might have be forwarded to David Olson to get to the Mayor's Office so that we have the answers before the meeting on the 29th.

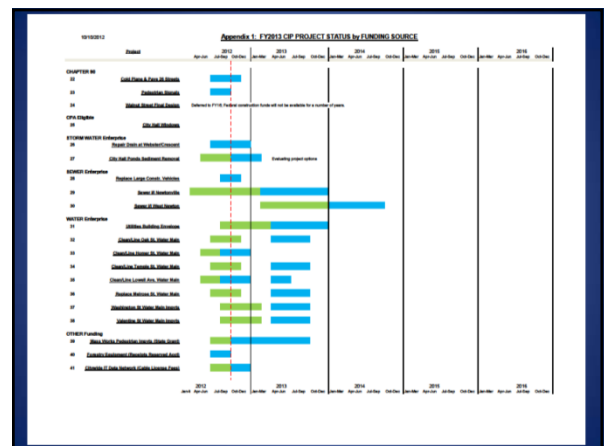
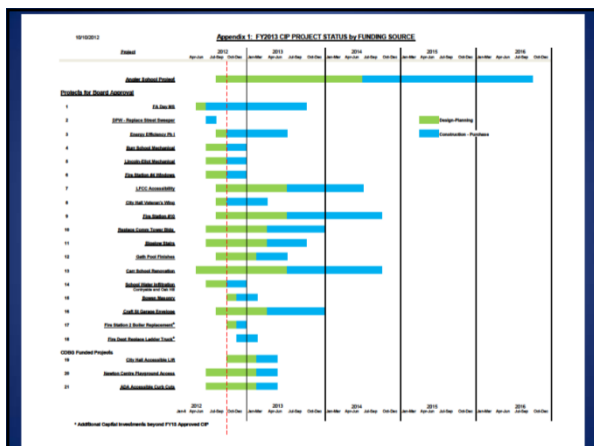
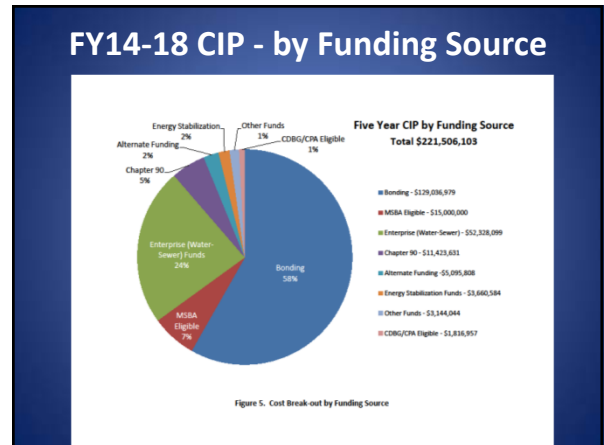
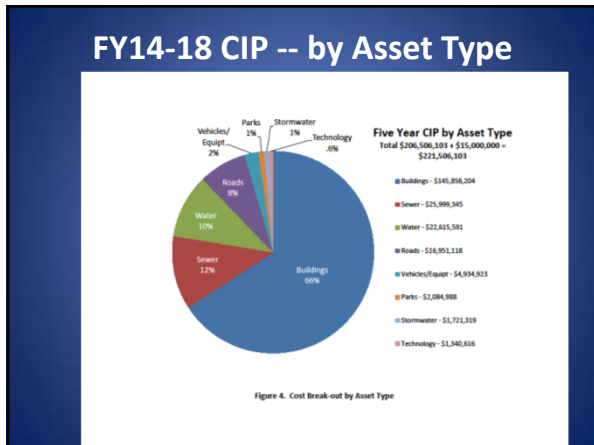
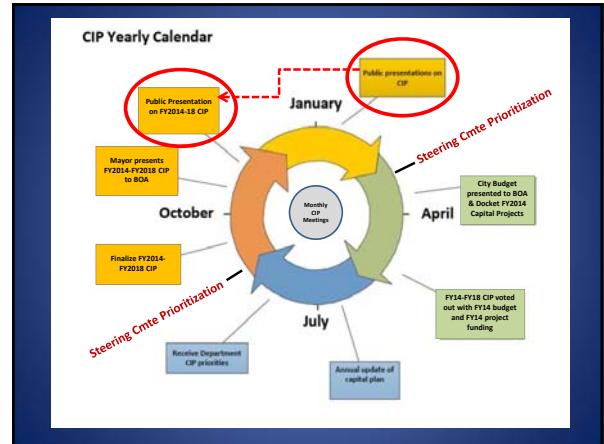
Ald. Fuller asked for the Administration's plan of what will be done if any of these ballot questions do not pass. What will and won't get done if the vote is no.

The meeting will continue on Thursday, November 29, 2012 at 7:45 pm.

