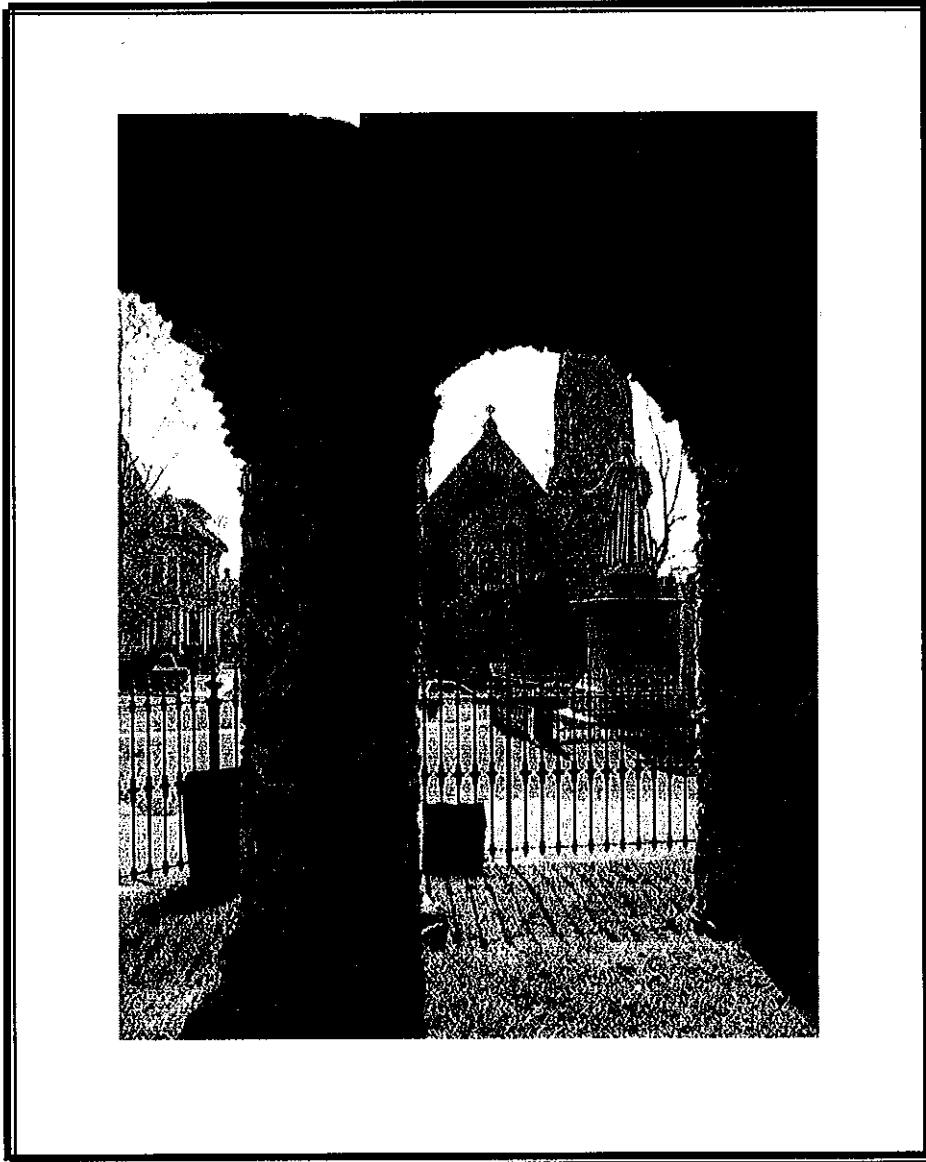


City of Newport Rhode Island

*Third Annual Performance Report
Delivery of City Services*



Year ending June 30, 2009

CITY OF NEWPORT, RI
Third Annual Performance Report
Year Ending June 30, 2009

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**CITY OF NEWPORT
THIRD ANNUAL PERFORMANCE REPORT
FISCAL YEAR 2008-2009**

EXECUTIVE SUMMARY

Findings this year on the governmental performance of the City of Newport still offer good news for the City organization and the greater community, both in terms of recognition of successes and insights into areas for improvement.

General Fund

An increase in the property tax rate (3.96% - residential rate) was anticipated to increase tax revenues by \$1,839,000 over the prior year's budgeted property tax revenue. Property tax revenue, while higher than prior year actual revenues, was below the budgeted amount by \$442,740. This, along with a mid-year reduction in state aid, reduced fees from the sale of houses and lower interest income led to a shortfall in revenues (from budget) of \$898,709 before transfers in. Transfers in of \$1,166,831 were the result of budgeted and unbudgeted closures or reductions in capital projects. The reduced revenues led to tighter controls over spending which was \$2,628,883 less than budgeted.

Fund Balance

One of the most important measures of a city's financial strength is the level of its fund balance. Fund balance is defined as the excess of an entity's assets over its liabilities also known as excess revenues over expenditures or net assets. Fund balance comes about when and if a municipality's actual revenues exceed actual expenditures in a given year. During this fiscal year the fund balance of the City of Newport's General Fund increased by \$1,949,753. The City Council passed a mid-year budget amendment to cover projected revenue shortfalls due to a mid-year reduction in state aid, plus there was additional savings in budgeted expenditures.

Fund balance is often known as a reserve, and it allows the City to continue to provide services in the event of revenue shortfalls or unanticipated events. It is also important to preserving the City's bond rating which is currently AA by Standard & Poor's. The goal in the general fund is to maintain at least 10% of budgeted expenditures in reserve. Fiscal year 2009 ended with an audited general fund balance of \$8,011,145, which was 10.81% of the operating expenditures.

Long-term Debt

At the end of the current fiscal year, the City of Newport had a total bond debt outstanding of \$35,268,320. Of this amount, \$19,805,377 comprised debt backed by the full faith and credit of the government. The remainder of the City of Newport's debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

The City of Newport's total bond debt decreased by \$3,124,321 (8.5%) during the current fiscal year as a result of scheduled payments. The bond debt was then increased by \$1,785,274 due to a water revenue bond issuance.

State statutes limit the amount of general obligation debt a governmental entity may have outstanding to 3% of its assessed property values. The current debt limitation for the City is \$185,187,748, which is significantly in excess of the City's outstanding general obligation debt.

Revenues

In the recent past, a few new revenues have been added. The City derived \$364,487 in contract service charges from the residential housing complex agreements with the Housing Authority of Newport and with GMH (property managers of Ft. Adams military housing). The City continued to search out these types of agreements, as well as explore potential growth in other known revenue streams. The successful Hope VI project, well into development, added new revenues to the City's coffers. A PILOT formula for the mixed-use residential scheme provided the City with revenues of 8% of gross rental income. An important element in this neighborhood design is to provide housing for residents of varying income levels. Sliding-scale rental agreements will consider the income levels of occupants. Realized income to the City was \$131,570 during FY09.

Enterprise Resource Planning System

Funds were reserved during the last several budget cycles to support the acquisition and implementation of a new Enterprise Resource Planning (ERP) System for the City and School. The ERP program replaced older, and in many cases, unsupported software used by the City for accounting, payroll, human resources and other integrated functions. City staff, with the assistance of a professional implementation team successfully went live with the human resources and payroll suites on January 28, 2009 with the general ledger and financial suites having gone live on April 15, 2008. As implemented, the new system has mitigated many of the areas of inefficiency that previously existed, including duplicate data entry and lack of integration with certain modular programs. Workflow processes will also be used to enhance citizen, employee and applicant self-service functions.

Other Post Employment Benefits

The City of Newport has established an Other Post Employment Benefits (OPEB) Trust to reserve funds for future retiree health and life insurance benefits, where applicable. The City made a contribution of \$3,500,000 in FY 2009 (\$1,750,000 in FY2008) and, by resolution, all City premium-shares paid by employees are forwarded to the OPEB Trust. The School Department contributes the contractually required contribution of teachers who participate in the School's Extended Benefits program.

Capital Improvements

Due to fiscal constraints the approved Capital Improvement Plan (CIP) for FY08-FY09 saw an overall reduction from the Recommended CIP of \$660,000. The transfer from the General Fund was reduced by \$2,473,000 (71.84%) while the Water Pollution Control/SRF projects increased by \$2,880,859 (94.45%). Included in the reductions were: Roadway/sidewalk improvements funding of \$900,000 was transferred to a line item in the operating budget (remaining \$200,000 was removed); the school request of \$465,000 was removed; a wash bay in the amount of \$450,000 was removed; Building furnishings, Council Chambers was reduced by \$40,000 (80%); Building improvements (Martin Recreation Center, Police Station, City Hall, Fire Headquarters, and Fire Old Fort) were reduced by \$293,500 (50.73%) The collective reductions will only defer the respective improvements. The actual number of infrastructure projects currently underway is so significant that it is presumed that the

deferred projects will be funded at a later date when it is more likely that they can be completed within the next 12-month fiscal cycle.

Capital asset improvement activity during the current fiscal year included the following:

- \$4,148,988 expended on road and sidewalk reconstruction and improvements.
- \$527,542 committed to seawall repairs; notably on the ocean Drive.
- \$708,074 expended on city and school owned building improvements (excluding the City's Enterprise Fund projects).
- \$1,221,710 expended upgrades to computer and radio systems and supporting infrastructure.
- \$821,919 expended to restore Gooseneck Cove.
- \$571,402 expended on vehicle replacement and equipment purchases.
- \$172,224 expended on public pier and boating center improvements.
- \$2,710,828 expended on water infrastructure repairs, main distribution line upgrades, buildings and pump station improvements.
- \$111,521 expended for facility improvements at Easton's Beach .
- \$4,872,634 spent on combined sewer overflow and other water pollution control issues.

The City continues its efforts to promote development City's *North End* . Two areas of current focus are the potential realignment of the exit ramps to the Pell Bridge and the potential availability of the former Navy Hospital property. The latter is being excessed through the federal government Base Realignment And Closure (BRAC) process. To complement opportunities for reuse of these two properties, City staff is working with other north end property owners to define more competitive and productive uses of other parcels, as part of an overall redevelopment plan

Through a comprehensive strategic planning model, the City is addressing major infrastructure needs, including: (1) school facilities, (2) traffic systems, (3) water infrastructure and (4) waste water infrastructure management. Long-term Water Department improvements center around the planned replacement of one water treatment plant and a major upgrade to a second plant. The combined project is estimated at \$87 million

Water

A request was made to the Rhode Island Public Utilities Commission to approve an increase in water rates, most of which is for capital projects (infrastructure improvements and upgrades). The request asked for a 28.8% increase in water rates. The PUC's decision allowed for a 15.6% increase in rates.

Water Pollution Control

The City has been and continues to work towards solutions to the burdens on the Water Pollution Control (WPC) infrastructure. The complex WPC system services Newport, Middletown, and the U.S. Navy.

