



City of Framingham  
Yvonne M. Spicer, Mayor  
FY2019 Budget Message



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May 1, 2018

The Honorable City Council  
City of Framingham  
150 Concord Street  
Framingham, MA 01702

Dear Councilors,

I am pleased to present to you our FY2019 Operating Budget for the new City of Framingham. We have been a city for a little more than 100 days. I have been your Mayor for just over 100 days. While we treasure our community's history, our eyes remain fixed on the future. This budget has been a carefully crafted package of cost-conscious spending that funds our first steps toward operating as a city.

We have focused this budget plan on the areas identified in the Mayor's Transition Plan:

1. Smooth Transition to City Form of Government
2. Excellence in Education and Schools
3. Invigorating our Economy: Planned Growth, Balanced Development
4. Preservation of Assets, Resources and Quality of Life
5. Investing in Our People

#### 1. Implementing the provisions of the Charter

As we reflect on our short time as a City, I am extremely proud of the work that we have put in to make this as smooth of a transition as possible. My team and I have been cultivating relationships with our state leaders and throughout the community, attending meetings with local leaders, participating in neighborhood events much like this one, and engaging our local business leaders to ensuring that all people of Framingham have a seat at the table and their voices are being heard.

As it states in the Framingham Charter, "we are a better, more vibrant Framingham when we work collaboratively." Our municipal leadership team, the City Council and the School Committee are working hard during this transition. I would also like to acknowledge the support that we have received from our federal and state legislative delegation. Demonstrated by budget briefing telephone calls with Senator Elizabeth Warren, Town Hall meeting with Senator Edward Markey and the collaboration of Representative Katherine Clark's office regarding the issues that impact Framingham. I would like to recognize the tireless efforts on behalf of Framingham by our City Council, School Committee, Municipal leaders, as well as our local delegation, including Senator Karen Spilka, Representative Chris

Walsh, Representative Jack Lewis and Representative Carmine Gentile, I thank you and Framingham thanks you.

This first City budget initiates or completes all the provisions required by the Charter. It also includes the recommendations provided by the Mayor's Transition Team. There are several initiatives that have been recommended by community advocates, Division Heads, and City Councilors. In the short time we have had to develop this first City budget, I have encouraged my administration to look at all budget components to make sure we are spending only what is necessary to provide quality services to our citizens.

This budget includes full-year funding for the City Council, as you have requested. The City Solicitor has been appointed - with a level funded budget for FY19. We have organized the Administration and Finance Division as stated in the charter, as well as the consolidation of departments into the new Community and Economic Development Division. We will begin the transition of city cemetery operations to the Edgell Grove Cemetery Trustees as part of this budget. Many of the Divisions we have come to rely on for service and assistance remain as before. In the years ahead, in future budgets and in our 2020 Strategic Planning effort we will have the opportunity to take a good look forward and continue to build this City - a City of the future!

#### Creating a Modern, City Government

The Mayor's Transition Team recommended a number of resources in the Mayor's office to operate as a modern City. This includes staffing the Mayor's Office with the Charter required positions of Chief Operating Officer and Citizen Participation Officer. The FY19 budget fully funds these two positions. The Chief Operating Officer, Thatcher W. Kezer III, began April 2, 2018, and is fully funded for FY19. The Transition Team recommended high-level, professional positions for the Mayor in order to implement the vision she presented to the People during the campaign. The staffing plan is comparable to many successful cities in Massachusetts, focusing on citizen engagement, communication as well as external and community relations. The Mayor's Office is adding two positions for FY19 as recommended by the Transition Team: the Communications Director, the Diversity and Inclusion Officer.

#### A Commitment to Citizen Engagement, Diversity and Inclusion

It has been our mission to diversify our boards, committees, and commissions so that all of people of Framingham are represented. I am proud to say that we now have a fully seated Licensing Board (and the Traffic Commission is almost finalized) that reflect the diversity and makeup of our community. We are currently interviewing to fill two (2) positions on the City of Framingham's Planning Board. The announcements and a simplified application form for non-license granting boards and commissions will be announced shortly. New to FY19 is the Diversity and Inclusion Director who will manage the engagement of our diverse citizens into their government, including employment, and participation and membership on boards and committees.

In FY18 the Mayor invested in a position in her office to connect with neighborhoods and drive future policy around community involvement. The Senior Policy Advisor position is fully funded in the FY19 budget. The Senior Policy Advisor will continue to drive the conversations around how to address issues that concern the neighborhoods and villages that make up the City Framingham.

## Connecting with Federal, State, Regional and Private Resources

One of the common comments advocating for a Mayor form of government is having a seat at the table when it comes to advocating for state resources. The connections and the advocacy doesn't happen only at the state level, but at the federal and regional level as well. Private partnerships must also be cultivated and nurtured. The Transition Plan recommended staffing this function. Consistent with the organization of many of the Mayoral offices we have studied we added a Senior Advisor for External Affairs in FY18 to assist the Mayor in creating, managing and nurturing connections and relationships at all those levels. That position is fully funded in the Mayor's FY19 budget.

## Communicating with Framingham - Communicating for Framingham

In FY19, we have built a centralized communication office within the Mayor's Office. A City-wide communications plan is under development. As recommended by the Transition Team, a Communication Director is funded for FY19 to implement the communications plan and direct media inquiries and manage the city's social media interactions. As part of that plan we have transferred the two communications positions from Technology Services (Public Information Officer/Webmaster and Records Access Officer) to form a cohesive Communications team in the Mayor's Office. The Communication director and staff will support the initiatives of citizen engagement, diversity and inclusion, working together with the Senior Policy Advisor, the Citizen Participation Officer, and the Diversity and Inclusion Director to connect directly with the People. The Communication Director and staff will provide the portal for the People to have input into the operation of their City.

## 2. Excellence in Education and Schools

The FY19 budget provides a \$5.6 million increase to the School budget (4.4% above the FY18 final appropriation). This target was developed as part of the Long Range Financial Plan presented in October of 2017. The School Department has done an exemplary job reviewing current operational structure and distribution of program resources. I have worked closely, as a member of the School Committee, with our Superintendent Dr. Tremblay, our School Committee Chair Adam Freudberg, and to encourage their continued review to maximize the efficient and effective use of City funds. South Middlesex Regional Technical School, or Keefe Tech, is funded at the requested budget/assessment. We have also included funds in our Utility Fund budget to add a Keefe Tech electrical intern to work alongside our licensed electricians on the City's pump stations.

## 3. Invigorating our Economy: Planned Growth and Balanced Development

As I promised on Inauguration Day, I am working to build a vibrant City that is inclusive, forward thinking, and transparent. Invigorating our local economy will continue to be a top priority. My administration and I will continue to cultivate relationships with our business community, to build relationships and support business growth, the goal being creating a Framingham that is a great place for to live, work, and play in. In our City residents will be actively involved in reimagining their neighborhoods: building a consensus around the type and scope of redevelopment and the design and feel of our Village Centers. As your Mayor, I am committed to fostering dialogue in every one of our neighborhoods, working with the neighborhood organizations, and ultimately moving forward all projects for thriving, pedestrian-friendly, village centers.

Consensus building around redevelopment and revitalization is not easy and is a slow process. It is however a vital part of encouraging economic growth and vitality. Our neighborhood organizations have an important role to play in this process by fostering dialogue; creating a vision – a feel and a visual concept – for the neighborhood; and working along with the municipality to bring projects to fruition, including open space and environment protection projects. I am committed to moving this process forward – hearing all voices across the neighborhoods and working to develop acceptable designs and solutions. I will continue to reach out and ensure that the needs of all our villages are taken into consideration.