Capital Improvement Plan Public Hearing FY 2014-2018

Honorable Board of Aldermen
- Committee of the Whole -

November 14, 2012



FY 14 CIP Source of Funds

39 Projects : \$46.6 Million

- \$31.5 M Bonding
- \$10.5 M Tax Levy Increase
- \$10 M Enterprise Funds
- \$2.3 M Chapter 90
- \$1.8 M Energy Stabilization

FY14 Capital Appropriations

- **Schools-** **\$22.9M**
 - *Angier (\$5M)
 - Carr (\$11.7M)
 - *Zervas (\$.75M)
 - Cabot (\$.75M)
 - Lincoln-Eliot (\$3M)

 - Space needs: Horace Mann, Ed Ctr (\$1.075M)
 - Electrical/Mechanical (\$.18M)
 - Underground oil storage tanks- various (\$.25M)
 - Accessibility; Ward (\$.2M)

*Funding thru increased tax levy (override)

FY14 Capital Appropriations

- **Municipal Bldgs-** **\$9.8M**
 - *Fire HQs, Station 3, Wires Division (\$4M)
 - Fire Station 10 (\$3.5M)
 - Crafts St. Garage roof (\$.6M)
 - Crystal Lake (\$.1M)
 - Senior Center (\$.2M)

 - Energy Efficiency Conservation (\$1M)
 - Underground Oil Storage Tanks (\$.13M)
 - Accessibility; LFCC (\$.3M)

*Funding thru increased tax levy (override)

FY14 Capital Appropriations

- Sewer-** **\$5.58M**
 - I & I Projects
 - *Design Lower Falls (\$.52M)
 - *Construct West Newton (\$4.7M)
 - Pump Stations (\$.32M)

- Water -** **\$4M**
 - Fire Flow (\$3.85M)
 - Water Quality (\$.16M)

FY14 Capital Appropriations


- Roadwork-** **\$3.29M**
 - Road paving (\$2.63M)
 - Bridges/sidewalks/street lights (\$.66M)

- Vehicles & Equipment-** **\$.75M**
 - Work horses

\$46.6M

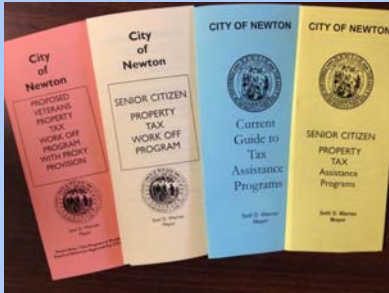
-- Questions --

DOCKET # 323-12
ANSWERING THE QUESTIONS
 NOVEMBER 14, 2012



Setti D. Warren, Mayor
 City of Newton, Massachusetts

TAX RELIEF



COST OF LIVING INCREASE
CHAPTER 181 ACTS OF 1995 - ACTUAL
EXEMPTION AMOUNT

- The provisions of Chapter 59 section 5 added by Chapter 181 of the Acts of 1995, which authorizes an annual increase in the amount of the exemption granted to senior citizens, surviving spouses and surviving minors under General Laws Chapter 49, Section 5, Clause 17D by up to 100% of the percentage increase in the U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index (CPI) for the previous year as determined by the Commissioner of Revenue, and to fix that annual increase at 100% of the CPI: to be effective for exemptions granted any fiscal year beginning on or after July 1, 2013.
- Currently 34 Taxpayers Qualify

COST OF LIVING INCREASE
CHAPTER 181 ACTS OF 1995 - ACTUAL
EXEMPTION AMOUNT

- TAXPAYER WOULD BE ENTITLED TO

\$175 + C.O.L.A. OF 2.65% OR \$180

***2014 Requirements and exemption will be based on updated COLA**

COST OF LIVING INCREASE
17E - ASSET AMOUNT

- Chapter 59, Section 5, Clause 17E, which authorizes an annual increase in the asset (the whole estate) limit for exemptions granted to senior citizens, surviving spouses, and surviving minors by the percentage increase in the U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index for the previous year as determined by the Commissioner of Revenue, to be effective for exemptions granted any fiscal year beginning on or after July 1, 2013.

COST OF LIVING INCREASE
17E - ASSET AMOUNT

- ASSET LIMIT INCREASED BY 2.65%

2012: \$40,000 VS. 2013: \$41,060

***2014 Requirements and exemption will be based on updated COLA**

**COST OF LIVING ADJUSTMENT
41D – INCOME AND ASSETS**

- Chapter 59, Section 5, Clause 41D, which authorizes an annual increase in the income (gross receipts) and asset (whole estate) limits for exemptions granted to senior citizens by the percentage increase in the U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index for the previous year as determined by the Commissioner of Revenue, to be effective for exemptions granted any fiscal year beginning on or after July 1, 2013.
- Currently 146 Taxpayers Qualify

**COST OF LIVING ADJUSTMENT
41D – INCOME AND ASSETS**

- INCOME AND ASSETS INCREASED BY COST OF LIVING ADJUSTMENT**

2012 Asset Limit	VS.	2013 Asset Limit
Single: \$40,000		Single: \$41,060
Married: \$55,000		Married: \$56,458
2012 Income Limit	VS.	2013 Income Limit
Single: \$20,000		Single: \$20,530
Married: \$30,000		Married: \$30,795

*2014 Requirements will be based on updated COLA

ESTABLISHING A VETERAN'S TAX WORK-OFF PROGRAM WITH PROXY

- Chapter 59, Section 5N to establish a Veteran's Tax Work-Off Program that will authorize a qualifying veteran or a proxy, if the qualifying veteran is physically unable to perform the work, to work-off up to the maximum reduction of the real property tax bill based on 125 volunteer service hours in a given tax year. .

ESTABLISHING A VETERAN'S TAX WORK-OFF PROGRAM WITH PROXY

- VETERANS TAX WORK-OFF WITH PROXY PROVISION**

**SENIOR TAX WORK-OFF
ADOPTING A PROXY PROVISION**

- Chapter 59, Section 5K, (Senior Tax Work-Off Program) and the amendment to Section 27-20 of the Revised Ordinances of the City of Newton 2012 to allow the maximum reduction to be based on 125 hours of service, rather than \$1,000, as well as discussion of adopting a provision to allow a proxy to perform the work on behalf of a qualifying senior who is physically unable to perform the volunteer service.