Municipal governments are challenged in the current economy to provide the historic level of predictable stable service at a reasonable cost. The economy, rapidly changing technology, and general cultural demands for faster, more efficient service is pressing local government to behave more and more like private industry; focused on efficiency, dynamic and innovative approaches to conventional services, and an earnest interest in cost cutting measures. The City of Newport embraces the competitive spirit of entrepreneurial management tempered with cost-controlling integrity. While annually maintaining a healthy fund balance, City leaders are continuously pursuing an expanded municipal revenue base to offset ambitious growth and improvement strategies. A broader revenue foundation creates greater stability. Continuous investment in capital assets increases the viability and attractiveness of the community. Newport has adopted a fiscal strategy that allocates funds for maintenance and upgrades to capital assets, reduction to long-term debt, and investment in development for the future. As external revenue sources become less predictable it is incumbent on local leaders to fortify fiscal policy with a diversified and balanced plan that protects City assets and ensure the continued provision of essential public services and opportunities.

PURPOSE OF THIS REPORT

This is the City of Newport's third *Service Efforts and Accomplishments* (SEA) Report. It is published in May, 2010 and contains information on the basic scope of operations, the key goals, and the level of accomplishments for a majority of the City's service delivery departments for the Fiscal Year 2008/09, which covers July 1, 2009 through June 30, 2009. This report also includes the results of the 2006 Citizens Survey, but not the results of the 2009 Citizens Survey because the results are due to be finalized in spring 2010.

The purpose of this report is to provide citizens, council members, and city staff with annual information on performance in order to:

- Improve public accountability
"Performance measures document what was done by various departments or units and, ideally, how well it was done and what difference it made. Through such documentation outstanding departments and entire municipalities earn the trust of their clients and citizens as they demonstrate a good return in service provided for tax dollars received."¹
"Cities with an objective inventory of the condition of public services and facilities, a clear sense of service preferences among their citizens, and knowledge of the cost of providing a unit of service at a given level are better equipped to plan their community's future and to budget for that future ... A clear indication of program effectiveness and unit costs – in essence, a scorecard on tax dollar investments and returns – can aid decision makers in reallocation deliberations, especially in times of financial duress."²
- Help improve the delivery of public services:
"Municipalities that measure performance are more likely to detect operational deficiencies at an early stage. Furthermore, performance records enhance their ability to confirm the effectiveness of corrective action ... to provide relevant feedback to employees and work units, and to deploy close supervision where it is needed most."³
(Ammons, p 11-12)

A copy of this report can be:

- Seen and printed from the City website: www.cityofnewport.com/departments/finance/home.cfm
- Seen at the Newport Public Library
- Mailed to you by phoning Elizabeth Sceppa, Budget & Financial Analyst, at (401) 845-5392

A copy of the citizen survey and its results can be seen and/or printed from the City website:
www.cityofnewport.com/links.cfm

NOTE: Throughout this report, text that is *italicized and underlined* indicates terms defined in the glossary.

¹ David N. Ammons, Municipal Benchmarks: Assessing Local Performance and Establishing Community Standards (Thousand Oaks, CA: Sage Publications, 2001) p. 11.

² Ammons 11-12

³ Ammons 11-12

SCOPE AND LIMITATIONS OF THIS REPORT

Most of the departments that deliver services directly to Newport’s citizens are considered within the body of this report. These Departments/Divisions include: Human Resources, Canvassing, City Clerk, Finance, Police, Fire, Public Works, Planning, Zoning, Development & Inspections, and Recreation. These areas of the organization comprise 54.70% of the City’s total *General Fund* Actual *Expenditures* for the *Fiscal Year* 2008-2009 (52.87% of the fiscal year 2008 actual expenditures, and 50.80% of the fiscal year 2007 actual expenditures). Also included are the following Enterprise Funds: Maritime, Parking, Easton’s Beach, Water Pollution Control, and Water.

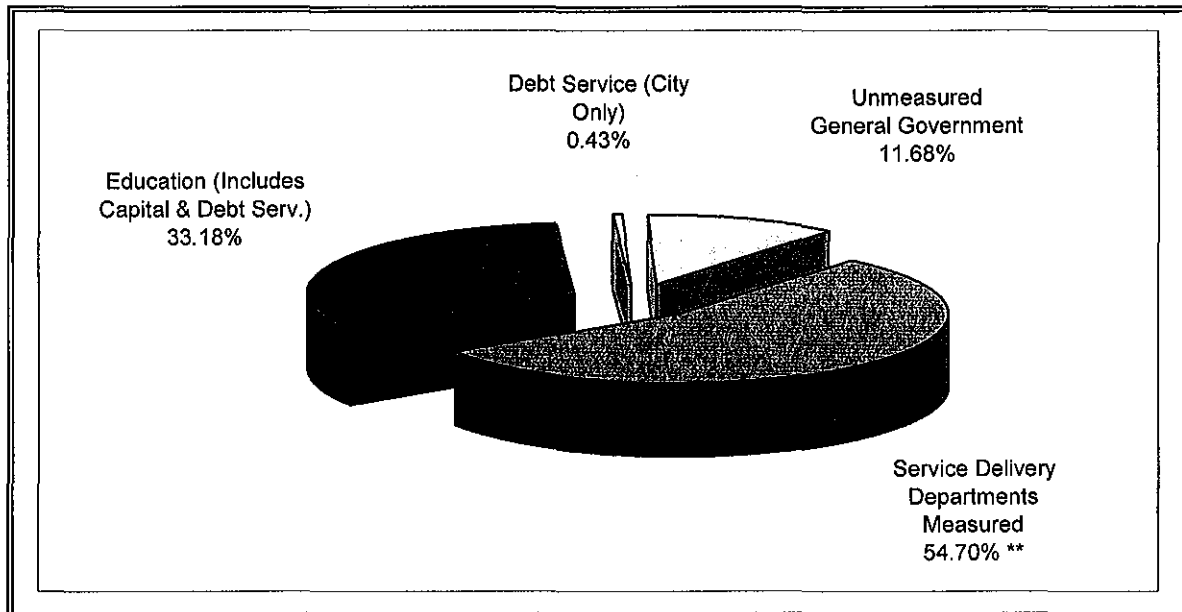
	2008-2009 Actual Expenditures	% of Actual FY 09 Expenditures	Staffing (FTEs)
Human Resources (under City Manager)	\$ 291,987	0.39%	2
Canvassing	223,503	0.30%	2
City Clerk	507,726	0.68%	6
Finance	2,998,656	4.00%	22
Police Dept.	14,153,364	18.87%	111.5
Fire Dept	14,035,263	18.71%	99
Public Services	6,946,410	9.26%	40
Planning, Zoning, Development & Inspection	1,260,322	1.68%	13
Recreation	610,321	0.81%	4
Service Delivery Departments measured	<u>\$ 41,027,552</u>	<u>54.70%</u>	<u>299.5</u>

For the departments that are covered in this report, the measures of performance targeted for reporting are those that each department identified as the two to three key measures critical for assessing their area and that directly impact the City’s long-term goals. Whenever possible, comparative data has been provided to give readers of this report some context for better understanding departmental operations, performance and challenges.

This report does not include information on every program or service delivered by the City government. Most importantly, the School Department, while a key component of the City’s overall budget at a total of 33.18% (35.00 in FY 2008) of the total (including Capital and Debt Service), is a separately governed entity and so is not considered in this report.

As well, the City Manager’s office is not included as a distinct department, but instead intends to be assessed for performance by readers of this report by considering the results of all the areas that report back to that office. Information Technology, while critical in its support function to overall organizational performance, was not included at this time because of its lack of direct impact on citizens. However, the expenditures for information technology are included in the totals above (Finance). Future reports likely will incorporate this key area. Finally, the office of the City Solicitor was not included because these services are subcontracted through City Council appointment.

General Fund Service Delivery Measured ~ 54.70% of Total Actual Expenditures



**** General Fund ~ Service Delivery Departments Measured: Human Resources, Canvassing, City Clerk, Finance, Police, Fire, Public Services, Planning, Zoning, Development & Inspections, and Recreation.**

In considering the scope and limitations of this report, it is important for readers to understand that this is the second report of its kind for the City and that measuring performance of City departments is still ongoing in its development. However, the City has been establishing goals since approximately 1996. Prior to this effort, there had not been a consistent methodology used throughout the organization for setting targets for annual performance or tracking data on performance results.

Additionally, software specific to supporting such efforts has not yet been implemented. The data on performance measures that was reported in the fiscal year 2007's report therefore is the baseline of information, but how performance is assessed may change as this measurement effort and its reporting evolve.

RELIABILITY OF DATA

Given the size of Newport and its limited resources, there is no internal audit department, which typically would oversee such an effort. Therefore, much of this information has been gathered from internal department sources, with no outside verification for the most part.

Also, due to the size of Newport, it is difficult to disaggregate performance information – both because the population is fairly homogeneous and subsets of the population are often fairly small, and also because most departments often do not yet have the sophistication to consider variances in performance across neighborhoods or other logical sub-groupings of the population.

Overall, these limitations of this report do not reflect unprofessional standards, but more the limited resources of a smaller city in a small state, as well as the newness of the concept of reporting government performance results at all. From these initial reporting processes, standards for data collection for the future are being established.

It is through efforts like this report that the City government continues to challenge itself to improve its operations through increasing its understanding of what it does and how well it does it. Through involving citizens and other stakeholders in reviewing and evaluating this process, our efforts will better reflect their voices.

A copy of the City's annual budget is available on the City website: www.cityofnewport.com

BACKGROUND INFORMATION ON THE CITY OF NEWPORT, RI

Did you know ...

According to the 2000 Census, Newport's:

- ◆ Population was 26,475, representing a 6.21% decrease from 1990;
- ◆ Population ranked 13th among Rhode Island's 39 communities;
- ◆ Median Age was 34.9;
- ◆ Population Density was 3,336 persons per square mile of land area (7.7 square miles).
- ◆ The City swells by over 3,000,000 annually.