I have been meeting with our partners in local government and in the community across the board; these meetings are both informative and inspiring. We can all agree that Framingham's success is our common goal. There is a lot of work ahead of us. I remain committed to collaborating with the municipal leadership team, our City Council and School Committee, to move Framingham forward.

The Community and Economic Development Division is restructured and fully funded in the budget. The consolidated structure provides one single Division that can fully address and streamline the permitting process and provide resources for excellent land use management and planning. Funding is included for the city's appointed Economic Development Industrial Corporation (EDIC) to provide additional citizen guidance and gather input from residents regarding future development in our City.

#### 4. Preserving Assets, Resources and Quality of Life

Public infrastructure upgrades are overdue in a number of locations across the City. We encourage and support smart, pedestrian-friendly streets. We are thinking of ways to make sure walking, parking, and biking is safe and accessible. As your Mayor, my vision is that residents have an opportunity to live, work and play in all parts of Framingham. I am committed to making our City a destination by invigorating our economy through planned growth and balanced development.

One of the strengths of Framingham is that we are a caring community. I will continue to reach out and ensure that the needs of all our villages are taken into consideration. Open space preservation and waterways cleanup and conservation is an important part of this work. Our strategy for open space protection includes development of our Greenways as a means to contain sprawl, develop recreational opportunities, enhance community character, improve ecological integrity, and increase economic activity and revenue. In addition to improving bike and pedestrian environment, we are looking to increase the recreational use of the Weston Aqueduct, the Carol Getchell Nature Trail, and the Cochituate Rail Trail. We are also implementing the Nuisance Aquatic Management Program – a 5-year effort to control water chestnut growth in the Sudbury River. This work will improve the recreational and ecological value of the river.

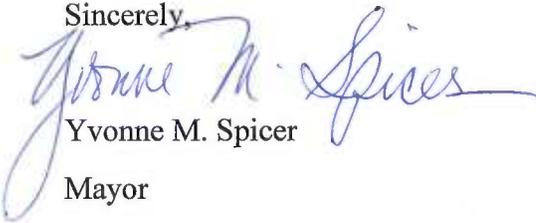
The FY19 operating budget funds the level of resources to departments that provide the day-to-day management and up keep of our parks, schools and municipal buildings. This budget continues to fund the daily roadway operations, including the Urban Street Sweeping program. We fully fund the operations of the Recycling Center, which maintains existing hours of operation at the very modest \$20 fee. The Facilities Management Department includes full staff for both operations and municipal building capital project management. Staffing for this department in FY19 includes and added position to manage current and future sustainability initiatives and strategic planning for the Long Range Building Plan. We will transition the operation and maintenance of the City's cemeteries to the Edgell Grove Board of Trustees during FY19.

## 5. Investing in Our People

We have an energetic and diverse populations of residents. Already the Board and Commission appointments reflect that diversity; future appointments will continue that policy. This budget supports the continued inclusion of all our residents and provides resources in the Mayor's office with the creation and funding of the Diversity and Inclusion Director. This position is recommended in the Transition Plan and is included in Mayors' offices in a number of progressive and forward-thinking cities in Massachusetts.

I hope all of our residents take advantage of all opportunities to be actively engaged in the important work of shaping the future of the neighborhood and its larger role in our City. We are off to a great start and we will continue to build Framingham one day at a time!

Sincerely,

A handwritten signature in blue ink that reads "Yvonne M. Spicer". The signature is fluid and cursive, with the first name being the most prominent.

Yvonne M. Spicer

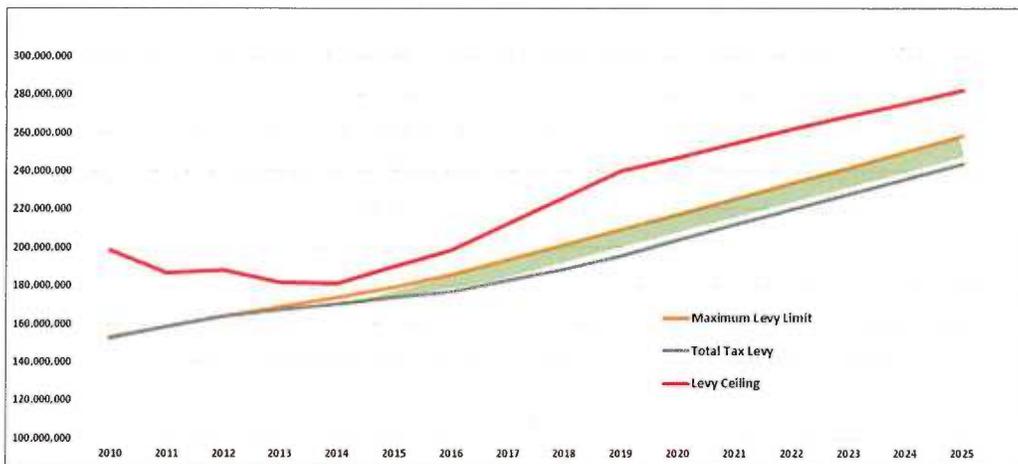
Mayor

The FY19 budget summary and details that are provided in the following pages are part of a comprehensive package that includes a number of detailed separate files for (1) department budgets, including prior year data (2) employee data by department, (3) summary position data to show position counts by department (4) summary of revenues and expenditures by budget item with actual spending back to FY2015, (5) supporting material for the Classification Plan included with this budget; (6) the FY19 Budget Order submitted to the City Council. All of this material is submitted to the City Council electronically and is posted on the City's website.

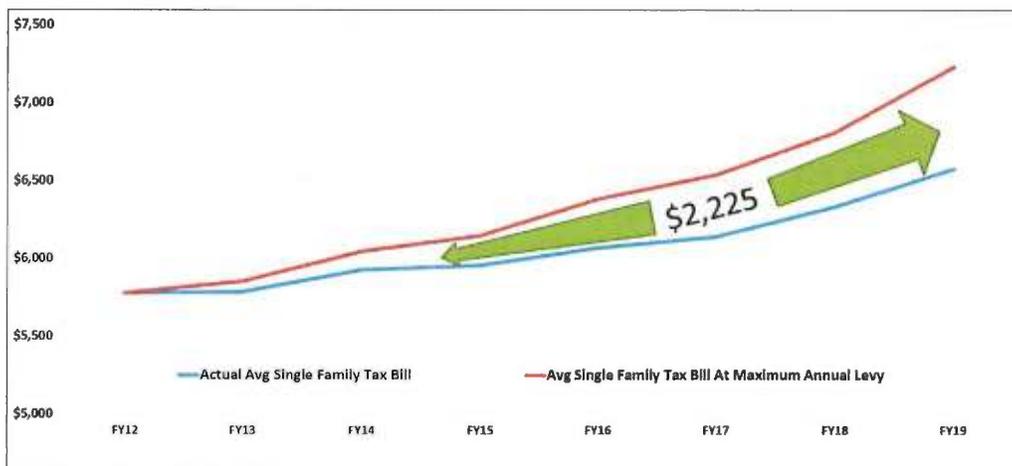
# Important Features of the FY19 Budget

## *Adding to the Excess Tax Levy Capacity*

Since FY2013 Framingham has limited the annual increase in the tax levy to less than the 2.5% increase allowed by Proposition 2½. That capacity to tax does not go away, it becomes “excess levy capacity.” This is tax we could have charged and collected if we increased the levy by the maximum annual 2½ percent per year allowed by law. In FY13 we began with \$1.6 million per year; by FY18 it has risen to \$12.8 million per year. This budget continues that trend – the levy proposed for FY19 increases the excess capacity to \$13.7 million per year. The recommended base levy increase to fund the FY19 budget is 2.2%. The green shaded area in the graph below shows how that “untaxed” excess capacity has grown, saving taxpayers \$13.7 million in FY19.