**SENIOR TAX WORK-OFF
ADOPTING A PROXY PROVISION**

- ALLOWS FOR A PROXY TO WORK FOR A SENIOR**

Age and Infirmary and Financial Hardship

A property owner who cannot meet his/her real estate tax obligation due to AGE **AND** INFIRMITY **AND** POVERTY may apply for this exemption. To qualify, an applicant must present evidence to the Board of Assessors which corroborates individual's age **AND** infirmity **AND** inability to pay the assessed tax. Household income, assets, home equity and ability to defer taxes are some of the factors considered when determining poverty or financial hardship.

**THE AMOUNT GRANTED VARIES
ACCORDING TO NEED.**

Newton Elderly and Disabled Taxation Aid Fund

The City of Newton has created a special fund to assist elderly and disabled persons of low income who are having problems paying their property taxes.

The Newton Taxation Aid Fund provides modest grants to help elderly and disabled citizens faced with temporary financial hardships. The grants are used to pay a small portion of a homeowner's real estate taxes.

Priority is given to property owners who do not qualify for aid from other tax assistance programs.

For complete details, requirements and an application either visit the City of Newton Web Site or call the Assessing Office at 617-796-1160.

CITY OF NEWTON

Department of Assessment Administration

As provided by Massachusetts General Laws Chapter 59, Section 5, the Board of Assessors administers tax assistance programs for various eligible property owners. The programs are summarized in this folder.

Additional information and the necessary application can be obtained by visiting or calling the department of Assessment Administration at 617-796-1160.

Applications must be filed within three months of the mailing of the actual (third quarter) tax bill. The deadline will be in **March of 2013**. Applications must be filed on time and annually.

General Information

Hours:

**Monday, Wednesday, Thursday,
Friday 8:30 a.m. to 5:00 p.m.
Tuesday 8:30 a.m. to 8:00 p.m.**

617-796-1160

**1000 Commonwealth Ave.
Newton, MA 02459**

City of Newton Web Site

www.newtonma.gov

CITY OF NEWTON



SENIOR CITIZEN

PROPERTY TAX Assistance Programs

**Setti D. Warren
Mayor**

**Elderly, Surviving Spouse,
Minor Child
CLAUSE 17D**

- must be over 70 as of July 1, 2012 OR must be a surviving spouse OR surviving minor child AND
- must have owned and occupied the property for five years AND
- must have a whole estate (the value of personal property less domicile) of less than \$40,000

**Proposed COLA
Pending Board of Aldermen
Approval for FY 2014**

- Proposed adoption of a Cost of Living Adjustment would adjust asset limit and exemption by an amount linked to the Consumer Price Index.
2012: \$40,000 VS. 2013: \$41,060

**TAXPAYER IS ENTITLED TO A \$175
OR \$180 WITH FY2013 COLA
EXEMPTION.**

*2014 Requirements and exemption will be based on updated COLA

**Senior Tax Deferral
CLAUSE 41A**

- must be over 65 as of July 1, 2012 AND
- must have primary residence in Massachusetts for ten years AND
- owned property in the state for five years AND
- must have occupied the property as of July 1, 2012 AND
- must have a total income of less than \$60,000 per year.

**TAXPAYER IS ENTITLED TO
DEFER (DELAY)
PAYMENT OF ANY PORTION OF
THE PROPERTY TAX BILL.**

**For Older Citizens
CLAUSE 41C**

- must be 65 years of age or older as of July 1, 2012 AND
- must have primary residence in Massachusetts for ten years AND owned property in the state for five years AND must have occupied the property as of July 1, 2012 AND
- all co-owners must have a whole estate (the value of personal property excluding domicile) of less than \$40,000 if single, \$55,000 if married AND
- all co-owners must have an income less than \$20,000 if single, \$30,000 if married, after subtracting an allowable exclusion.

**Proposed COLA
Pending Board of Aldermen
Approval for FY2014**

- Proposed adoption of a Cost of Living Adjustment would adjust income and asset limits by an amount linked to the Consumer Price Index.

2012 Asset Limit VS. 2013 Asset Limit
Single: \$40,000 Single: \$41,060

Married: \$55,000 Married: \$56,458

2012 Income Limit VS. 2013 Income Limit
Single: \$20,000 Single: \$20,530

Married: \$30,000 Married: \$30,795

*2014 Requirements will be based on updated COLA

**TAXPAYER IS ENTITLED TO A \$1,000
EXEMPTION**

**Senior Property Tax #323-12
Work-Off Program**

- Must be sixty (60) years of age or older as of July 1, 2012.
- Must have principal place of residence in Newton, Massachusetts as of July 1, 2012
- Must have gross income less than \$40,000 if such person is single and not head of household, less than \$50,000 if such person is head of household, or less than \$60,000 if such person files a joint tax return with spouse.

**Proposed Proxy Program
Pending Board of Aldermen
Approval for FY2014**

- If the Board of Aldermen approves, a provision will be adopted for qualifying seniors who are physically unable to perform the volunteer work-off services. An equally qualified proxy may perform the services on behalf of the senior.

**THE TAXPAYER IS ELIGIBLE TO
EARN UP TO \$1,000* WHICH WILL BE
CREDITED TO TAXPAYERS REAL
ESTATE TAX BILL.**

*Federal Tax and other deductions will be withheld

GOALS AND OBJECTIVES:

- Provide the opportunity for Newton Seniors to reduce their tax obligation by working off a portion of their real estate taxes.
- Match work skills of Seniors with the needs of City Departments
- Increase the involvement of Newton Seniors in municipal government

HOW TO APPLY

- Applications are available at the Assessors Office in Newton City Hall
- Qualified applicants are matched with available positions
- Application must be made annually

JOB OPPORTUNITIES:

- Municipal and school departments
- In offices and on special projects
- Based upon individual department needs

WHERE TO APPLY:

Applications are available at the *Assessors Office* in Newton City Hall.