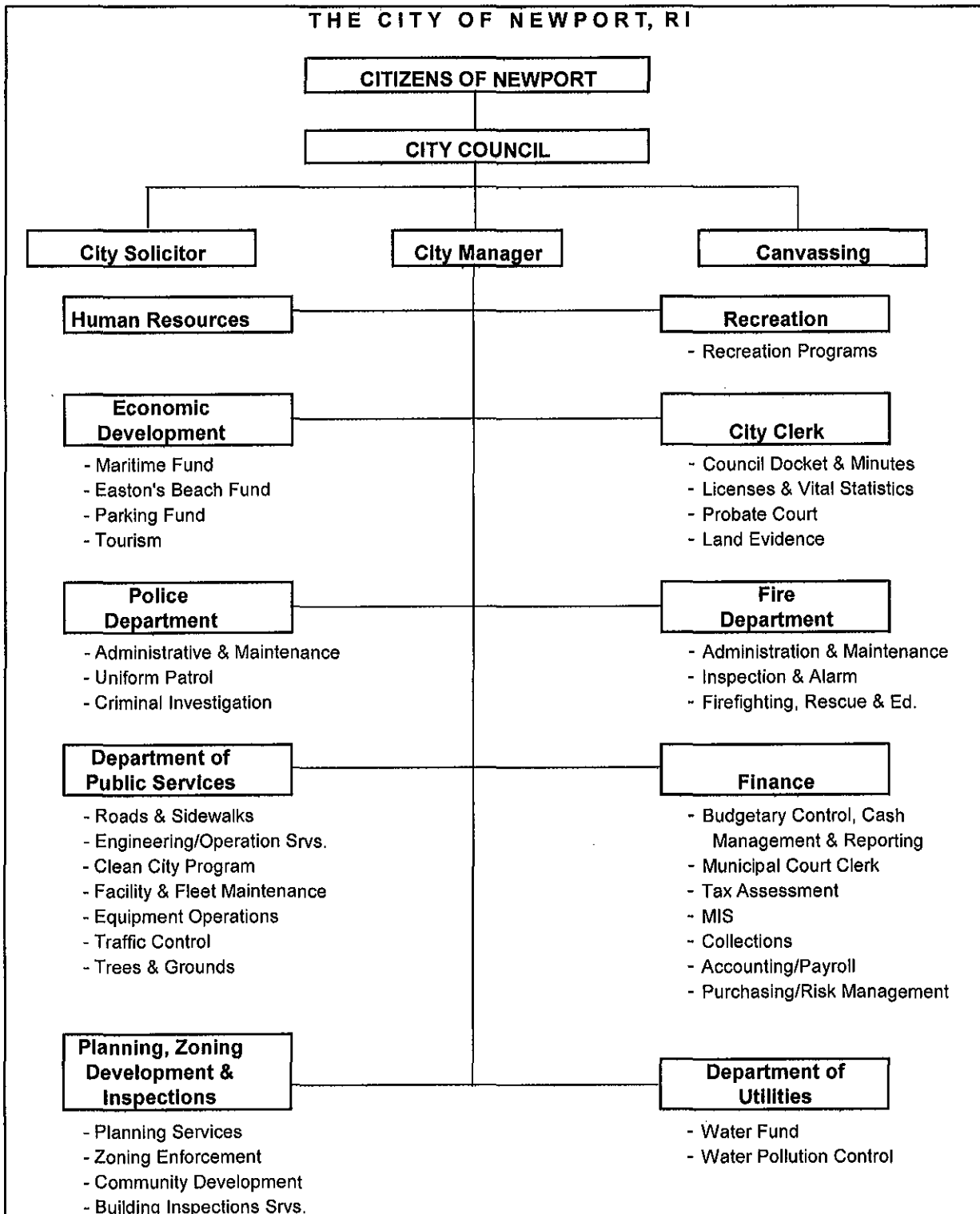
Newport is located at the southern end of Aquidneck Island in Narragansett Bay, about 30 miles southeast of Rhode Island's capital of Providence. The City is bounded by the Atlantic Ocean on the east and the south, Narragansett Bay on the west, and by the Town of Middletown on the northeast. Newport is 11 square miles in size, with 7.7 square miles of land and 3.3 square miles of inland water. Location is readily accessible to the west by Interstate 95 via the Jamestown and Pell Bridges, and to the north by Routes 24 and Interstate 195 via the Mount Hope Bridge and the Sakonnet River Bridge.

Newport operates under a Home Rule Charter, adopted in 1953, providing for a council/city manager form of government. There is a seven-member City Council headed by its Chairperson, who is elected by the Council and also holds the title of Mayor. All legislative powers of the City are vested in the City Council by the Charter, including the ordering of any tax, making appropriations, and transacting any other business pertaining to the financial affairs of the City.

The fiscal year 2008 changes in the City's departmental configuration were designed to increase a focus on the economic and service demands of the City's efficiency in the expenditure of funds, and to intensify efforts to maximize existing revenue streams. Enterprise funds, in particular, offer the opportunity for growth, searching for new funding sources, and improving and expanding opportunities and attractions to bring visitors to Newport.

The City of Newport employs approximately 374 Full Time Equivalents (FTEs).

*City of Newport, RI
 Organizational Chart*



PERFORMANCE MEASUREMENT BACKGROUND

All departments are required to submit performance data information for inclusion in the annual budget. However, budget measures are not identified in the budget document according to measure type and departments are not required to submit measures for each category (*input, output, outcome* and *efficiency*). All departments also provide monthly activity reports to the City Manager.

State and local governments have a duty to manage their programs and services as efficiently and effectively as possible and to communicate the results of their efforts to stakeholders.⁴ Internal and external stakeholders should be informed of the results in an understandable format. To that end, you will find Performance Measures throughout this Performance Report. Comparative efficiency measures can also be found on the initial pages of each department's budget section within the FY 2009 Adopted Budget. Effectiveness and output measures follow those pages. Input measures of full time equivalents and total operating and maintenance expenditures are located within the individual divisions of each department's budget.

The City continues to participate in The New England States Performance Measurement Pilot Project (NESPMP), an initiative to integrate performance measurements across the six New England States. As a charter member of this initiative, the City of Newport, representing the State of Rhode Island, has been given a unique opportunity to be on the cutting edge of Performance Measurement benchmarking on a regional basis. As a member of Phase 1 (Feasibility Study), we determined that this vision of regional performance comparisons is not only feasible; it is one that fosters a culture of service excellence in municipal government.

Under the NESPMP we have developed universal Cost Measures for valid efficiency comparisons in EMS/Dispatch and Snow/Ice removal. These comparisons will allow us to document the current level of effectiveness and efficiency of the City against other municipalities while creating a database of best practices. These metrics will follow a "balanced scorecard" approach, including effectiveness, efficiency and quality.

REPORT INTRODUCTION

By many measures, the City of Newport has met the challenges it faces with relative success. For overall image, Newport was seen by 87.3% of the 2006 Citizen Survey (See Appendix A, Executive Summary, page 57) as a "good" or "excellent" place to live. Further measures of citizen satisfaction will be explored within the departmental reports.

Performance reports like this are part of an ongoing trend among governments to measure and report performance results to citizens. Starting in the 1970's, as the idea developed in the private sector, the concept of measuring performance for governments also began to be considered and it has evolved ever since. It wasn't until the 1990's, when the Government Accounting Standards Board (GASB) and associated organizations became more deeply involved in the performance measurement movement for government, that "changes began to occur ... GASB encouraged cities to measure their service efforts and accomplishments and, where possible, to compare their results with other cities."⁵

⁴ "Using Performance Measurement for Decision Making," GFOA Recommended Practice on Performance Management 2002

⁵ Ammons 3

THIRD ANNUAL PERFORMANCE REPORT ON DELIVERY OF CITY SERVICES FOR FY 2009
INFORMATION ON HOW TO GET A COPY OF THIS REPORT – SEE PAGE 1

Awarded a grant by the National Center for Civic Innovation to fund producing our inaugural performance measurement report (FY 2007) using the GASB suggested criteria, Newport continues to be one of a handful of Northeast municipalities to undertake such an effort. Without this funding, a municipality like Newport would not have had financial resources to undertake an effort of this magnitude. The grant was used primarily to fund citizen focus groups, which were facilitated by a professional research firm in May, 2008. For this report to develop into a truly useful instrument for reporting on performance, ongoing citizen feedback will be key. A form to be completed by readers of this report for comments and feedback, with instructions, can be found on page 61.



RESIDENT SATISFACTION SURVEYS

Citizens were involved in the data collection and reporting via the City's 2006 Citizen Survey. In this survey, 851 residents responded to questions about quality of life, City services and demographics. Citizens were also given the opportunity to provide written comments as a part of the resident survey.

Once the survey data was gathered and reviewed, the citizen survey report is compiled and the results are made available to City staff, council, and residents (available on the City Web site). An additional Citizen Survey is planned for the fall of 2009.

CITY RESOURCES

The City's General Fund is supported by *ad valorem* (property) tax, meals and beverage tax, hotel rooms tax, state aid, zoning and development fees, permit fees, fines and other charges, recreation fees, and other miscellaneous revenue sources. General fund expenditures support the following major functions: police, fire, public services, recreation, planning, zoning, inspections, community development, municipal court, and other general governmental services. The City of Newport serves approximately 25,340 citizens.

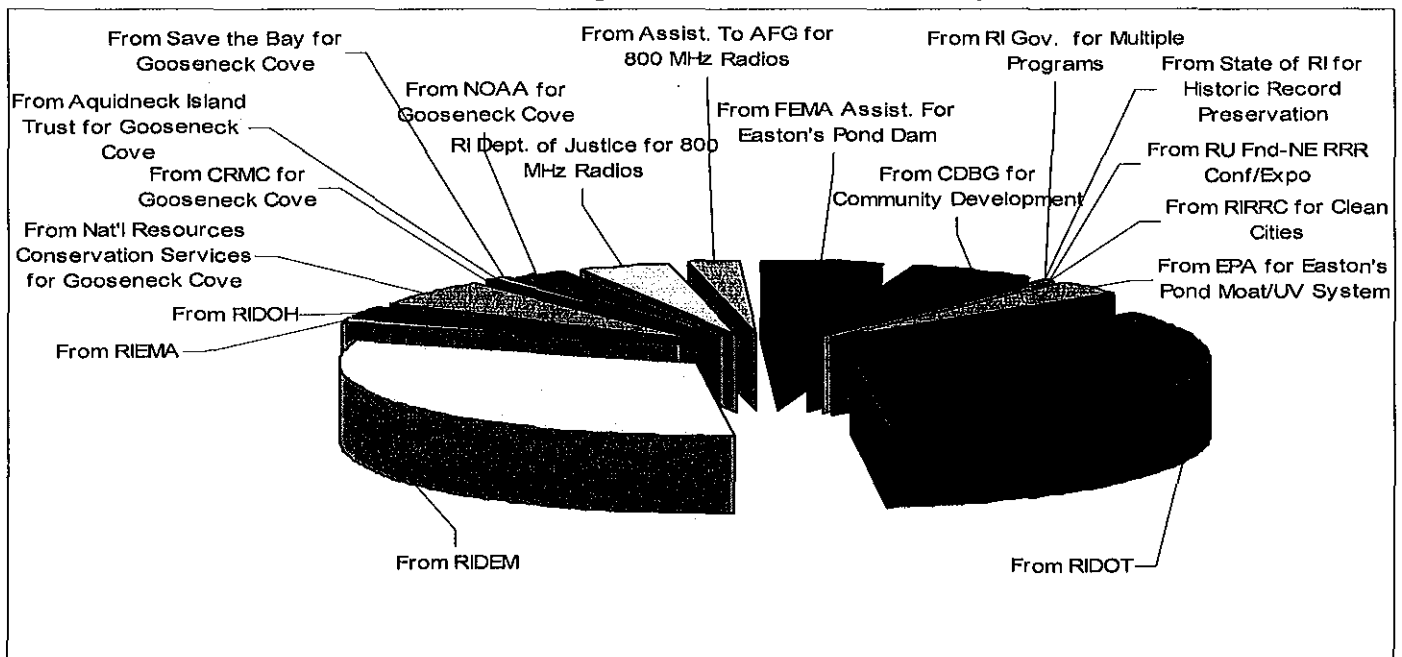
The City's tax base is significantly residential in nature. Residential real property (land and buildings) accounts for 74.77% of total values in FY 2009 (76.29% in FY 2008). Commercial real property (land and buildings), accounts for 21.06% of total values in FY 2009 (19.47% in FY 2008). The remaining 4.17% tax base (4.24% in FY 2008) is comprised of motor vehicles and tangible property. Local taxes generated 80.68% of general fund revenues in FY 2009 (79.60% in FY 2008).