These are tax revenues that stay in taxpayers’ pockets. Town officials initiated this policy to leave taxes in residents’ pockets because a major school renovation would be necessary in the near future. This budget plan extends that policy into FY19. The chart below illustrates the difference the average single family taxpayer would have paid from FY13 through FY19, if we had adopted a policy to tax to the maximum 2½% levy increase every year. If we had taxed to the maximum levy from FY13 to FY19, the average single family tax bill would have grown from \$5,774 to approximately \$7,226. Instead the average taxpayer has paid \$2,225 less.



## *Restructured and Revitalized Public Health Department*

Lead by our new Public Health Director, the Department has been reorganized to focus on four major areas: Community Health, Environmental Health, Clinical and Nursing, and Emergency Preparedness. The Community Health unit will be refocused with a Community Health Manager (existing position, new employee), a Community Health Program Coordinator and a Substance Use Prevention Program Coordinator to fulfill its mission to “protect, promote, and preserve the health and well-being of all residents”. Contracted services for environmental testing and coordination have been redirected toward an Environmental Health Manager and an Environmental Protection Inspector. The Chief Public Health Nurse will be able to leverage an actual part time Public Health nurse position (versus cobbling together per diem hours) to provide services to residents and manage the City’s volunteer Medical Reserve Corps.

## *Reorganized Inspection Division*

Our Building Inspection Division has experienced a few critical retirements/resignations in the past year. The Commissioner has evaluated the best use of these resources and reorganized to put more resources on the street for inspections. He has eliminated a legacy office manager position and streamline the weights and measures department to consolidate functions. The result is the reduction of 1.5 full time equivalent positions (FTEs) and a reduction of \$60,000 in salary costs – and reallocates resources to put an additional building inspector in the field to keep our buildings safe.

## *Focusing on Sustainability and City-wide Buildings*

This budget includes the addition of a Sustainability Coordinator/Long Range Building Planner position in the Facilities Management budget. The purpose of this position is twofold: (1) to measure and manage sustainability projects throughout the city, and (2) to update the Long Range Building plan in order to reduce our carbon foot print. The Facilities Director and the School Building and Grounds Director will work closely with this person to identify projects for state, federal and private grant and incentive funds. This position will define a plan of regular, scheduled maintenance to increase the efficiency of the buildings we own, and identify opportunities for green energy use. This new position will manage grants, measure energy consumption by City departments and facilities and make recommendations to the Mayor relative to City-wide sustainability policies and initiatives.

## *Office of the Mayor – Functions, Organization, and Roles*

### **The Office of the Mayor**

The functions of the Mayor’s Office is to support the Mayor in fulfilling her responsibilities as a Chief Executive Officer and her role in service to the community. As directed by the Charter (p. 23,) “[t]he executive and administrative powers of the municipality shall be vested solely in the mayor,” “[t]he mayor shall exercise a general supervision and direction over all municipal agencies.” The Mayor is the political face of the city and is ultimately responsible for the daily operations of the municipal organization. Specific functions are to:

- Research, develop, and implement policies and procedures for efficient local government
- Respond to citizen inquiries (in person, by phone, email, etc.)

- Plan and deliver the executive functions of local government – putting policies in motion, developing budgets, master planning, fiscal operations, etc.
- Serve as a liaison to other departments and government agencies
- Partner with community organizations to execute the Mayor’s vision
- Proactively engage state and federal agencies to secure policy and funding support for local projects
- Communicate to the public the Mayor’s vision for Framingham
- Lead the economic development and revitalization effort of the community
- Engage the city’s municipal boards, committees, commissions and constituents
- Organize city-wide public events and celebrations, including a series of community conversations

### Similar Mayor’s Offices in the Commonwealth

The functions, organization, and roles in the Framingham’s Mayor’s Office are similar in scope and scale to several cities in the Commonwealth:

- Medford, population 56,173<sup>1</sup>, **5 positions:**
  - Chief of Staff and Director of Personnel
  - Assistant to the Chief of Staff
  - Secretary to the Mayor
  - Executive Assistant (2)
- Malden, pop. 59,450, **7 positions:**
  - Special Assistant
  - Communications Director
  - Strategy and Business Development Officer
  - Administrative Officer
  - Director
  - Online Services and Communications Specialist
  - Constituent Services
- Lawrence, pop. 76,377, **4 positions:**
  - Chief of Staff
  - Special Assistant (2)
  - Special assistant, Press Secretary
- Newton, pop. 85,146, **8 positions:**
  - Chief Operating Officer (COO)
  - Chief Financial Officer (CFO)
  - Director of Community Engagement and Inclusion
  - Director of Community Communications
  - Executive Aide to the Mayor
  - Citizen Assistance Officer
  - Boards and Commissions Coordinator
  - LGBTQ Liaison

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<sup>1</sup> As of 2010 Census for all population numbers cited

- Somerville, pop. 75,754, **6 positions:**
  - Chief of Staff
  - Intergovernmental Affairs Director
  - Legislative Liaison
  - Administrative Aides (2)
  - Director of Communications
  - Deputy Dir. of Communications

### **Executive Assistant to the Mayor**

The function of the Executive Assistant to the Mayor is to provide hands-on, high-level and detail-oriented administrative support to the Office of the Mayor and to:

- Manage the Mayor’s calendar of appointments
- Prepare and manage correspondence for the Mayor
- Prepare and manage the Mayor’s meeting agendas, briefing materials, and travel itineraries
- Manage direct access to the Mayor’s time and office
- Coordinate and communicate with the senior management team and various departments on behalf of the Mayor to execute day-to-day operations, business events, and projects
- Keep the Mayor informed of upcoming commitments and responsibilities, following up appropriately

### **Chief Operating Officer (COO)**

The function of the Chief Operating Officer per the Charter (p. 25) is to “assist in the coordination and direction of the operations of the various departments and functions of the government.” Specific duties are to:

- Support the day-to-day operations of the city and oversee all city divisions/departments
- Perform a variety of management duties involving municipal projects, budgeting, collective bargaining, and purchasing
- Implement the Mayor’s policies across municipal departments
- Provide professional advice to the Mayor, City Council, and a variety of officials, departments, boards and committees concerning the development, implementation and administration of the policies, goals, regulations, and statutory requirements related to the administration and operation of the City
- Serve as a liaison between the Mayor and department heads, keeping the Mayor apprised of department activities; provide oversight of professional contractors and consultants as needed; assist departments with resolution of issues requiring the attention of the Mayor; monitor and evaluate progress of departments towards the objectives of the Administration
- Serve as the Mayor’s liaison to the City Council; brief the Council on pending agenda items; respond to inquiries and provide Council Members with information on the status of city operations and projects
- Represent the Mayor and the City at meetings and events