Newton City Hall
1000 Commonwealth Avenue
Newton, MA 02459

Hours:

Mon, Wed, Thurs & Fridays:
8:30AM-5:00PM

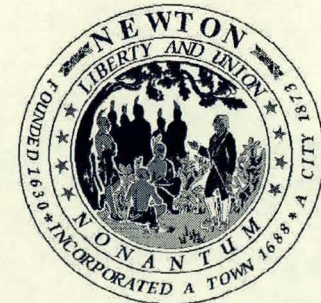
Tuesdays: 8:30AM-8:00PM

For an appointment or more information please call:

617-796-1160

**City
of
Newton**

**SENIOR CITIZEN
PROPERTY
TAX
WORK OFF
PROGRAM**



Setti D. Warren
Mayor

ELIGIBILITY REQUIREMENTS:

- Age 60 or older as of July 1
- Must own and reside in a Newton property as of July 1

INCOME REQUIREMENTS:

- Less than \$40,000 if such person is single and not head of household
- Less than \$50,000 if such person is head of household
- Less than \$60,000 if such person files a joint tax return with a spouse

* * * * *

Date of determination of age, residence, ownership and income shall be July first of each year.

BENEFIT GUIDELINES:

- Current minimum wage: \$8.00 per hour for all positions
- Maximum credit is \$100000 less withholdings
- Maximum number of hours to work for credit is 125 per year
- Level of appropriation will determine the maximum number of participants
- Benefit income is considered taxable by the federal government
- All work timesheets must be submitted by November 1st to be applied to the current year tax bill

SELECTION PROCESS:

- Applicant must meet eligibility requirements
- Applicants are selected on a first come, first served basis
- Applicant must complete an application form
- Applicant must have appropriate skills or qualifications for position
- Applicants are matched with available positions by the Senior Services Department and interviewed by that Department

Proxy Program

Pending Board of Aldermen Approval For FY 2014

- If the Board of Aldermen approves, a provision will be adopted for qualifying seniors who are physically unable to perform the volunteer work-off services. An equally qualified proxy may perform the services on behalf of the senior.

Property Tax Work-Off Program

To qualify, a taxpayer:

- Must be sixty (60) years of age or older as of July 1, 2012.
- Must have principal place of residence in Newton, Massachusetts as of July 1, 2012
- Must have gross income less than \$40,000 if such person is single and not head of household, less than \$50,000 if such person is head of household, or less than \$60,000 if such person files a joint tax return with spouse.

UPON APPROVAL, THE TAXPAYER IS ELIGIBLE TO EARN UP TO \$1,000* WHICH WILL BE CREDITED TO TAXPAYERS REAL ESTATE TAX BILL.

*Federal Tax and other deductions will be withheld

Newton Elderly and Disabled Taxation Aid Fund

The City of Newton has created a special fund to assist elderly and disabled persons of low income who are having problems paying their property taxes.

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Priority is given to property owners who do not qualify for aid from other tax assistance programs.

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CITY OF NEWTON

Department of Assessment Administration

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Additional information and the necessary application can be obtained by visiting or calling the department of Assessment Administration at 617-796-1160.

Applications must be filed within three months of the mailing of the actual (third quarter) tax bill. The deadline will be in **March of 2013**. Applications must be filed on time and annually.

General Information

Hours:

Monday, Wednesday, Thursday,
Friday 8:30 a.m. to 5:00 p.m.
Tuesday 8:30 a.m. to 8:00 p.m.

617-796-1160

1000 Commonwealth Ave.
Newton, MA 02459

City of Newton Web Site

www.newtonma.gov

CITY OF NEWTON



Current Guide to Tax Assistance Programs

Setti D. Warren
Mayor

**For Older Citizens
CLAUSE 41C**

To qualify, a taxpayer :

- must be 65 years of age or older as of July 1, 2012 **AND**
- must have primary residence in Massachusetts for ten years **AND** owned property in the state for five years **AND** must have occupied the property as of July 1, 2012 **AND**
- all co-owners must have a whole estate (the value of personal property excluding domicile) of less than \$40,000 if single, \$55,000 if married **AND**
- all co-owners must have an income less than \$20,000 if single, \$30,000 if married, after subtracting an allowable exclusion.

UPON APPROVAL, TAXPAYER IS ENTITLED TO A \$1,000 EXEMPTION.

**Elderly, Surviving Spouse, Minor Child
CLAUSE 17D**

To qualify, a taxpayer :

- must be over 70 as of July 1, 2012 **OR** must be a surviving spouse **OR** surviving minor child **AND**
- must have owned and occupied the property for five years **AND**
- must have a whole estate (the value of personal property less domicile) of less than \$40,000

UPON APPROVAL, TAXPAYER IS ENTITLED TO A \$175 EXEMPTION.

**Disabled Veteran
CLAUSE 22**

**To qualify, the taxpayer must be a veteran or the spouse of a veteran
AND**

- have a service connected disability of 10% or more **OR**
- have been awarded a Purple Heart **OR**
- be a veteran of the Spanish, Philippine or Chinese Expedition **OR**
- have been awarded the Congressional Medal of Honor, Distinguished Service Cross, Air Force Cross or Navy Cross.

N.B. The parents of a veteran who lost his/her life in service also are entitled to apply for this exemption.

AMOUNT OF EXEMPTION VARIES ACCORDING TO DEGREE OF DISABILITY.