Property taxes of \$58.9 million (\$56.7 million in FY 2008), plus state aid and other revenues total to \$76 million in General Fund actual revenues for both FY 2009 and FY 2008. Of those dollars, 64.26% (64.13% in FY 2008), or just over \$48,195,464 (\$49,001,768 in FY 2008) is dedicated to City services, for a *Per capita* cost of \$1,901.95 (\$1,933.77 in FY 2008). The remaining funding is allocated to Newport Public Schools and the Newport Public Library.

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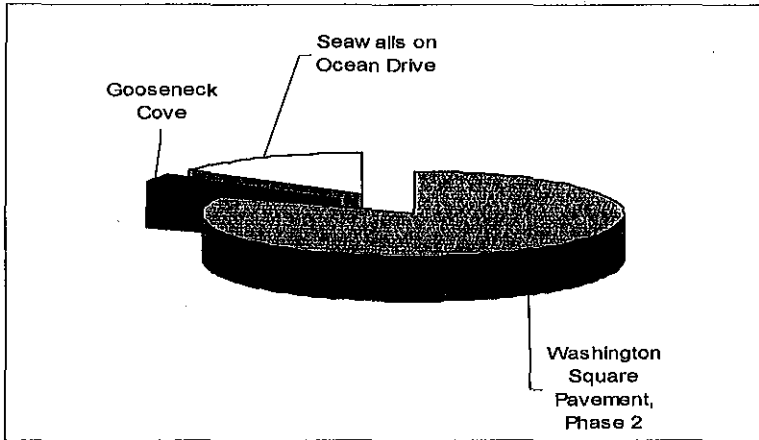
Attracting new revenue sources is a continuing challenge. To enhance the City’s capabilities in grants writing and research, the role of Redevelopment Agency Director expanded from a part-time to full-time position in 2007, adding the function of grants writer. This enhancement was designed to coordinate local program development and state and federal grants research. The Redevelopment Agency and the General Fund share the cost of the upgraded position. Through the efforts of many Department Directors and the Redevelopment Agency Director, the City of Newport was awarded over \$8,372,000 during FY 2009.

\$8,372,190 from Multiple Sources for Various Projects

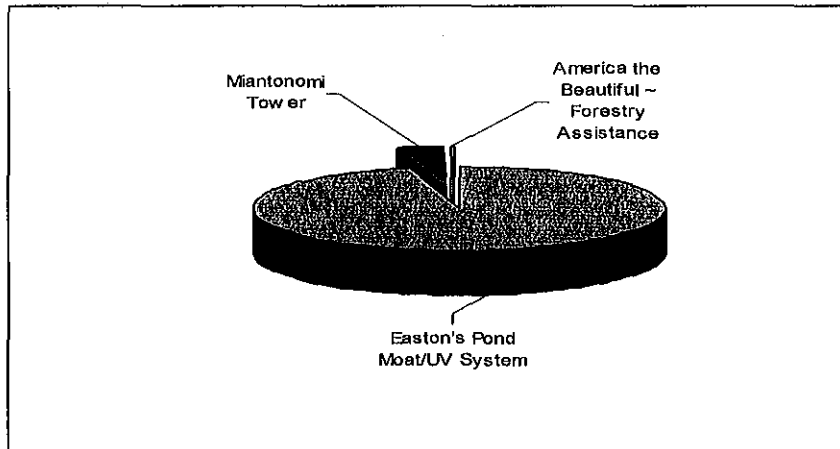


Total grants awarded include the following projects from specific sources:

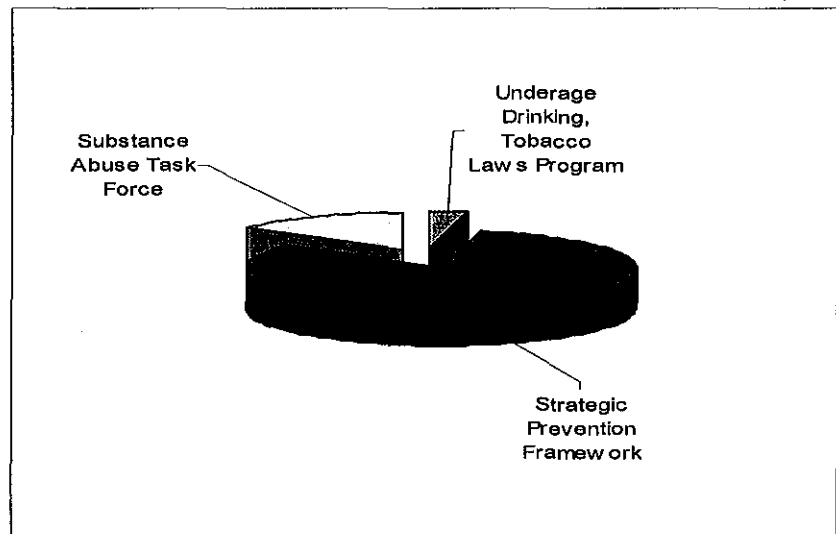
\$2,819,600 from RI Dept. of Transportation



\$2,665,000 from RI Dept. of Environmental Management for Three Specific Projects

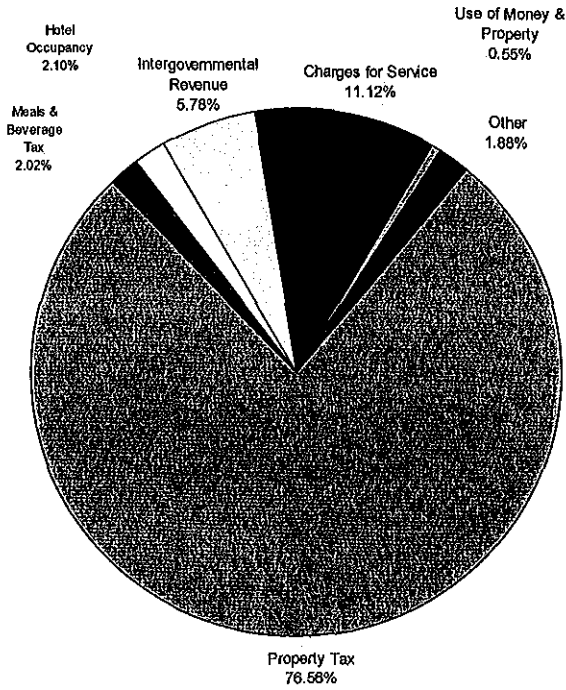


\$202,427 from RI Dept. of Health for Three Specific Projects

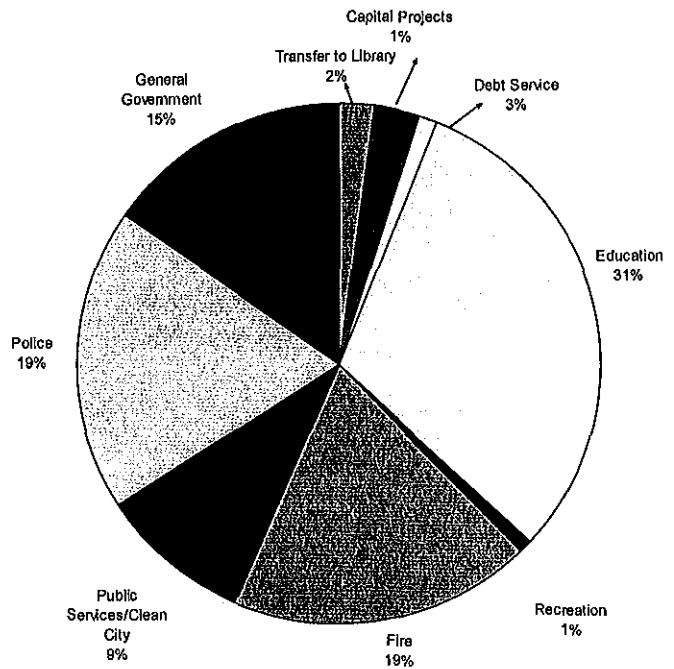


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GENERAL FUND ACTUAL REVENUES FY 2009
\$76,951,697