### **Citizen Participation Officer**

The function of the Citizen Participation Officer per the Charter (p. 25) is to “work with the municipal departments develop and implement strategies to enhance public engagement using current communication and outreach practices.” The Citizen Participation Officer works with City departments to engage the public using communication and outreach strategies to enhance public engagement, to process citizen complaints and inquiries, and ensure compliance with public notice requirements. This role of this position is also to analyze data on citizen engagement, complaints and inquiries, and to regularly submit reports on such data, as well as to:

- Respond to service requests coordinating with other City departments, prepare response letters and e-mails on behalf of the City and the City Council and personally communicate with residents on a regular basis.
- Serve as an immediate contact for residents calling the City for assistance and to serve as a representative of the Mayor
- Meet with residents to help resolve problems
- Establish and maintain close working relationships with all departments for managing residents' concerns, questions or requests for information
- Assist with citywide social media accounts engage to engage residents on various community issues including responding to questions, concerns and requests for information through those sites
- Identify needed assistance, equipment and technologies for the implementation of public participation and communication programs to support the implementation of public outreach program
- Train municipal staff on the development and implementation of public participation and communication programs
- Anticipate community issues through feedback mechanisms both internally and externally and able to develop communication strategies for implementation
- Manage aspects of the service request system (including software)
- Develop proactive strategies with departments for resolution of residents' concerns
- Lead and organize community meetings when required
- Coordinate the citywide Citizen Survey, requiring strong knowledge in constructing questions and using other tools to gather feedback from the community
- Develop municipal public participation and communication programs and strategies

### **Senior Advisor for External Relations**

The function of the Senior Advisor for External Relations is to coordinates the Administration's communication and collaboration with federal, state, and other municipal governments to secure funding and political support for Framingham's priorities as well as to:

- Foster collaboration with key contacts at the State House, and federal agencies
- Research, review, and draft policy briefs; work directly with Representatives to develop legislation benefitting Framingham residents
- Serve as a liaison to the following city-wide boards and commissions:
  - Bicycle and Pedestrian Advisory Committee (non-Charter)
  - Board of Health

- Cable Advisory Committee
- Constables
- Disability Commission
- Fair Housing Committee
- Historian
- Historic Commission
- Historic District Commission
- Housing Authority
- Human Relations Commission
- Police Advisory Committee
- Registrar of Voters
- Retirement Board
- Traffic Commission
- Veterans Council
- Youth Advisory Taskforce
- Sample areas of involvement on the State and Federal Level:
  - Cannabis Control Commission (CCC)
  - Mass School Building Authority (MSBA) – ex. Fuller Middle School project
  - Alcohol Beverage Control Commission (ABCC)
  - Department of Environmental Protection
  - Office of the State Treasurer

### **Senior Policy Advisor**

The Function of the Senior Policy Advisor is to research, develop, draft and present pertinent policy options for Mayor’s consideration on the basis of proactive outreach, and relationships developed across our local government and community organizations. In addition, the Senior Policy Advisor’s function is to:

- Communicate the Mayor’s policy and vision to our boards and commissions, as well as non-profit organizations and other community partners
- Ensure that members of boards and commissions and members of community organizations inform the Mayor of their progress, plans, and challenges on a variety of policy fronts. (In this way, unlike in our previous form of government, the Mayor, our community organizations, and city boards and committees are in constant contact and are able to work collaboratively to move Framingham forward.)
- Serve as a liaison to the following city-wide boards and commissions:
  - Agricultural Advisory Committee
  - Board of Assessors
  - Board of License Commissioners
  - Capital Improvement Committee
  - Cemetery Commission
  - Community Development Committee
  - Conservation Committee
  - Council on Aging
  - Cultural Council
  - Cushing Memorial Chapel Advisory Committee
  - Economic Development Industrial Corporation (EDIC)

- Elderly and Disabled Tax Fund Committee
- Loring Arena Committee
- Park and Recreation Commission
- Planning Board
- Regional Vocational School Committee
- Zoning Board of Appeals
- Liaison to community organizations such as:
  - Framingham Community Partners (FCP)
  - Advocates
  - Brazilian American Center (BRACE)
  - Downtown Framingham Inc.
  - South Middlesex Opportunity Council (SMOC)
  - United Way of Tri-County
  - Wayside Youth and Family Support Network

### **Director for Diversity and Inclusion (Vacant)**

Reporting to the Mayor, the role of the Director for Diversity and Inclusion is the principal advisor to the Mayor on issues of diversity, inclusion and equitable practices throughout the City of Framingham. This position provides cohesiveness and serves as a channel for numerous divisions, a resource for the school department, and staff programs and activities to promote inclusive excellence and welcoming environments for all. This role performs professional and organizational duties relating to formulating policy, administering and supervising programs that promote diversity and equal opportunity for both the solicitation of vendors and recruitment of employees. This role develops programs designed to support new vendors with compliance and bidding requirements. In addition, the role of the Director for Diversity and Inclusion is to:

- Provide City-wide direction/support/communication in the areas of diversity, inclusion and related compliance matters to include updating directors, division heads, and administrators on the impact of changes to state and federal regulations and legislation as well as executive orders; stays current on laws, regulations, trends and best practices related to diversity and inclusion
- Lead the development of strategies, policies and guidelines that advance understanding of diversity and inclusion issues across the workforce and the community
- Coordinate with individuals who are overseeing diversity and inclusion efforts within individual divisions and city boards and commissions
- Interact with all City departments, including Schools, to enhance existing programs and develop new programs that encourage active engagement in activities that demonstrate the City's commitment to inclusion
- Maintain and monitor the implementation of the City's Non-Discrimination and Harassment Policy for employees, residents, students, and staff
- Investigate complaints of discriminatory harassment, coordinating efforts with the Human Resources Department
- Develop and implement a comprehensive professional development program for all City employees, councils, boards and commissions regarding diversity and inclusion efforts
- Enhance the City's presence in the community, as a partner committed to diversity and inclusion, with state and local agencies, task forces, community interest groups, etc.
- Prepare reports and statistical analyses

## **Director of Communications (Vacant)**

Reporting to the Mayor, The Director of Communications will lead a talented team of dedicated professionals creating and implementing a strategic, multi-faceted communications strategy designed to engage the public. The Director will support communication needs collaborating with the Directors, Division heads, the Council and the Mayor's office to provide timely and effective internal and external communications. Specifically, the role of the Director of Communications is to:

- Develops strategic communications plan to support the Mayor's vision, goals and objectives
- Oversees all aspects of the City's internal/external communications
- Ensures Department/Division alignment with the City's communications strategies, objectives and priorities, developing policies, procedures, standards and guidelines
- Responsible for public engagement
- Corporate brand and visual identity, graphics and web design
- Ensures the level of experience and expertise to lead strategic communications and complex issues management
- Constructively engages with all levels of government, anticipating policy changes and emerging trends that may impact our community
- Additionally, assumes direct responsibility for managing the communication needs of the Mayor, Council, executive team and senior management
- Act as spokesperson for the City
- Serves as the City's Emergency Information Officer
- Oversees and participates in writing press releases and responding to media inquiries
- Manages and executes City "See Click Fix" service requests, or other similar software, account management services for key departments, market research and enforcement of brand standards
- Build and foster collaborative relationships with other departments within the City to stay informed and abreast of new initiatives, products and services
- Identify opportunities to support organizational initiatives and develop communications materials and programs to promote and publicize these activities
- Aid in the development, implementation and management of external communications efforts
- Respond to media requests for information and facilitate media interviews with spokespeople, and other staff
- Oversees development of news releases, news materials, fact sheets
- Develops talking points for Executive Speakers on behalf of City
- Build relationships with professional counterparts in other similar community organizations through organizational initiatives and jointly-sponsored communication campaigns and programs
- Manage and mentor department staff to integrate efforts on communications programs