**Blind Person
CLAUSE 37A**

To qualify, a taxpayer :

- must be a legal resident of the Commonwealth.
- must own and occupy the property as his or her domicile **AND** file current proof of blindness each year with the application.

UPON APPROVAL, TAXPAYER IS ENTITLED TO A \$500 EXEMPTION.

NOTE: TAXPAYERS WHO QUALIFY FOR EXEMPTIONS UNDER CLAUSES 17D, 18, 41C OR 41A MAY ALSO QUALIFY FOR A DISCOUNT OF 30% OFF THEIR WATER/SEWER BILLS, DEPENDING ON THEIR WATER SERVICE. PLEASE CALL FOR MORE DETAILS.

**For Older Citizens
CLAUSE 41A**

To qualify, a taxpayer :

- must be over 65 as of July 1, 2012 **AND**
- must have primary residence in Massachusetts for ten years **AND**
- owned property in the state for five years **AND**
- must have occupied the property as of July 1, 2012 **AND**
- must have a total income of less than \$60,000 per year.

UPON APPROVAL, TAXPAYER IS ENTITLED TO DEFER (DELAY) PAYMENT OF ANY PORTION OF THE PROPERTY TAX BILL.

**Age and Infirmary and
Financial Hardship**

A property owner who cannot meet his/her real estate tax obligation due to AGE **AND** INFIRMITY **AND** POVERTY may apply for this exemption. To qualify, an applicant must present evidence to the Board of Assessors which corroborates individual's age **AND** infirmity **AND** inability to pay the assessed tax. Household income, assets, home equity and ability to defer taxes are some of the factors considered when determining poverty or financial hardship.

UPON APPROVAL, THE AMOUNT GRANTED VARIES ACCORDING TO NEED.

For information on the state administered income tax circuit breaker program for eligible elderly residents, check www.dor.state.ma.us or call: (617) 887-6367.

GOALS AND OBJECTIVES:

- Provide the opportunity for Newton Veterans to reduce their tax obligation by working off a portion of their real estate taxes.
- Match work skills of Veterans with the needs of City Departments
- Increase the involvement of Newton Veterans in municipal government

HOW TO APPLY

- Applications will be available at the Assessors Office in Newton City Hall and online, once approved by the Board of Aldermen
- Qualified applicants are matched with available positions
- Applications must be made annually

JOB OPPORTUNITIES:

- Municipal and school departments
- In offices and on special projects
- Based upon individual department needs

WHERE TO APPLY:

Applications will be available at the *Assessors Office* in Newton City Hall and online.

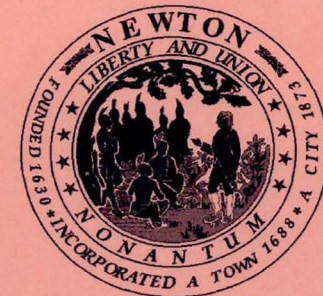
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Tuesdays: 8:30AM-8:00PM

For an appointment or more information please call:
617-796-1160

**City
of
Newton**

**PROPOSED
VETERANS
PROPERTY
TAX
WORK OFF
PROGRAM
WITH PROXY
PROVISION**



Setti D. Warren
Mayor

**Please Note- This Program is Pending
Board of Aldermen Approval For FY2014**

**PLEASE NOTE- THIS PROGRAM IS
PENDING
BOARD OF ALDERMEN
APPROVAL FOR FY 2014**

ELIGIBILITY REQUIREMENTS:

- To qualify, the taxpayer must be a Veteran
- Must own and reside in a Newton property as of July 1

* * * * *

Date of determination of veteran status, residence, ownership and income shall be July first of each year.

BENEFIT GUIDELINES:

- Current minimum wage: \$8.00 per hour for all positions
- Maximum credit is \$100000 less withholdings
- Maximum number of hours to work for credit is 125 per year
- Level of appropriation will determine the maximum number of participants
- Benefit income is considered taxable by the federal government
- All work timesheets must be submitted by November 1st to be applied to the current year tax bill


SELECTION PROCESS:

- Applicant must meet eligibility requirements
- Applicants are selected on a first come, first served basis
- Applicant must complete an application form
- Applicant must have appropriate skills or qualifications for position
- Applicants are matched with available positions by the Veterans Department and interviewed by that department

PROXY PROVISION

- If the Board of Aldermen approves, a provision will be adopted for qualifying veterans who are physically unable to perform the volunteer work-off services. An equally qualified proxy may perform the services on behalf of the veteran.

DOCKET # 324-12
ANSWERING THE QUESTIONS
NOVEMBER 14, 2012



Setti D. Warren, Mayor
City of Newton, Massachusetts

1 PLAN
1 CITY
3 QUESTIONS

QUESTION #1
OPERATING OVERRIDE

\$8,400,000

OPERATING OVERRIDE

- Permanent Increase to the Tax Levy Limit
- In general overrides, is the City required to do the projects stated on the ballot?