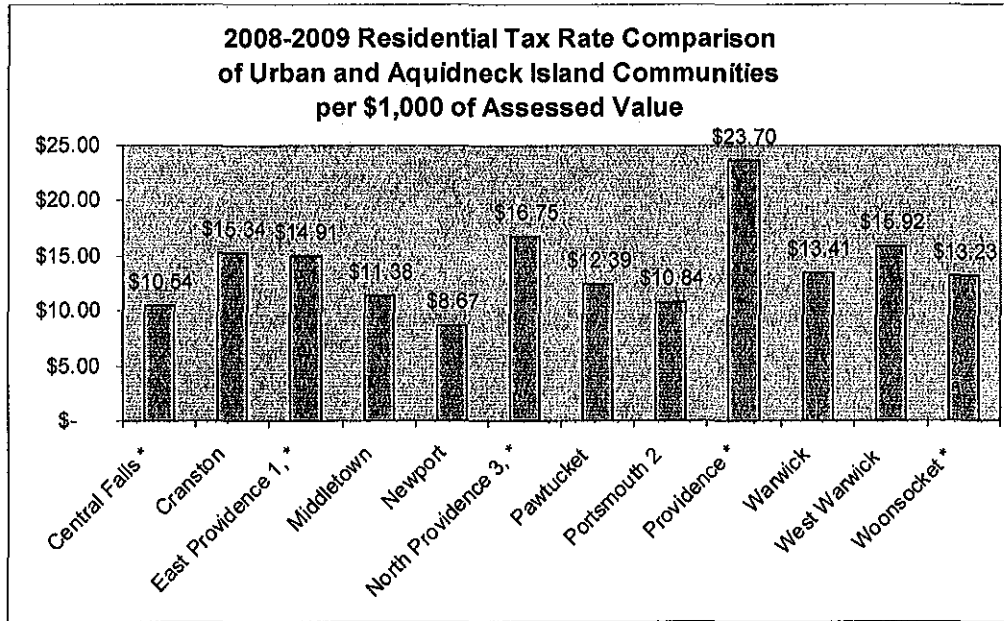


GENERAL FUND ACTUAL EXPENDITURES FY 2009
\$75,001,945



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City of Newport, RI Schedule of General Fund Revenues & Expenditures (Budgetary Basis) Fiscal Year 2009					
	<u>Original Adopted Budget</u>	<u>Final Amended Budget</u>	<u>Actual Collected</u>	<u>Percent Collected</u>	<u>Prior Year % Collected</u>
General Fund:					
Property Tax	62,387,626	62,387,626	62,081,093	99.51%	98.91%
Intergovernment Revenue	5,245,559	5,245,559	4,447,535	84.79%	94.04%
Charges for Service	7,967,391	8,087,391	8,557,261	105.81%	97.71%
Use of money and property	820,000	700,000	422,804	60.40%	115.52%
Other	263,000	263,000	276,173	105.01%	111.02%
Transfers in			1,166,831	100.00%	N/A
Total Revenues	76,683,576	76,683,576	76,951,697	100.35%	98.63%
	<u>Original Adopted Budget</u>	<u>Final Amended Budget</u>	<u>Actual Expenditures</u>	<u>Percent Expended</u>	<u>Prior Year Percent Expended</u>
General Fund:					
Mayor & Council	130,042	130,792	87,354	66.79%	73.64%
City Manager	761,291	763,291	752,378	98.57%	101.75%
City Solicitor	408,733	408,733	400,034	97.87%	90.73%
Canvassing	241,355	265,855	223,503	87.36%	94.25%
City Clerk	579,279	579,233	507,726	63.53%	71.42%
Dept. of Finance	3,016,130	3,190,328	2,998,666	93.99%	92.42%
Police	14,179,042	14,266,975	14,153,364	99.20%	96.22%
Fire	14,392,372	14,397,087	14,035,263	97.49%	97.14%
Public Services	7,597,141	7,885,570	6,946,410	88.09%	93.33%
Plan, Zone, Develop & Inspect	1,224,120	1,319,520	1,260,322	95.51%	99.87%
Recreation and Parks	568,622	600,402	610,321	101.65%	97.17%
Civic Support	183,900	188,400	182,524	96.88%	96.34%
Library Operations	1,682,167	1,682,167	1,682,167	100.00%	100.00%
Debt Service	2,219,746	2,219,746	2,070,126	93.26%	99.64%
School Operations & Capital	23,142,725	23,142,725	23,142,725	100.00%	100.00%
Unallocated Expenses	5,414,411	5,344,686	5,094,572	95.32%	61.40%
Transfers to Capital	942,500	942,500	854,500	90.66%	109.30%
Total Expenditures	76,683,576	77,538,010	75,001,945	96.73%	95.18%



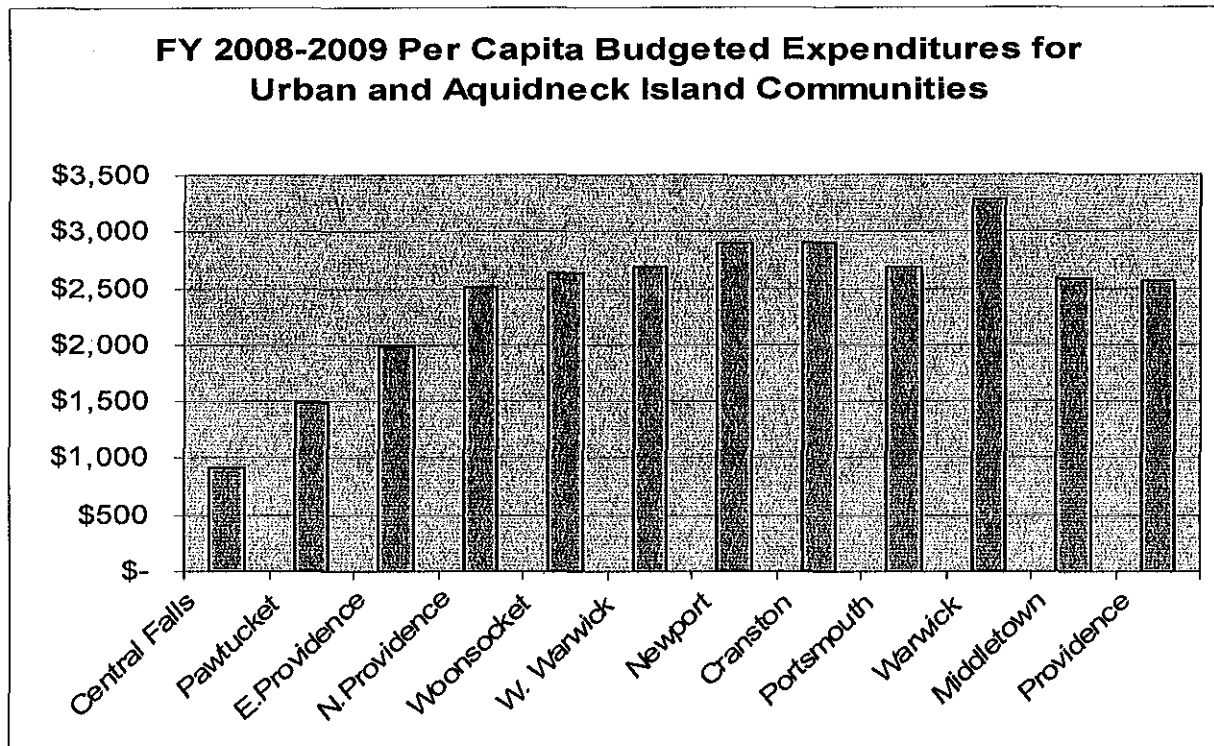
RI Valuation data Tax Roll Year 2008 (Assessed 12/31/07)

** Denotes Homestead Exemption Available*

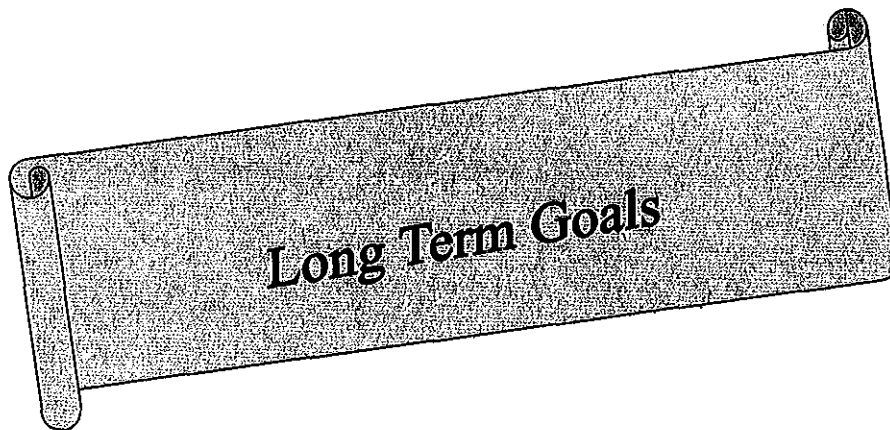
1) Rates support fiscal year 2008

2) Municipality had a revaluation effective 12/31/07

3) Municipality had a statistical update effective 12/31/07



A comparison of Fiscal Year 2009 budgeted expenditures for like communities shows that, although its tax rate is lower than comparative communities, the City of Newport's residents pay taxes slightly higher than the average of all compared communities, which are based on property valuations.



The City Council adopted long term goals to approach its vision of contemporary, efficient, and productive municipal service. In identifying priorities, the Council has focused on areas related to: direct city services to the public, public safety and health, preservation of assets, recreation, tourism, redevelopment, and education. This broad array of activities parallels the overarching vision of comprehensive municipal service and progressive growth.

Effective performance measures must be tied to the government's goals and objectives. Otherwise, a government risks falling into the trap of measuring what can be measured rather than what should be measured.⁶ New to the pages of each department's Service Delivery this year are icons that visually tie back to Council's Long-Term and Ongoing Goals identified below. These icons help to identify specific segments of City Council's overarching vision of comprehensive municipal service and progressive growth. Their vision includes:



CITY SERVICES

1. **Provide high quality services to residents, taxpayers and visitors**
2. **Pursue cost containment strategies**
3. **Promote easy access to governmental services and information through increased training and technology**
4. **Maintain a qualified and professional City staff**

⁶ *GFOA Recommended Budget Practice on the Establishment of Strategic Plans (2005)*



PUBLIC HEALTH, SAFETY AND QUALITY OF LIFE

1. **Protect the health and safety of residents and visitors**
2. **Promote Clean City, streetscape and zoning programs to proactively address nuisance issues and the appearance of the City**
3. **Evaluate and address traffic, pedestrian safety and parking needs**

4. **Address issues of deferred maintenance on City and School infrastructure, facilities and parks**
5. **Maintain a fair balance between resident, commercial enterprise and tourism needs**



PRESERVATION OF ASSETS

1. **Preserve historic and natural assets of the City**
2. **Protect the harbor and promote resident and visitor use and enjoyment**
3. **Actively pursue federal, state and local grants to maintain historic and natural assets**



RECREATION, ARTS & TOURISM

1. **Provide additional restrooms throughout the City**
2. **Provide additional restrooms throughout the City**
3. **Improve and expand facilities for youth activities**
4. **Encourage and promote the Visual and Performing Arts community**
5. **Promote the use of the harbor for national and international events**



REDEVELOPMENT

1. **Actively promote redevelopment in the north end**
2. **Evaluate and promote the redevelopment of the Long Wharf and Central Newport areas**
3. **Actively plan and promote redevelopment of the Gateway Visitor's Center**

DEPARTMENT OF PUBLIC RECORDS

Contact info:

Kathy Silvia, City Clerk

Email: ksilvia@cityofnewport.com

Telephone: (401) 845-5351

Scope of Operations: The Department of Records is responsible for serving as Clerk of the Council, Clerk of the Board of License commissioners, Probate Clerk, Registrar of Vital Statistics, Recorder of Deeds, and Clerk for other State-mandated functions.



Use of Resources: The Department of Public Records employs 6 full time employees. Of the City's total General Fund expenditures, the Department of Public Records utilizes .68% (0.68% in FY 2008) to perform their duties – or a per capita cost to citizens (per 2005 census) in FY09 of \$20.04 (\$19.69 in FY 2008). In terms of a median home valued at \$350,000, \$22.56 of the annual property tax bill in 2009 of \$3,332 funded the Department of Public Records.

FY 2009 Goal: To enable the Council to make decisions by delivering complete Council agenda packets at least five days before meeting.

Accomplishments: This goal has consistently been reached over the course of the fiscal year. Current Council dockets are available to the public at:

<http://www.cityofnewport.com/departments/city-clerk/home.cfm>

Prior Council dockets, minutes, ordinances and resolutions are available to the public at:

<http://clerkshq.com/default.ashx?clientsite=newport-ri>

DEPARTMENT OF PUBLIC RECORDS (continued)

FY 2009 Goal: To organize and preserve an additional 20% of permanent hard copies of city records in a safe facility

Accomplishments: Plans moved forward with the installation of space-saving shelving in the Land Evidence Office this year. Funds from the Archival Trust are being used for this project rather than taxpayer dollars.