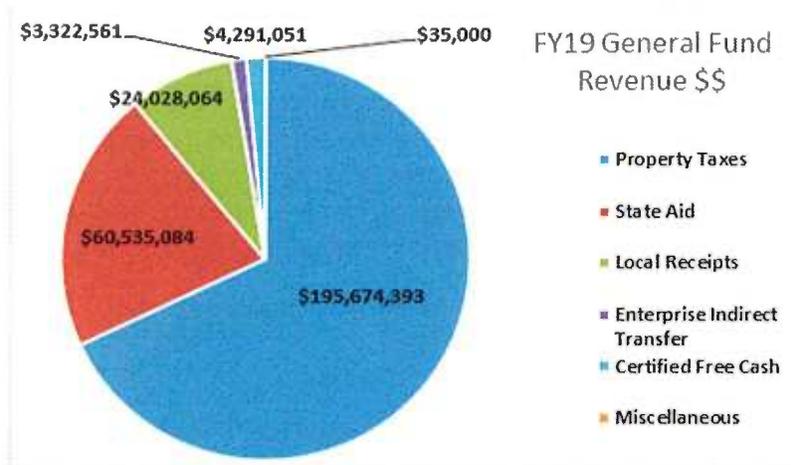
### *Increasing the Senior Tax Work-off Benefit*

In FY19, we have increased the budget allocation in the Council on Aging for our own local Senior Tax Work-off program. We recently increased the allowable income limits for qualification into the program, which we expect will allow more older-adults into the program. We have created a new work program in FY19 for guides in the Memorial Building to help citizens find where they need to go more quickly. Starting in FY19 the annual benefit will increase from \$725 to \$1,000.

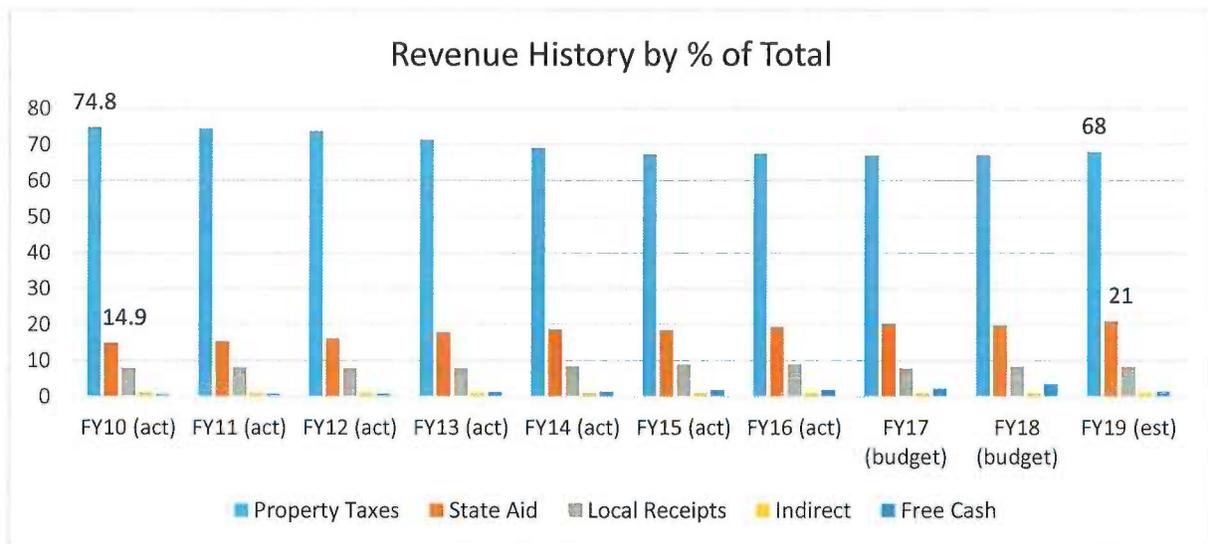
# FY19 Revenue Details

## General Fund Revenue

The total General Fund revenue estimate used for the FY19 operating budget is \$287,886,154; an increase of \$6.8 million or 2.4%. This estimate relies on a 2.2% base tax levy increase and \$3.07 million in new taxes from development. The State Aid amounts are based on the House budget, an 8.6% increase over FY18. Local receipts are estimated largely based on the last three years' experience in actual revenue. Enterprise Indirect, the overhead charged against the Utility Enterprise Fund is a 4% increase over FY18. Free Cash is used to fund the Capital Stabilization Fund, Stabilization Fund, OPEB Trust contribution and a portion of the increase in the Pension Fund appropriation. The breakdown of the General Fund Revenue amount is in the pie chart below:



Historically, the City (as a Town, of course) was very dependent on property taxes as a source of revenue. In 2009 the state created local meals taxes and increased the local room tax to bring some relief to the reliance on property taxes. This was helpful in that it generated about \$1.5 million in additional revenue. Our State legislators, led by Senator Spilka, corrected the inequity that existed with Framingham and Chapter 70 target aid. As a result of that work, chapter 70 aid has increased \$20 million or 92% since FY12, allowing us to reduce reliance on property taxes as seen in the graph below.



Local Receipts is the category of General Fund revenue that includes motor vehicle excise tax, room and meals taxes, building permits, user fees, rental income, interest and penalties on late tax payments, fines, payments in lieu of taxes, ice time at Loring Arena and cable access revenue from the three cable companies. As a revenue category, local receipts are increasing 3.5%. While some of the individual revenue types that fall under local receipts change at different rates (excise and other taxes 2% and licenses and permits 5%) the total increase is just over \$800,000.

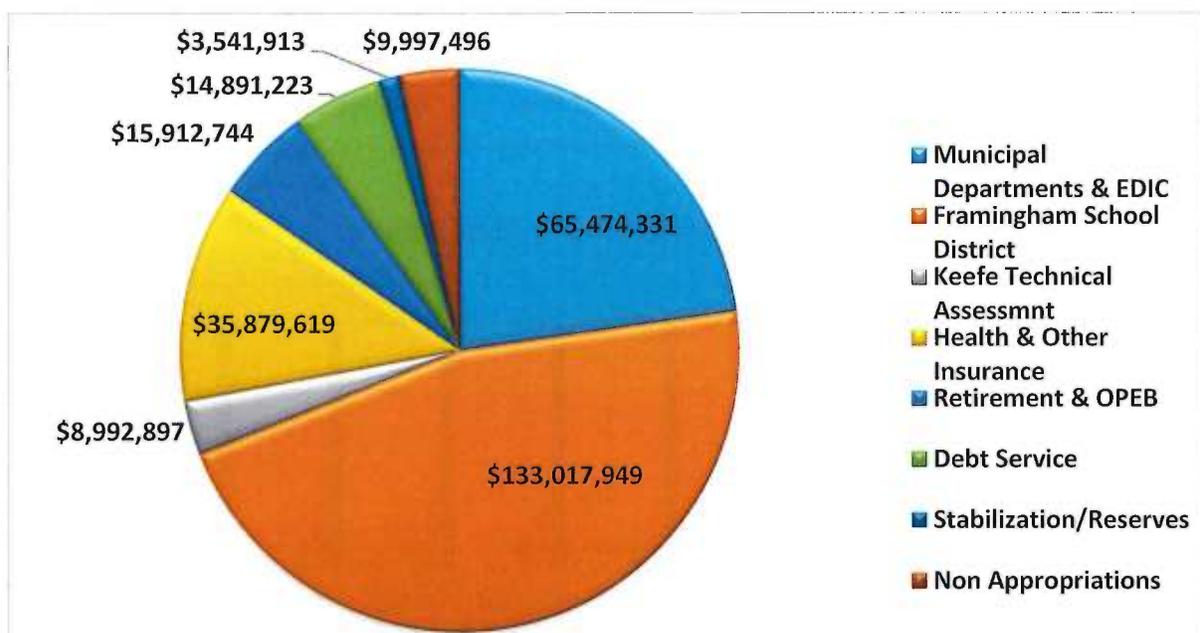
The next largest category of revenue is called Enterprise Indirect. This is the overhead charged against the Utility Enterprise Fund for services and management time performed by General Fund staff and costs funded in the General Fund that also cover the Water and Sewer Departments. These include items like unemployment insurance, workers' compensation costs, property and liability insurance and Medicare tax. Health insurance is funded directly out of the utility fund department budgets. The total revenue for FY19 is \$3.3 million, an increase of 4% or \$128,000. Note that this is charged against the fund. It is included in the budget detail for the Water and Sewer Departments, but not included in the appropriation amount in the Appropriation Schedule.