**COMPONENTS OF THE OPERATING
OVERRIDE - \$8.4 MILLION**

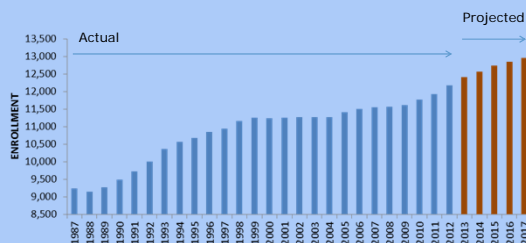
GROWTH IN ENROLLMENT: ▪ (Operational Needs & Space Needs)	\$4.5 MILLION
STREETS & SIDEWALKS:	\$1.0 MILLION
POLICE STAFFING, ETC: ▪ (4 Additional Officers)	\$0.5 MILLION
ZERVAS RENOVATION/ADDITION	\$1.6 MILLION
FIRE STATION 3, HEADQUARTERS, WIRES DIV:	\$0.8 MILLION

ENROLLMENT

PRELIMINARY ENROLLMENT 2012-13

- 12,172 Enrolled vs. 11,922 Last Year
- **+250 students in one year**
- 3 Consecutive Years of High Growth
- **+565 students**
- 8th Year of Consecutive Growth
- **+904 students since 2005-06**

THIRTY-YEAR TRENDS

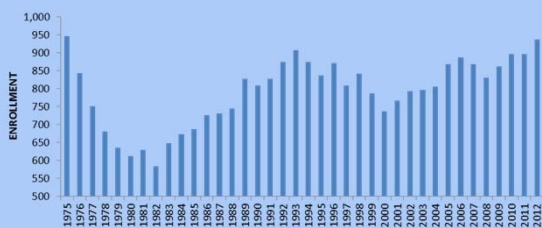


CURRENT GROWTH

Net Increase of **+250 students**

- Elementary +105
- Middle School +52
- High School +93
- **+58 students above projection**
- **+41 Kindergarten students vs. last year**
- 4% more than expected

KINDERGARTEN: ANOTHER RECORD HIGH 936 STUDENTS – LARGEST SINCE 1975



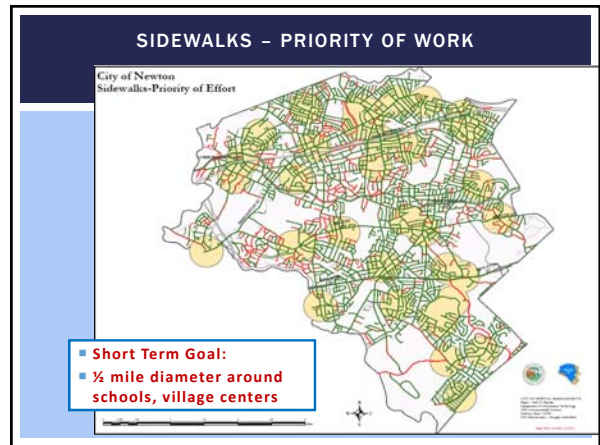
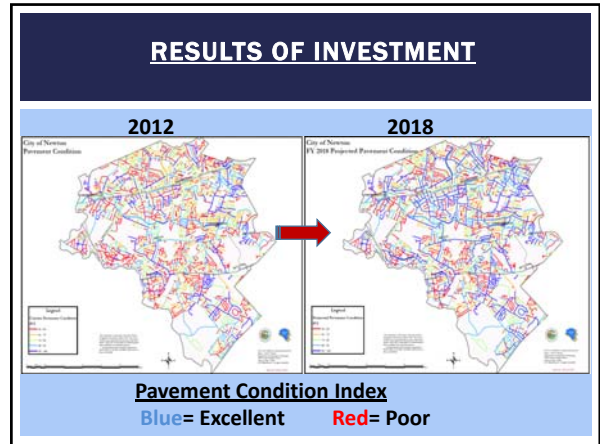
NOTE ENROLLMENTS HAVE NOT BEEN 100% VERIFIED

ENROLLMENT GROWTH BY GRADE LEVEL

- **+817 Elementary Students** over 9 years
 - +16% growth
- **+239 Middle School Students** over 5 years
 - +10% growth
- **+69 High School Students** over 5 years
 - +2% growth

ENROLLMENT RELATED COST INCREASES

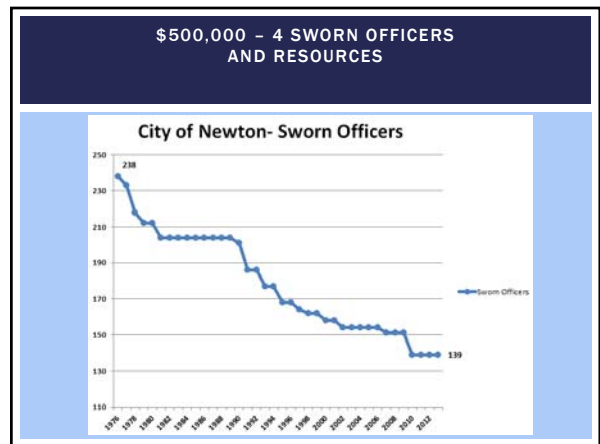
FY14 BUDGET: ENROLLMENT INCREASE	\$3.5 MILLION
REGULAR EDUCATION	\$2.5 MILLION
▪ Elementary Schools	\$600,000
▪ Middle Schools	\$810,000
▪ High Schools	\$810,000
▪ English Language Learners	\$280,000
SPECIAL EDUCATION	\$0.7 MILLION
▪ Special Education Staffing	\$510,000
▪ Special Education Tuition	\$110,000
▪ Special Education Transportation	\$ 40,000
BUILDING SUPPORT / DISTRICTWIDE	\$0.3 MILLION
▪ Technology	\$220,000
▪ Other Expenses	\$ 80,000
SHORT TERM SPACE NEEDS, MODULARS	\$1.0 MILLION
GRAND TOTAL	\$4.5 MILLION