Storage in Land Evidence



Before Improvements

After Improvements

The Dept. of Public Records collected \$251,999 more in revenue than its cost of operation.

DEPARTMENT OF FINANCE

Contact info:
Laura Sitrin, Finance Director
Email: lsitrin@cityofnewport.com
Telephone: (401) 845-5394



Scope of Operations: Under the supervision of the Finance Director, the Department of Finance is responsible for the overall administration of its divisions which include Finance Administration, Assessing, Billing & Collections, Accounting, Payroll and Management Information Systems.

Use of Resources: The Finance Department employs 23 full time employees, having absorbed two addition FTEs as a result of the City's operational reorganization. Of the City's total General Fund expenditures, the Department of Finance utilizes 4.00% (3.25% in FY 2008) to perform their duties – or a per capita cost to citizens (per 2005 census) in FY09 of \$118.34 (\$94.73 in FY 2008). In terms of a median home valued at \$350,000, \$133.22 of the annual property tax bill in 2009 of \$3,332 funded the Department of Finance.

FY 2009 Goal: To implement Human Resources and payroll modules of the new *Enterprise Resources Planning* (ERP) system by January 1, 2009.

Accomplishment: *Human Resources and Payroll modules went live on January 28, 2009.*

Challenge: *Difficulty with conversions and in designing a system that accommodates the nuances of four separate bargaining units on the municipal side, two separate bargaining units on the school side, non-union employees from each side, along with multiple new state reporting requirements.*



*Kathlene Oneill, Sr. Account Clerk, Accounting Div.
Employee of the Year, 2009*



DEPARTMENT OF FINANCE (continued)

Additional Performance Data:

FY 2009 Goal: Adopted Budget is awarded the Government Finance officers Association's (GFOA) Distinguished Budget Presentation Award and is posted to the City's website within 90 days following the budget approval.

GFOA's Distinguished Budget Presentation			
Fiscal Year	Date Council Approved	Date Submitted	Award Received
2010	6/24/2009	8/24/2009	Yes
2009	6/25/2008	9/25/2008	Yes
2008	6/13/2007	9/10/2007	Yes
2007	6/14/2006	9/8/2006	Yes
2006	6/22/2005	9/19/2005	Yes

Adopted Budget Posted to City's Website			
Fiscal Year	Date Council Approved	Date Posted	
2010	6/24/2009	8/31/2009	
2009	6/25/2008	9/25/2008	
2008	6/13/2007	9/13/2007	
2007	6/14/2006	9/1/2006	
2006	6/22/2005	9/9/2005	

The City's Comprehensive Annual Financial Report (CAFR) is awarded GFOA's Certificate of Achievement for Excellence in Financial Reporting and is posted to the City's website by December 31, 2009.

GFOA's Cert. of Achievement for Excellence in Financial Reporting		
Fiscal Year	Date Submitted	Award Received
2009	12/28/2009	Yes
2008	1/13/2009	Yes
2007	12/27/2007	Yes
2006	12/18/2006	Yes
2005	12/28/2005	Yes

CAFR Posted to City's Website		
Fiscal Year	Date Trans. to Council	Date Posted
2009	12/30/2009	1/25/2010
2008	12/11/2008	1/6/2009
2007	11/21/2007	2/20/2008
2006	12/1/2006	2/20/2008

POLICE DEPARTMENT

Contact info:
 Michael McKenna, Chief of Police
 Email: mmckenna@cityofnewport.com
 Telephone: (401) 845-5777



Scope of Operations: The mission of the Newport Police Department is to provide excellence in police service through aggressive pursuit of violators of the law and the prevention of crime and disorderliness.

Use of Resources: The Police Department employs 111.50 full time employees, including 86 sworn officers. Of the City’s total General Fund expenditures, the Police Department utilizes 18.87% (18.60% in FY 2008) to perform their duties – or a per capita cost to citizens (per 2005 census) in FY09 of \$558.54 (\$541.65 in FY 2008). In terms of a median home valued at \$350,000, \$628.77 of the annual property tax bill in 2009 of \$3,332 funded the Police Department.

70% of citizens responding to our 2006 Citizen Survey were satisfied with the overall quality of police services.

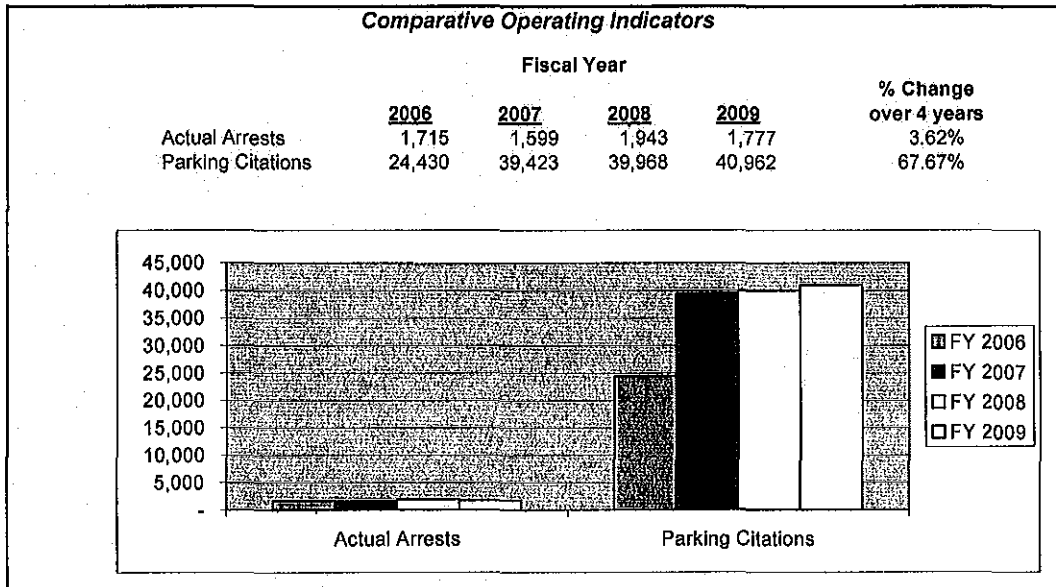
FY 2009 Goal: Improve traffic safety and enhance traffic flow.

PERFORMANCE MEASURES	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL
Number of public educational sessions held:	5	5	21

PERFORMANCE MEASURES	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL
Number of supplemental enforcement details	147	186	183

Supplemental enforcement details focus on accident reduction, detection, deterrence of drunk driving, and other traffic violations.

POLICE DEPARTMENT
(continued)



Additional Accomplishments:

- *During this period the Newport Police Department completed the 800MHz Communications Upgrade project. This project upgraded the department's radio communication system from the outdated Radio Frequency (RF) system, 155.730 MHz, VHF High, to the 800 MHz Digital system. This conversion corrected the frequent radio transmission failures and short comings of the analog system which jeopardized the safety of the public and police officers in the field. It also allows for inter-operability communications with neighboring public safety agencies. The system included portable and cruiser radios, and the dispatch center base station consoles.*
- *During this period the department completed a Building Energy Audit by National Grid. As a result of the Energy Audit, lighting sensors and motion detectors were installed building-wide. The department also completed the replacement of the building's antiquated HVAC System. These two projects combined to reduce the department's energy consumption.*

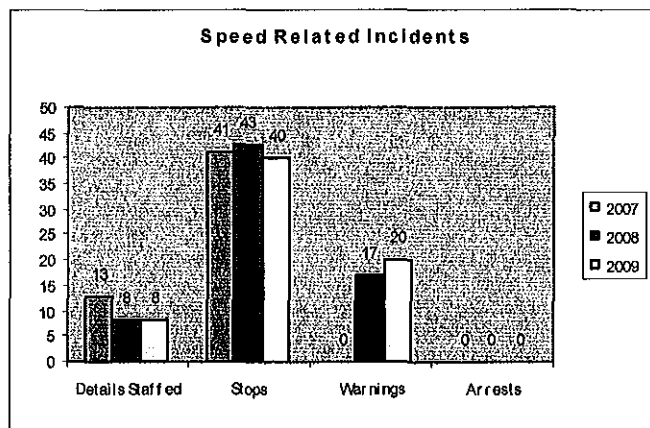
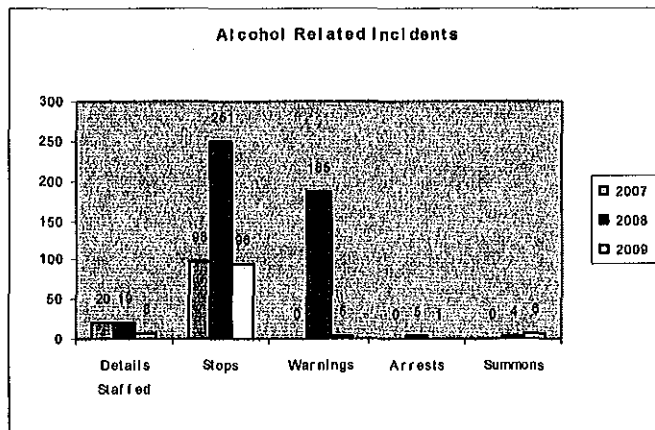
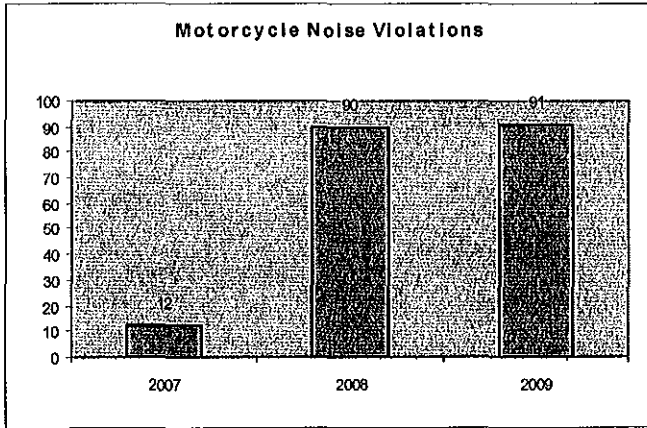
Challenges:

- *As part of the efforts to reduce energy consumption at the police department, Admin Services had proposed to replace the buildings 25 year old windows with modern, energy efficient ones. Due to budgetary constraints, this project was not approved.*

Awards:

- *The Police Department conducts an annual Awards Ceremony to recognize the efforts of police department employees. In May 2009 the ceremony recognized efforts for the calendar year 2008. Forty-four awards were distributed to 29 sworn personnel. Also, The American Legion annually presents awards for exemplary efforts. In March 2009 one sworn employee received the American Legion award for efforts during the calendar year 2008.*

POLICE DEPARTMENT (continued)



A comparison of the current and past fiscal years shows efforts to assure compliance with traffic safety laws and regulations.