The final major revenue category is free cash. The free cash policy is provided in the back section of this document. We continue to build up the Capital Stabilization Fund in advance of the needs of the Long Range Building Plan. \$2.2 million is appropriated in this budget. The transfer to the regular Stabilization Fund is \$451,913, which is enough to keep the Stabilization Fund at the 5% of total budget level. \$500,000 is allocated for deposit into the OPEB Trust Fund. The Retirement appropriation is funded by \$639,138 of free cash, as described in the Retirement section below. \$500,000 of free cash is used as a general revenue source.

Miscellaneous revenue is from parking receipts and the consumer protection fund.

### FY19 General Fund Expenditure Details

General Fund expenditures increase \$6.6 million or 2.3% from FY18. The largest dollar increase is for the School Department - that budget of \$133,017,949 increases \$5.6 million or 4.4% from the FY18 final adjusted budget. The largest percentage increase is the Retirement Fund Appropriation of \$15.4 million which increases 5.68% or \$729,206. The pie chart below illustrates the distribution of spending resources across major categories.



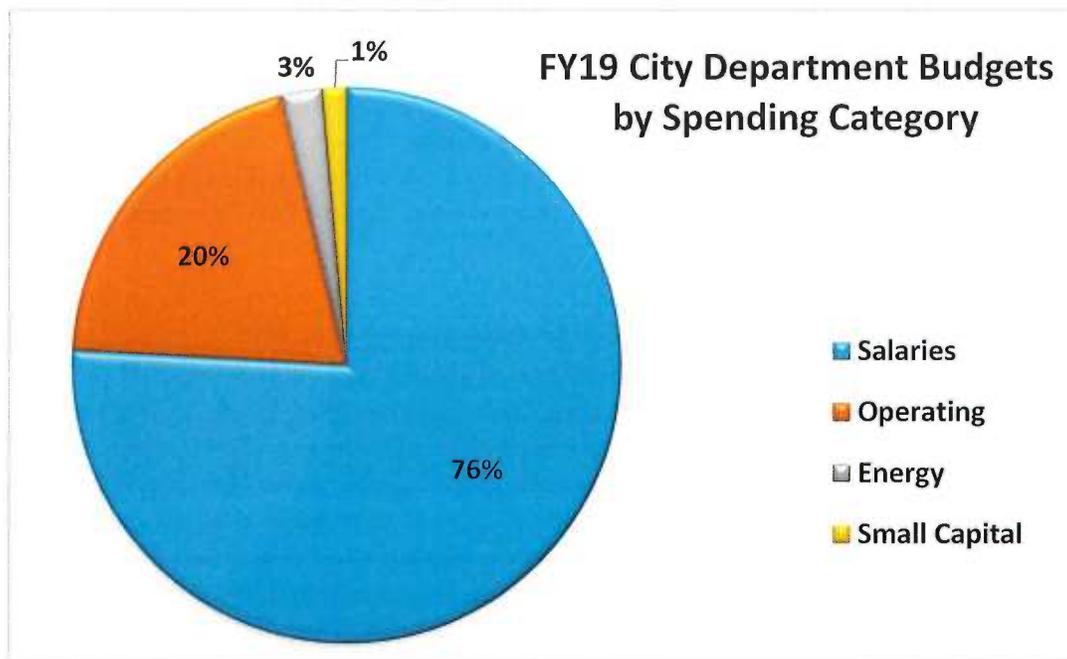
**Note: in this pie chart, the Municipal Departments total includes funding for the Mayor's Office and the City Council**

Over all City Department budgets are increasing 2.8%. This includes adjusting for two years of collective bargaining contract changes, since contracts settled with SEIU, 1116 and 1156 Laborers and the Police Superiors Union all had retroactive components. In FY18 we paused to see how much turnover savings would cover the increased costs of the contract and are funding only the difference. When comparing FY18 Salary budget to FY19 Salary budgets, the FY18 is not fully funded. By comparison, the City Department salary costs are increasing 4% over the lower base FY18 funding, including the additional funds for the Sustainability/Building Coordinator and for a Fire Department Dispatcher. This also includes funds in each individual department budget for the cost for a 1% COLA for the M grade non-bargaining positions. This is consistent with the COLAs included with the union positions. For the senior and middle management a merit amount is included and clearly identified in the Employee Schedule.

Operating costs for City Departments are increasing by 3.1%, which includes costs for solid waste removal, diesel and regular fuel for vehicles, and building maintenance supplies and materials. Energy costs are decreasing by 16% , we are starting to see full year savings from a number of improvements made to municipal facilities and streetlights from the ESCO program, we have sold the Maynard Building and moth-balled the Danforth Building. There are a couple of facilities where we increase energy funding due increased use and size: the two libraries expanded hours during FY18, including keeping the new McAuliffe Library open on Sunday all year round; and we anticipate that Loring Arena will have additional use in FY19 with the larger facility.

Small Capital, is the category of spending for the purchase of replacement small equipment, items that do not have a useful life of five years (and therefore do not qualify for the capital budget); or items we simply choose to pay directly as part of the operating budget. Each year this budget category starts from zero (i.e. zero-based budget); each requested is evaluated for need and either recommended or deferred. There is one exception to this methodology: there is a five year lease/purchase of a substantial technology upgrade that was authorized at the 2016 Annual Town Meeting. The third payment of \$250,000 is included in the Technology Department small capital budget. This will be included in the FY20 and FY21 budgets and then eliminated. The City Departmental total in this category is \$919,500 (not including City Council), a decrease of 20% from the FY18 level of funding.

The pie chart below depicts City Department budgets spending categories by percentage.



*Note: this breakdown includes the appropriations for the Mayor's Office and the City Council*

## *Departmental Staffing*

There is significant movement of positions and FTEs in the budget. Overall, not including Education Departments, the net change in full time equivalent positions (FTEs) is 2.6 FTEs higher than FY18. Included in this budget package is an FTE chart that lists the number of FTEs by Department, with notes as to new positions, eliminated positions and transfers of positions to other departments. Given all the changes in the new government, it made sense to create the summary chart. Generally, we eliminated any FTE that was not funded in THIS budget. We have been carrying unfunded FTEs in the position count since FY2009 when we laid off municipal staff. We have only one FTE listed in our department that is not funded: the Community Health Manager in the Public Health Department. This position is being evaluated as a potential change for FY20, but not in FY19.