SAFETY CONCERNS ARE INCREASING WHILE # OF SWORN OFFICERS ARE AT ALL TIME LOW

City of Newton Performance Management Scorecard
October 2012

Measure	Measure Goal	Q3-12	Target	Actual	Result	12/10	9/10	Result
1. Enhance the law and general crime in the City								
Control parties	Keep directed parties levels at or below their monthly average	1,034	1,034	1,036	1,036	1,062	1,744	🟡
Parties		0	0	0	0	0	0	🟢
Parties		0	0	0	0	0	0	🟢
Aggravated assaults		0	0	0	0	0	0	🟢
Parties	Keep crime levels at or below their monthly average	24	24	25	25	25	25	🟡
Parties		0	0	0	0	0	0	🟢
Parties		0	0	0	0	0	0	🟢
Parties		0	0	0	0	0	0	🟢
Total Part Lapses		127	127	130	130	133	134	🟡
2. Promote and enhance traffic safety								
Non-traffic accidents		120	120	120	120	120	120	🟢
Vehicle-vehicle accidents		113	113	113	113	113	113	🟢
Vehicle-traffic accidents	Keep accident levels at or below their monthly average	7	7	7	7	10	11	🟡
Vehicle-traffic accidents		0	0	0	0	0	0	🟢



**FIRE DEPARTMENT
WIRES DIVISION, STATION 3, HEADQUARTERS**



PROJECT ESTIMATE: \$17,500,000

STATION 3 - NEWTON CENTRE



FIRE STATION 3 ACCESS



FIRE STATION 3 ACCESS




**ZERVAS ELEMENTARY SCHOOL
EXPANSION/RENOVATION - 80,000 SQ FT**



PROJECT BUDGET: \$40,000,000

ZERVAS ELEMENTARY SCHOOL



Year of Construction- 1954
Enrollment- 320 Students
Gross Building Area- 40,291

QUESTION #2 DEBT EXCLUSION ANGIER ELEMENTARY

- ## DEBT EXCLUSION
- Term of the Debt - 30 years
 - What is the **timing of raising the taxes** in debt exclusion overrides? Does it wait until the project actually starts or the debt is incurred?
 - For debt exclusion overrides, while the cost of the project is not on the ballot, **if the cost rises substantially** from what is said to be the cost, do the voters vote a second time to authorize the project?


DEBT EXCLUSION: ANGIER ELEMENTARY SCHOOL APPROX 75,000 SQ FT



Projected Total Cost: \$37 Million
Anticipated State Reimbursement: \$ 10 Million
Budgeted Local Share: \$27,500,000

DEBT EXCLUSION CABOT ELEMENTARY




DEBT EXCLUSION: CABOT ELEMENTARY SCHOOL 85,000 SQUARE FEET




Projected Total Cost: \$45 Million
Anticipated State Reimbursement: \$ 10 Million
Budgeted Local Share: \$35,000,000

HOW DID WE ESTABLISH OUR COST PROJECTIONS???



COMPARABLE PROJECTS- DINISCO DESIGN

School	Design	Project Cost	Gross Square Foot	Cost Per Square Foot
Estabrook Elementary (Lexington, MA)		\$40,700,000	91,840 SF	\$443
Howe-Manning Elementary (Middleton, MA)		\$31,500,000	83,500 SF	\$377
Douglas Elementary (Douglas, MA)		\$32,200,000	83,000 SF	\$388

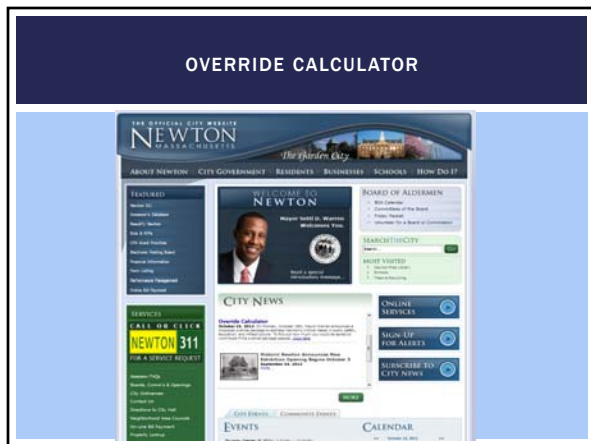
COMPARABLE PROJECTS

Architect	School	Design	Cost	Gross Square Foot	Cost Per Square Foot
Perkins Eastman	Martin Luther King, Jr. School (Cambridge)		\$81,500,000* 2 Bldgs	156,000 SF	\$522
Schwartz/Silver Architects	Bancroft Elementary School (Andover)		\$44,700,000	106,486 SF	\$419
Jonathan Levi	Wellington Elementary (Belmont)		\$39,800,000	88,000 SF	\$452

ESTIMATING THE COST

School	Current Building	Estimated Total Project Cost	Gross Square Feet	Cost Per Square Foot	Projected City Cost
Angler Elementary School		\$37,000,000	75,000 SF	\$493	\$27,500,000
Zervas Elementary		\$40,000,000	80,000 SF	\$500	\$40,000,000
Cabot Elementary School		\$45,000,000	85,000 SF	\$529	\$35,000,000

HOW MUCH WILL THIS COST OUR TAXPAYERS???



OVERRIDE CALCULATOR

City of Newton, Massachusetts
Estimated Residential Property Tax Increase Resulting From An Affirmative Vote on March 12, 2013

Please Note:

This information is being provided as an estimate only
Assessed Value reflects current Fiscal Year 2012 Value
Property Values will be updated when available (Est Dec 2012)

Please enter an address below:

House Number

Street Name

Unit (if applicable)

TAX IMPACT
<p>\$0.50 Per THOUSAND DOLLARS OF VALUATION</p>

TAX IMPACT
<p>Median Single Family Value \$686,000 IMPACT \$343 per year</p>

<p>QUESTIONS???</p>	
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Comments to the Board of Alderman on Nov. 14, 2012

We are co-chairs of Building Newton's Future, the ballot question committee to support the Mayor's override proposal.