FIRE DEPARTMENT

Contact info:

Harry Hallgring, Fire Chief

Email: hhallgring@cityofnewport.com

Telephone: (401) 845-5911



Scope of Operations: The mission of the Newport Fire Department is to preserve lives and property within the community by providing services directed at the prevention and control of fires, accidents, and other emergencies, while maintaining the highest standards of professionalism, efficiency, and effectiveness.

Use of Resources: The Fire Department employs 99 full time employees. Of the City's total General Fund expenditures, the Fire Department utilizes 18.71% (18.53% in FY 2008) to perform their duties – or a per capita cost to citizens (per 2005 census) in FY 09 of \$553.88 (\$538.75 in FY 2008). In terms of a median home valued at \$350,000, \$623.72 of the annual property tax bill in 2009 of \$3,332 funded the Fire Department.

86% of citizens responding to our Citizen Survey were satisfied with the overall quality of fire services.

MEASURING GOVERNMENT PERFORMANCE: FIRE & EMS

In 2008, the New England States Government Finance Officers Association (NESGFOA) initiated a project to develop and implement a government performance measurement project that would serve as a catalyst for service improvement in participating local governments throughout its six-state jurisdiction.

The goal of this project is to expand the adoption of performance measurement practices at the local level by regularly collecting and reporting timely data on service delivery that are accurate and reliable. The project's overall goal is to improve service delivery and to make government more responsive to its citizens.

The first government performance benchmarking report was completed in May, 2009 (reporting data from FY 2008) as part of the New England States Performance Measurement Project. It reported data for Fire, Emergency Medical Services (EMS) for Newport, and also reported Dispatch Services for other participating municipalities. The second report (FY 2009) was completed the following May. With the results contained in this report, the participating municipalities were able to learn how other municipalities are providing the same service, and use this information to promote improvement in their own operations based on best practices. The data reported here is for the fiscal year 2009.

FIRE DEPARTMENT (continued)

In addition to obtaining specific results for the participating cities, the public officials working on the project developed some important methodological milestones for the project:

1. They defined city and service profile data;
2. They selected performance measures;
3. They applied a common cost accounting methodology; and
4. They developed data collection processes.

These accomplishments have produced accurate, comparable and usable performance data.

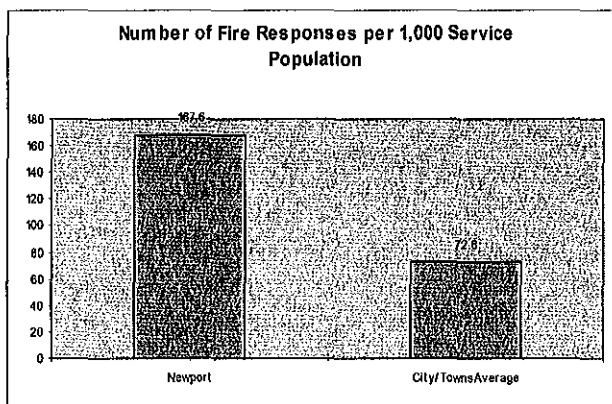
This benchmarking initiative required significant collaboration and commitment of personnel from the participating cities toward a common goal of improving government performance of specific services. Further work is required by each municipality to better understand its data and identify improvement opportunities. This study is an important step toward their commitment to improving government service.

STUDY FRAMEWORK:

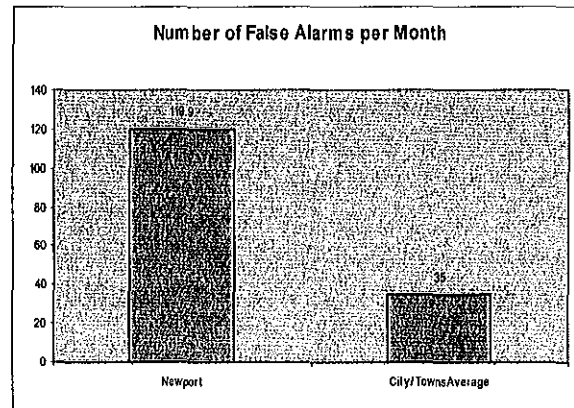
There are many interrelated performance factors involved in the delivery of services. The *Balanced Performance Scorecard* measures five attributes of performance: 1) Quantity of work; 2) Quality of Work; 3) Timeliness of Delivery; 4) Cost Effectiveness; 5) The Customer Perspective. Since changes to any one of these performance factors may require a performance trade-off with another factor, measuring as many of the five performance attributes as possible is important. This study measured at least three performance factors for each of the service areas studied. All of the measures developed have been grouped into their reporting components: Workload Measures, Effectiveness Measures, and Efficiency Measures.

FIRE SERVICES – BENCHMARKING

Workload Measure

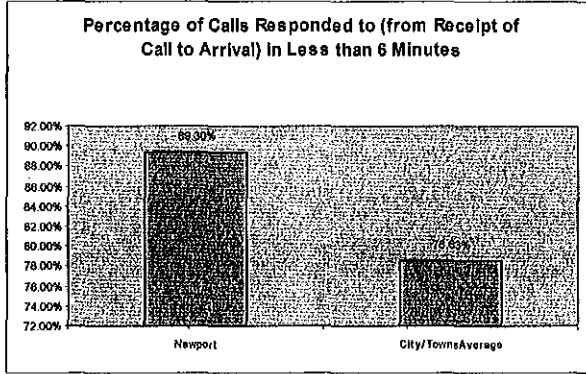


Workload Measure

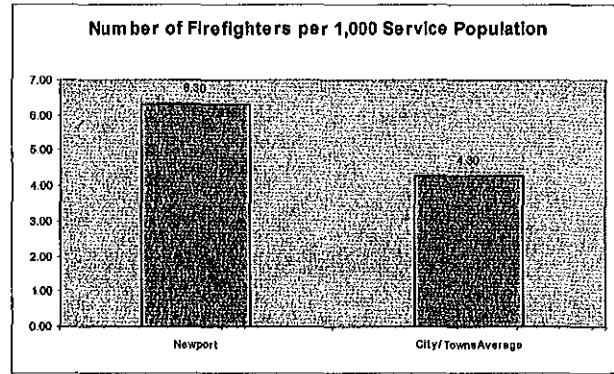


FIRE DEPARTMENT (continued)

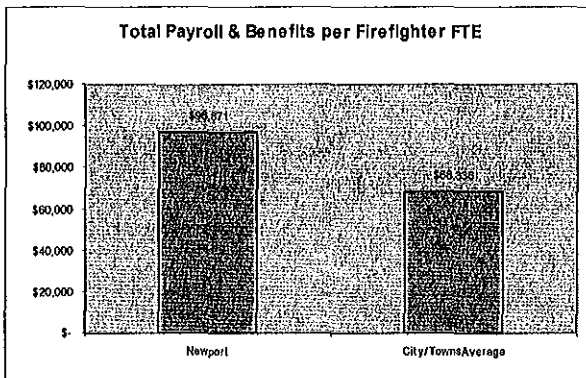
Effectiveness Measure



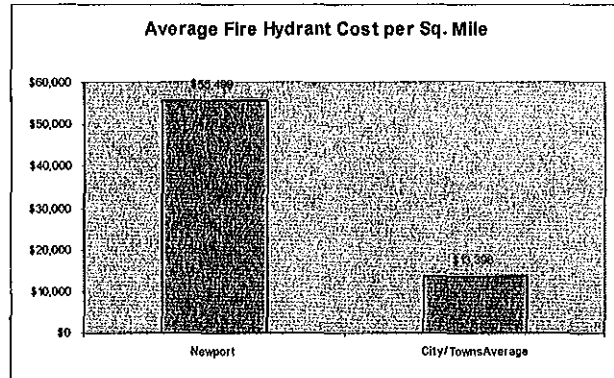
Efficiency Measure



Efficiency Measure



Efficiency Measure



EXPLANATORY INFORMATION

A. Service Level and Delivery. The City of Newport was incorporated in 1639. It is presently home to over three-hundred pre-revolutionary homes, more than any other community in the US. The majority of the downtown area was developed during the 17th, 18th and 19th centuries. Many of the buildings are of wooden construction and located in close proximity to one another. This building construction coupled with an antiquated roadway system proves challenging while responding to fire emergencies. Quite often modern fire apparatus cannot access narrow side streets and firefighters have to carry hose, tools and equipment to the fire building.

B. Conditions Affecting Service, Performance and Costs

1. Costs do not include actuarial accrued liability for *Contribution to Pension* for prior years' service for both active and retired firefighters;

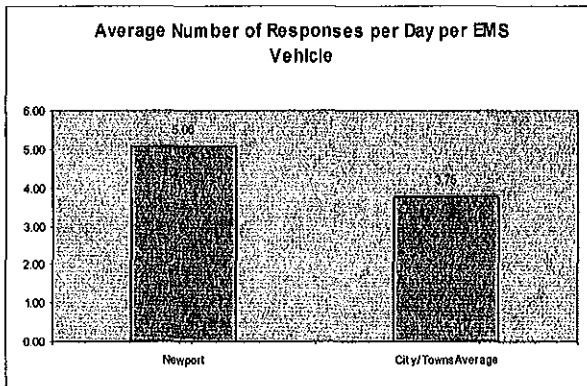
**FIRE DEPARTMENT
 (continued)**

2. Cost of hydrant rental is based on current Rhode Island Public Utilities Commission (RIPUC) water rates. During FY 2009, current hydrant rental rates were approximately \$790.00 for each of the City's hydrants.
3. Newport has a residential population of 25,340. To recognize the significant impact of tourism (over 3.0 million visitors) and a large college population, a population adjustment of 9,814 has been added to Newport's residential base. This results in a Fire Service population of 35,154. (A similar Service Population adjustment was made for all benchmark cities when appropriate.)