This budget plan includes a detailed schedule of all employees by department, listing all positions, their salaries and differentials (if applicable), step dates and amounts, programs and funding sources. This file is called the Employee Schedule and is posted with FY19 Budget material. There is one added position separate and distinct from the charter and transition plan changes. We are adding one day time shift dispatcher in the Fire Department to improve call handling during the busiest call volume periods: Monday – Friday, 9 am to 5 pm.

### *Classification Plan*

This budget package also includes supporting material for the Classification Plan and salary schedules included in the budget Order submitted to the City Council. The Classification Plan has been updated for FY19, listing all the non-bargaining/non-union position titles, senior management classified title and the Division Head classified titles that are included in this budget. The corresponding salary schedules for the Classification Plan are also included, reflecting the 1% change in the ranges for the 1% COLA described two paragraphs above.

## *Group Health and Other Insurances*

In FY15 City employees were migrated to the state run Group Insurance Commission for health insurance coverage. This change reset the pattern of health insurance spending for Framingham. Initially the projected savings over the three year period (FY15-17) were \$17 million. These savings were based on an estimate of enrollment in health plans and rate increases of 5% per year. Rates for that period did not quite increase as high as projected. A secondary cost savings is directly related to turnover of employees. New employees must wait 60 days before enrolling in health plans. This means the employer costs of the coverage are reduced by two months for every new employee that replaces a retiring or resigning employee. Turnover for the last two years has been high, and therefore generated savings in the health insurance account. That has contributed to the balance of free cash in the last two years. In FY19, we make adjustments for a more modest increase in rates for health plans and adapt FY19 spending to the last three years spending. There is a risk that the lower spending experienced in

## *Retirement Fund Appropriation*

The City of Framingham is a member of the Framingham Retirement System (FRS). The FRS includes employees of the Framingham housing Authority (FHA) and the Metro West Regional Transit Authority (MWRTA). The appropriation included in the General Fund budget covers only employer share for the City of Framingham employees, NOT the FHA or MWRTA employees. Further, only “non-teaching” School Department positions are included in this system. Framingham School District teachers are included in the Massachusetts Teachers Retirement System or MTRS. The state funds the employer share of MTRS, Framingham, as an employer does not contribute funds. Employees in both systems contribute a substantial portion of their income as the employee contribution. For employees hired after 1996, they are contributing essentially 11% of their compensation toward their retirement. Actuarially, this is fully funding the retirement benefit. The unfunded liability often referred to in reports and in the news is really related to the employees that were hired before 1984 which contribute 7% or less toward their retirement. The pension benefit eligibility was substantially changed in April of 2012. It increased the retirement age for vested members from 55 to 60 years of age.

For FY18 a new appropriation schedule was developed for the Retirement Fund. It incorporated the use of updated mortality tables (people live longer), and reduced the assumed rate of return on investment from 7.75% to 7.5%. If we wanted to keep to the eliminated of the unfunded liability by 2030 (as in the previous plan) the annual appropriation would have to increase from 5% growth to 6.85% growth. This would be a big hit to the operating budget. So we built a hybrid plan that has a large increase in FY18, which we would allocate free cash to fund, flowed by lower annual incremental increases (5.68%). In FY18 we allocated \$1 million toward the Retirement appropriation.

The increase in funding from FY18 is \$729,206. \$639,138 of free cash is allocated to fund a share of this increase, primarily to offset the change in the funding schedule due to the use of a new mortality table and the reduction in the assumed rate of return for the Retirement Fund.

#### *Debt Service*

The debt service amount included in the FY19 operating budget is based on the required debt service from issued debt and a modest amount for short term borrowing related to prior year, on-going capital projects. There is a very small amount allocated to the FY19 Capital Improvement Plan related to short term borrowing for new projects.

#### *Non –Appropriation Items*

These budget items require no vote for appropriation but have always been included in the budget documentation and the budget bottom line. These items include tax title – the costs to process tax foreclosure cases in land court. The state assessments – which include a transportation assessment for the MBTA and MWRTA; and charter school and special education assessments based on the number of children attending these schools outside of our school district. These amounts are estimates at this point, based on the House budget. But they could, and have, increased substantially with the Senate budget. Finally, the tax overlay, the amount set aside to offset the cost of tax abatements is included in this budget category. This item is reduced from FY18 by \$100,000. The passage of the Municipal Modernization Act in 2016 changed how the overlay is accounted for from each individual year, to pooling all years together. This should allow us to reduce the annual contribution to the pooled amount.

During the FY16-18 fiscal years we carried an amount of money called the Tax Burden Reserve in this budget category. This fund was a reserve in the tax overlay that would provide some minimal protection against tax burden shifting from Commercial tax payers to Residential taxpayers. This reserve could be eliminated during the tax rate hearing process, post Town Meeting, if property values changed to increase tax burden. The funds (\$700,000) were raised in FY16; those same funds were carried through FY17 to FY18 (the same (\$700,000)). The Selectmen voted to expend that reserve in FY18. There is no new tax burden reserve built into the FY19 budget.

#### **FY19 Enterprise Fund Revenue**

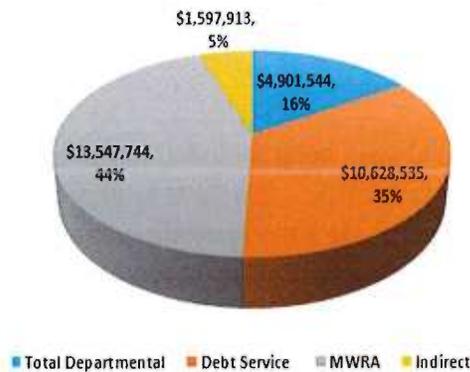
Revenue in the Enterprise Fund is generated by fees for certain services and rates paid by residents and businesses for metered water and sewer usage. The revenue raised from regular usage ratepayers is generally the total budget, plus a small amount of depreciation, less non-rate revenue (I/I fees, flat sewer fees, metered pass through sewer revenue from Ashland, private fire services fees charges for sprinkler systems, final meter read fees, etc.). That remaining amount of money needed to fund the budget is divided by estimated usage for the next year to determine the rates. In previous fiscal years the administration has recommended and the Board of Selectmen have voted to use some of the balance of the Enterprise Fund, call retained earnings, as an additional revenue source to offset the revenue needed

to be raised by rates. We have recommended the use of retained earnings be used with a long term view – do not use all the retained earnings to offset any rate increase in one year – but to keep the rates from spiking over the long term. With this view in mind we recommend the use \$2.6 million in retained earnings to limit the increase in rates to 2.25%.

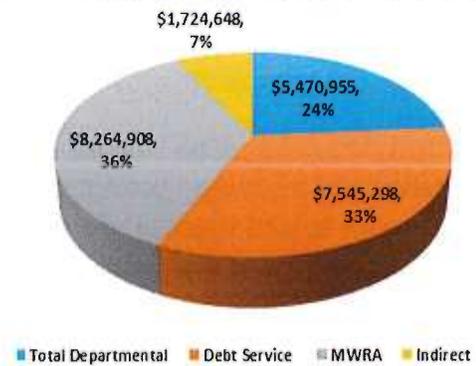
### FY19 Utility Enterprise Fund Expenditures

FY19 Utility Fund Spending is increasing by 5.5% or \$2.8 million. The Water Department total budget is \$23,005,809, an increase of \$1.2 million or 5.6%. The Sewer Department total budget is \$30,595,836, an increase of \$1.6 million or 5.5%. The pie charts below describe the component parts of each budget, both by dollar amount and by percent of the total budget. The largest part of each budget is the MWRA assessment. Debt service is for the water and sewer capital projects authorized in prior fiscal years.