Since we took on this role, we've been extremely encouraged by the outpouring of community confidence, both in the Mayor's capital improvement plan and in the override package that will help support it.

The Mayor's proposal takes a multi-pronged, logical approach to addressing Newton's infrastructure and public safety needs: For example it takes on the poor conditions of our aging schools, while at the same time providing for the space and resources to accommodate Newton's growing student population. At schools across the city, overcrowding has caused teachers and specialists to hold sessions in busy hallways, in unventilated closets, and in partitioned areas filled with clatter from neighboring spaces. It's distracting to students, and it impedes their ability to study and learn. If the override package passes, the City can get right to work on Angier, Cabot and Zervas—improving their condition AND creating extra space that will alleviate enrollment pressure throughout the City. It will also provide for the faculty, equipment and materials needed for the additional students.

Mayor Warren's plan also tackles issues adversely affecting our public safety, by fixing crumbling roads and sidewalks, hiring additional police officers to control growing traffic problems, and rehabilitating aging fire facilities. These changes will most certainly stem the increase in pedestrian and cycling accidents and improve response times for emergency crews—and that could make a critical difference for many Newton residents.

The outcome of all these changes—safer roads and sidewalks, fewer traffic accidents, increased emergency response efficiency, more robust teaching and learning environments—will benefit ALL Newton residents and enhance our already vibrant community.

These problems are NOT going away. The time to address them is NOW. Please act swiftly to approve the Mayor's override proposal so that in March, Newton residents can vote to Build Newton's Future.

Marcia Tabenken
11 North St., Newtonville

Emily Prenner
702 Chestnut St., Waban

Tab 10/31/12 p. B2

GUEST COLUMN

Why 'anti-override guy' supports this one

by Jeff Seideman

My inbox has been buzzing about Mayor Setti Warren's announcement that he will ask for a combined \$11.4 million in two debt exclusions and an override. As co-chair of the group that defeated the last override four years ago, some of my former comrades assumed I'd be jumping at the chance to lead another override fight.

I'm more than a little sympathetic to those on fixed and low incomes paying even higher property taxes. Nevertheless, as painful as it may be, I'm supporting this override.

The last override was as much a referendum on former Mayor David Cohen's leadership as it was about raising taxes. Many of us were seething over the way the Newton North project had been shoved down our throats. What should have been a renovation that would have come in \$70 million below the eventual cost, turned into a boondoggle that embarrassed the city, killed any trust in the Cohen administration and led the School Building Authority to revise its funding rules so such an affront to fiscal sanity never happens again. No more Taj Mahals.

Mayor Cohen promised

to give the public the opportunity to vote on Newton North, but never did. I maintained then, as I do now, that the public has a right to vote on such major projects. That's exactly what Mayor Warren is doing now with the two debt exclusions he's proposing to replace the Angier (\$1.3 million) and Cabot (\$1.7 million) elementary schools.

These two aging relics are woefully inadequate for today's educational challenges. It's time to bite the bullet and bring them into the 21st century. There's no excuse for continuing to subject elementary school kids, not to mention teachers and staff, to the indignities and dangers these facilities present.

Four years ago many people called me the anti-override guy. I always responded, "I'm not against overrides, but I'm not going to back one until the administration convinces me it's done everything it can to cut costs and get its fiscal house in order."

There was no chance that would have happened under the Cohen administration, but under Mayor Warren it has happened. Big time.

Eighty percent of the city's costs are in human capital, primarily in the form of salaries and benefits. With CFO Maureen

Lemieux at his side, Mayor Warren negotiated sustainable contracts with the city's 17 unions. Their annual growth, including healthcare costs, is held to about 2.5 percent. Compared to the old contracts, these sustainable ones will save \$178 million over the next five years. Yes, that's million, with an "m."

The net impact of these changes in collective bargaining as well as a new performance-based management system, zero-based budgeting, an infrastructure assessment program and economic development are cumulative savings or revenue enhancements of \$343 million over the next five years as compared to the last budgetary projections of the Cohen administration.

Once and for all, this puts the lie to claims that the city is crippled by a structural deficit beyond our control. The Cohen administration gave us a leadership deficit, not a structural deficit.

Having proved he's deadly serious about restructuring the city's finances, what is Mayor Warren proposing to do with an additional \$8.4 million per year from an operating override? It's all going to extraordinary expenses, not "normal" expenses.

Mayor Warren will

spend \$4.5 million of it on more teachers, aides and school supplies. Why? Because we've had 600 new students in the last three years and project another 700 in the next five years. Also, Zervais elementary school will get an expansion/renovation that will consume \$1.6 million.

Newton Centre's Fire Station 3 and the fire department headquarters, including the emergency operations center, will be consolidated into a single new unit for about \$800,000. Four new police officers and new police equipment will absorb \$500,000 and \$1 million will go to make major repairs to our streets and sidewalks.

Mayor Warren has done all we've asked of him, and considerably more. His override spending plans are clearly reasonable. He's also asked the Board of Aldermen for legislation to offer tax breaks to low income seniors and veterans. Unlike Mayor Cohen, who seemed to think you get things done in closed door meetings, Mayor Warren seeks the public's support in an impressive show of leadership, hard-nosed bargaining, transparency and trust. He's done what we've asked of him. We've won. Why would we move the goal posts on him now?

That's why I'm backing this override.