

Combining Financial Statements



Description of Non Major Governmental Funds

School Lunch Fund:

This fund is used to account for the operations of the Newton Public School Department's student lunch program. Revenues are generated from the sale of lunches, state and federal reimbursement grants, and investment income. A formal budget is not adopted for this fund, however, expenditures can not exceed revenues plus the beginning fund balance. Any difference between fund revenues and expenditures is financed with a transfer from the School Department's general fund operating budget. It is the policy of the Newton Public school department to subsidize all fund employee benefit costs.

Highway Improvement Fund

This fund is used to account for the revenues and expenditures of the Commonwealth of Massachusetts Chapter 90 highway construction grant funds. Grant budgets are recorded based upon annual grant awards from the Commonwealth, Board of Aldermen authorization of annual spending authority, and approval of specific construction projects by the Massachusetts Highway Department. Chapter 90 highway construction grants are paid to the City on a reimbursement basis. The City finances grant expenditures internally until reimbursements are received from the Commonwealth. Grant revenue is recognized when approved expenditures are incurred and submitted to the Commonwealth for reimbursement.

Revolving Fund

The Revolving Fund is used to account for a variety of functions that are expected to be self-supporting, such as departmental private duty details, school athletics, summer school, drivers education, creative arts, pre-school and creative arts. All revolving funds, except for statutory school funds and private duty detail funds, are authorized annually by vote of the Board of Aldermen under Massachusetts General Law Chapter 44, Section 53E ½. This fund is also used to account for damage recoveries of less than \$20,000 and for police asset forfeitures. Fund expenditures are limited to the lesser of actual available resources or the annual spending limit authorized by the Board of Aldermen.

Receipts Reserved Fund

This fund is used to account for a variety of local revenues whose use is legally restricted to a specific purpose and can only be spent with the prior appropriation of the Board of Aldermen. The fund is used to account for proceeds from the sale of surplus real estate, parking meter receipts, traffic mitigation funds, and revenues generated from cable television license agreements and the sale of recyclable materials. No expenditures can be made directly from the fund, rather, resources are appropriated and transferred to the City's general fund for expenditure.

Community Development Fund

This fund is used to account for activities undertaken with federal Community Development Block Grant funds. The Mayor and Board of Aldermen approve each year's grant budget.

Municipal Federal Grant Fund

This fund is used to account for a variety of categorical municipal federal grants. The Board of Aldermen approve annual grant budgets and grant budget obligations are limited to the lesser of actual available resources or the annual spending limit authorized by the Board.

Municipal State Grant Fund

This fund is used to account for a variety of categorical municipal state grants. The Board of Aldermen approve annual grant budgets and grant budget obligations are limited to the lesser of actual available resources or the annual spending limit authorized by the Board.

School State Grant Fund

This fund is used to account for all categorical public education state grants. The School Committee approves annual grant budgets and grant budget obligations are limited to the lesser of actual available resources or the annual spending limit authorized by the Committee.

School Federal Grant Fund

This fund is used to account for all categorical public education federal grants. The School Committee approves annual grant budgets and grant budget obligations are limited to the lesser of actual available resources or the annual spending limit authorized by the Committee.

Local Transportation Fund

This fund was established in 1997 to account for the operation of the City's local transportation system. Revenues are derived from private donations and rider fares. The City subsidizes the cost of operating the transportation system with subsidies from the General Fund and state and federal senior service grants.

Gift Fund

This fund is used to account for private gifts and donations that are unrelated to any other fund. Expenditures are limited to the lesser of actual available resources or the annual spending limit authorized by the Board of Aldermen.

Newton Community Development Authority

This fund is used to account for the housing and economic development activities of the Newton Community Development Authority (the authority). The Director of Planning and Development serves as Chairman of the Authority, which is staffed by Planning and Development employees. The City Treasurer does not maintain custody of the assets of the authority and its financial activities are not subject to general ledger control by the City Comptroller.

Kennard Park Maintenance Permanent Fund

This fund is used to account for the maintenance and improvement of the Kennard park and estate property. Revenue is generally limited to rental income on the private residence and investment income on fund cash.

Emerson Community Center Permanent Fund

This fund is used to account for the maintenance and improvement of the Emerson Community Center. Revenue is generally limited to investment income on fund cash.

Newton Commonwealth Golf Permanent Fund

This fund is used to accumulate resources for the perpetual maintenance of the Newton Commonwealth Golf course property, in the event that it ever ceased to operate as a public golf course.

Library Common Fund

This fund is used to account for the purchase of library supplies and materials and the enhancement of public library services in Newton. The Newton Library Board of Trustees maintain custody of fund assets.

Davenport Cemetary Permanent Fund

This fund is used to account for the perpetual maintenance of the Davenport grave site. Revenue is limited to investment income on fund cash.

Nahanton Park Maintenance Permanent Fund

This fund is used to account for the maintenance and improvement of Nahanton Park. Revenue is generally limited to investment income on fund cash.

Hyde Community Center Permanent Fund

This fund is used to account for the maintenance and improvement of the Hyde Community Center. Revenue is generally limited to investment income on fund cash.

Oak Hill Community Center Permanent Fund

This fund is used to account for the maintenance and improvement of the Oak Hill Community Center. Revenue is generally limited to investment income on fund cash.

Eliot Memorial Permanent Fund

This fund is used to account for the maintenance and improvement of Eliot Memorial.

Revenue is generally limited to investment income on fund cash.

Trombley House Permanent Fund

This fund is used to account for the maintenance and improvement of the Trombley House. Revenue is generally limited to investment income on fund cash.

Jackson Homestead Permanent Fund

This fund is used to account for the maintenance and improvement of the Jackson Homestead museum. Revenue is generally limited to investment income on fund cash.

Conservation Permanent Fund

This fund is used to account for the maintenance of City conservation land. Revenue is generally limited to investment income on fund cash, and small donations.

Public Building Improvement Fund

This fund is used to account for the acquisition, construction, reconstruction, and/or major renovation of City buildings for which the City has not established a separate capital project fund. Renovation projects of less than \$500,000 are accounted for in the City's General Fund. Financing is generally derived from the issuance of bonds or notes. Board of Aldermen appropriations are for the term of the project. The Public Building Commissioner is responsible for all projects accounted for in this fund.

Public Works Improvement Fund

This fund is used to account for major public works improvement projects that are not accounted for in another fund.

Capital Stabilization Fund

The Capital Stabilization Fund is used to accumulate resources for future capital project financing. No expenditures are made directly from the fund. Funds are instead appropriated and transferred to another capital project fund or to the general fund for capital improvements and/or maintenance. Completed capital improvement and maintenance budget balances are closed out to this fund along with certain state and federal grants for capital purposes that have been funded originally with local resources.