**FY19 Sewer Department Budget Breakdown**



**FY19 Water Department Budget Breakdown**



The largest increases in the Water Department are the MWRA Assessment (\$230,198) and debt service (\$875,994) which represents a major step in capital project completion in FY16/17/18 construction seasons. The indirect cost, overhead for services and costs paid by the General Fund, is increasing by 4%.

Direct Departmental costs are increasing \$41,807 or less than 1%. This includes \$12,000 for an electrical intern from Keefe Tech. Base salaries are increasing \$176,433 or 5.5% compared to FY18 for the same reason as mentioned in the General Fund discussion on salaries. We did not, and will not add funds to FY18 to support the cost increase related to the 1156 and 1116 collective bargaining increases. Cost savings and staff turnover savings will cover the changes in salaries incurred in FY18. So the 5.5% increase represents two years of cost change in FY19.

The Sewer Department budget increase is \$1.67 million or 5.8%. As with water, the largest increases are in the two largest budget components: the MWRA Assessment and debt service. The MWRA Assessment is almost half of the Sewer budget. Debt service is a larger portion of this budget due to the completion of the major ACO required project: East Framingham Sewer Improvement Project (EFSIP) which totaled a little over \$40 million. We did receive \$8 million in “debt forgiveness” from the State Clean Water Act Fund, but it was still a large project that took several years and ran pipe from the northeast corner of the city to the Arthur Street pump station in the southeast corner of the City. The FY19 increase in debt service is a little over \$1 million. The direct Departmental costs are increasing 2% or \$94,644. This includes an increase to the part time salaries for an engineering intern. Indirect costs are increasing 4%, the same as the water Department.

Base salaries are increasing \$169,686 or 6% compared to FY18 for the same reason as mentioned in the General Fund discussion on salaries. We did not, and will not add funds to FY18 to support the cost increase related to the 1156 and 1116 collective bargaining increases. So the 6.5% increase represents two years of cost change in FY19.

In both budgets, operating costs, energy costs and small capital costs are decreasing, almost completely offsetting the increase in personnel costs.

## Debt Position Summary

The Direct Debt of the City as of June 30, 2017 is summarized in the table below:

<b>General Obligation Bonds Outstanding: (1)</b>	
School (2)	\$19,772,938
Water (3)	\$47,626,349
Sewer (4)	\$46,617,980
General Government (5)	\$44,463,733
MCWT (6)	\$49,901,330
MWRA (7)	<u>\$7,118,522</u>
<b>Total Long-term Debt Outstanding:</b>	<b>\$215,500,852</b>
<b>Add:</b>	
Bonds Issued December 7, 2017	\$38,186,000
Short term debt issued December 7, 2017 (8)	<u>\$2,549,901</u>
<b>Total Direct Debt</b>	<b><u>\$256,236,753</u></b>
(1) excludes lease and installment purchase obligations, overlapping debt, interim loan notes through the MCWT, unfunded pension liability and other post-employment liabilities (OPEB)	
(2) \$4,581,000 is not subject to the City's debt limit. \$2,221,600 has been excluded from the limits of Proposition 2 1/2. The unpaid balance of state school construction grants payable over the life of outstanding school debt is estimated at \$6,328,961. Said grant payments are applicable to both principal and interest and are subject to annual appropriation by the state Legislature.	
(3) \$46,550,744 is subject to a separate water debt limit of 10% of the city's equalized valuation (EQV); that limit is \$844,614,940	
(4) \$38,110,232 is not subject to the City's debt limit.	
(5) \$102,850 is not subject to the City's debt limit. Does not reflect remaining grant payments from the MSBA.	
(6) Does not reflect the subsidy from the MCWT, which is applicable to both principal and interest. \$7,639,687 is outside the City's debt limit.	
(7) \$7,118,521 is outside the City's debt limit.	
(8) Renewal notes to be issued concurrent with bonds, payable December 6, 2018.	

*Financial Policies Applied in this Budget*

<b>Policy Name</b>	<b>Definitions</b>	<b>Detail/Actions</b>
<b>Use of Certified Free Cash</b>	<p>Free cash is the remaining, or undesignated balance in the General Fund. The General Fund is the primary revenue fund for cities and towns.</p> <p>Certified means the state Department of Revenue has reviewed the City's balance sheet for the end of the fiscal year and approved the free cash balance.</p>	<p>40% of certified free cash will stay in the General fund balance. The remaining amount (net free cash) is available for use. Free Cash may be appropriated for the following uses in the General Fund:</p> <p>Use 1: to maintain the Stabilization Fund at 5% of the annual operating budget.</p> <p>Use 2: transfer to the Capital Stabilization Fund an amount not less than but not more than 30% of net free cash</p> <p>Use 3: transfer not more than 10% of net free cash to the OPEB Trust fund</p> <p>Use 4: transfer to the General Fund to support the Pension Fund appropriation</p> <p>Use 5: appropriate to the annual Capital Improvement Plan</p>
<b>Use of Certified Retained Earnings</b>	<p>Retained earnings is the remaining, or undesignated balance in an Enterprise Fund. An enterprise fund is used by many municipalities for specific business functions that run on usage fees like utilities.</p> <p>Certified means the state Department of Revenue has reviewed the City's balance sheet for the end of the fiscal year and approved the retained earnings balance.</p>	<p>Retained earnings may be appropriated for the following uses:</p> <p>Use 1: Stabilize rate increases on an annual basis and over the long term – make available apportion of retained earnings to serve as an alternative revenue source to usage revenue when an annual increase of rates is excessive. "Excessive" is determined annually. The funds are not to be used to eliminate a rate increase or reduce rates from the prior fiscal year but to mitigate spikes in rates.</p> <p>Use 2: to pay directly for a Utility Fund capital project, or to pay a portion of a capital project as an alternative to borrowing.</p>
<b>Stabilization Fund</b>	<p>A reserve for extraordinary fiscal changes, to pay for costs of natural disasters, and sudden decreases and funding resources. Often called the "rainy day" fund.</p>	<p>The City policy requires the amount in the fund equal at least 5% of total annual revenue each year. The operating budget allocates a portion of certified free cash to maintain that 5% balance in the stabilization fund.</p> <p>A majority vote is required to appropriate money into the Stabilization fund. A 2/3 vote is required to withdraw funds from it.</p>
<b>Capital Stabilization Fund</b>	<p>A reserve for the purposes of providing direct pay funds for a major capital project.</p>	<p>Initiated for the purposes of funding 20% of the City cost of the Fuller School replacement project and the future changes to the Memorial building. 10-30% of net free cash is an annual stream of revenue. Additional appropriations from other revenue sources are allowed. A majority vote is required to appropriate money into the Capital Stabilization fund; a 2/3<sup>rd</sup> vote is required to withdraw funds from it.</p>

<b>Debt Service as a Percent of Total budget</b>	Debt Service is the annual payment from the operating budget to pay the installments for the issued long term and short term debt. Department of Revenue allows up to 10% as a reasonable practice.	Limit the cost allocation and appropriation for debt service to 5% of the total budget for the current fiscal year.
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