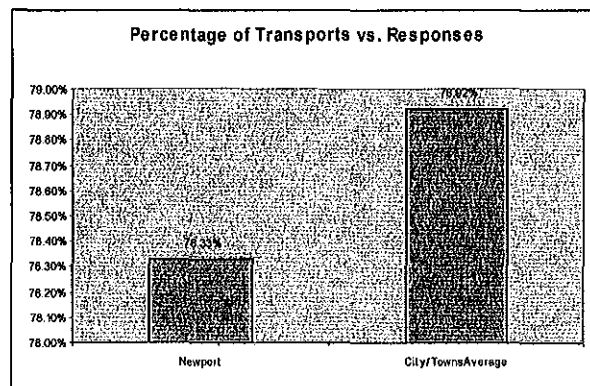
Other Comparative Fire Service Measures		
	Newport	City/Towns Average
<i>I. Workload Measures</i>		
Avg. # of fire responses per work shift	2.70	1.80
Avg. # of structure fires per month	0.90	2.50
Avg. # of fire fighting incidents per month	6.50	10.10
# of false alarms per 1,000 service population	40.90	14.10
Avg. # of code inspections per month	60.40	59.21
<i>II. Effectiveness Measures</i>		
Mean fire response time from receipt of call to arrival on scene (minutes)	3.60	4.30
<i>III. Efficiency measures</i>		
No. of sq. miles covered per fire station	2.60	12.90
No. of fire fighters per 10,000 service population	23.60	13.20
Total # of firefighters per sq. Mile	10.50	2.70
Fire cost per capita	\$ 287.52	\$ 123.87
Capital/depreciation costs per fire station	\$ 120,621	\$ 71,388
Rental cost per hydrant	\$ 790	\$ 418
Benefit cost % of total employee cost	44.25%	31.00%
Total \$ for fire services collected	\$ 645,749	\$ 122,694

EMS SERVICES – BENCHMARKING

Workload Measure



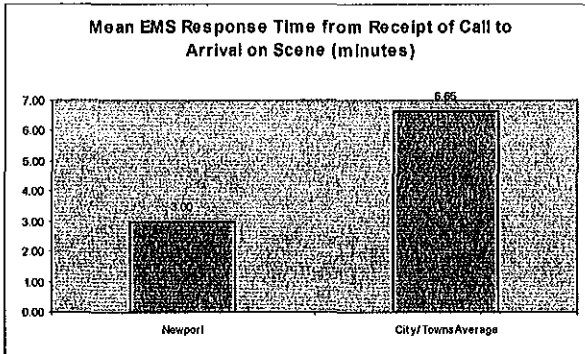
Workload Measure



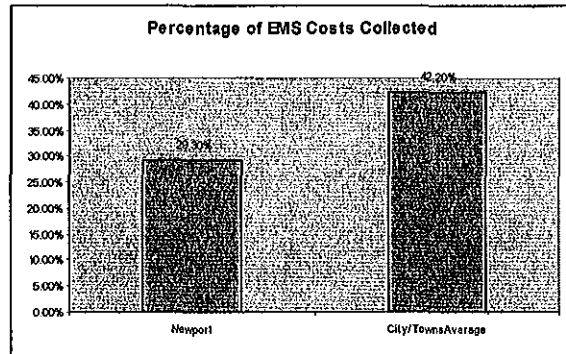
FIRE DEPARTMENT (continued)

EMS SERVICES – BENCHMARKING (Continued)

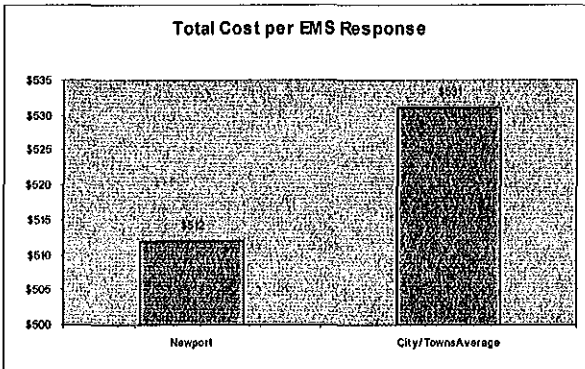
Effectiveness Measure



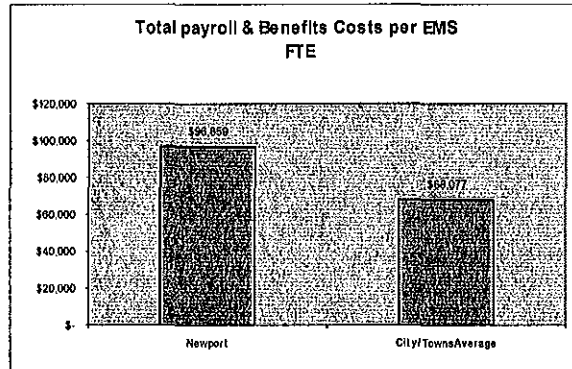
Effectiveness Measure



Efficiency Measure



Efficiency Measure



EXPLANATORY INFORMATION

A. Service Level and Delivery. The City of Newport was incorporated in 1639. It is presently home to over three-hundred pre-revolutionary homes, more than any other community in the US. The majority of the downtown area was developed during the 17th, 18th and 19th centuries. Many of the buildings are of wooden construction and located in close proximity to one another. This building construction coupled with an antiquated roadway system proves challenging while responding to EMS emergencies. Quite often EMS personnel have to confront access limitations, carry equipment to the scene, and transport the patient(s) back to the rescue vehicles. Delays could lead to catastrophic results.

**FIRE DEPARTMENT
 (continued)**

EXPLANATORY INFORMATION (Continued)

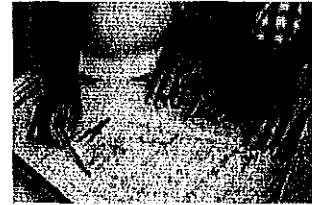
B. Conditions Affecting Service, Performance and Costs

1. Costs do not include actuarial accrued liability for *Contribution to Pension* for prior years' service for both active and retired firefighters;
2. Revenue collection is restricted, in part, by the City's policy of not charging uninsured citizens for services provided.
3. Newport has a residential population of 25,340. To recognize the significant impact of tourism (over 1.9 million visitors) and a large college population, a population adjustment of 6,885 has been added to Newport's residential base. This results in an EMS Service population of 32,225. (A similar Service Population adjustment was made for all benchmark cities when appropriate.)

Other Comparative EMS Service Measures		
	Newport	City/Towns Average
<i>I. Workload Measures</i>		
# of EMS responses per 1,000 service population	105.02	84.52
<i>II. Effectiveness Measures</i>		
% of calls responded to (from receipt of call to arrival) in less than 6 mins.	92.70%	77.47%
Average length of time vehicle is in service (minutes)	40	58
% of EMS responses that have collection	78.30%	76.70%
Avg. admin cost per bill issued	\$ 12.00	\$ 31.00
Avg. amount billed	\$ 363.00	\$ 426.00
Amount billed as % of response cost	70.80%	75.90%
Collection rate	52.70%	71.40%
% of EMS cost billed	55.50%	58.10%
<i>III. Efficiency measures</i>		
Average EMS responses per EMS vehicle per day	5.06	3.75
Per capita net cost of total EMS Delivery	\$ 38.00	\$ 27.00
Benefit cost % of total employee cost	44.25%	33.48%

DEPARTMENT OF PUBLIC SERVICES

Contact info:
 William Riccio, Jr., Dir. of Public Services
 Email: WRiccio@cityofnewport.com
 Telephone: (401) 845-5841



Scope of Services: The Department of Public Services is responsible for maintaining the City's infrastructure and providing essential services. Under the City's organization chart, the Department of Public Services is also responsible for urban tree management and grounds maintenance.

Use of Resources: The Department of Public Services employs 38 full time employees. Of the City's total General Fund expenditures, the Department of Public Services utilizes 9.26% (8.69% in FY 08) to perform their duties – or a per capita cost to citizens (per 2005 census) in FY 09 of \$274.13 (\$252.87 in FY 08). In terms of a median home valued at \$350,000, \$308.60 of the annual property tax bill in 2009 of \$3,332 funded the Department of Public Services.

Only 42.5% of citizens responding to our 2006 Citizen Survey were satisfied with the overall quality of Public Works, citing maintenance of streets and sidewalks as their biggest concern.

FY 2009 Goal: Provide a paved road system that has a pavement condition that meets municipal objectives.

Accomplishments: Roadway Improvements completed (4.30 miles) reflecting FY 2009 expenditures:

Name of Street/Road/Avenue	No. of Feet	Name of Street/Road/Avenue	No. of Feet
Bliss Road	731	Janet Terrace	329
Bradford Avenue	518	Key Court	473
Brinley Street	778	Leonard Terrace	409
Brooks Avenue	719	Lucas Avenue	598
Butler Street	340	Madeline Drive	1058
Chartier Circle	1481	Malbone Road	747
Coddington Street	437	Mary Jane Lane	946
Courthouse Street	347	North Baptist Street	325
Doris terrace	350	Oak Street	296
Elliott Place	457	Pope Street	552
Elm Street	712	Rosa Terrace	528
Florence Avenue	792	Sylvan Street	652
Francis Street	569	Sylvan Terrace	563
Girard Avenue	892	Ward Avenue	1191
Hazard Road	884	Washington Street	325
Hillside Avenue	2025	Weatherly Avenue	960
Hunter Avenue	708		

DEPARTMENT OF PUBLIC SERVICES
(continued)



Additional Achievements:

- *Advanced the road improvement program with the reconstruction of approximately 30 local roadways through determination and constant coordination with utility companies both internal and external;*
- *Completed Gooseneck Cove Restoration Project where the Department of Public Services incorporated roadway improvements while allowing for the re-generation of a significant ecosystem in the natural environment through the installation of new culverts to allow for tidal flow. This project was completed in association with Save the Bay, NOAA, NRCS and RIDOT;*
- *Completed phase 2 of Washington Square Enhancement Project with state and federal funding;*
- *Completed reconstruction of the Rochambeau Seawall and monument Restoration project.*

Awards and Honors:

- *Bill Riccio, Director of Public Services was awarded a Harvard Fellowship to attend Senior Executives in State and Local Government and the RI Interlocal Trust Scholarship to attend the National APWA conference.*

Challenges:

- *Experienced delay in the Emergency Repairs to the Ocean Avenue Seawall due to the establishment and development of a federal/state/city interjurisdictional agreement. Construction now expected in summer 2010;*
- *Delay in the release of federal stimulus monies which has delayed local federally sponsored roadway improvements until summer 2010;*

DEPARTMENT OF PUBLIC SERVICES Division of Snow Removal

In keeping with the description of the New England States Performance Measurement Project (page 22), during the fall of 2008 municipal officials from six New England cities/towns agreed to study their treatment of municipal roads during snow and ice precipitation events. The City of Newport was among them. We realized that there was a high degree of public interest in these services being done effectively. Road conditions are very visible to the public, impact public safety, require significant financial resources, represent unpredictable periodic events, and can be addressed using a wide variety of equipment, road treatment materials, and implementation strategies.

There were three initial study goals:

- One:** *Develop a standardized data collection methodology;*
- Two:** *Develop analytical tools to evaluate community effectiveness and operating efficiencies in managing snow and ice operations;*
- Three:** *Encourage each town to use study data to improve their operating strategies.*

STUDY APPROACH

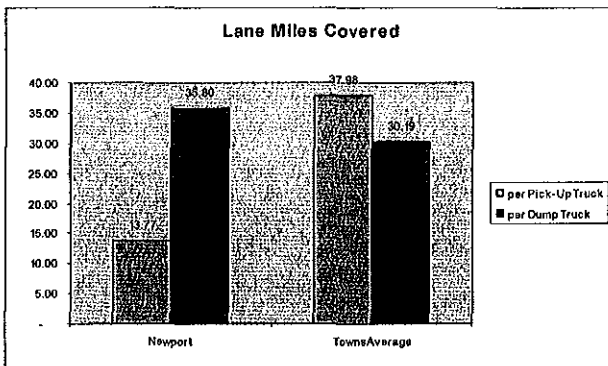
Once detailed data were collected for each snow and/or ice occurrence (event), towns either provided a diary of data for all storms during the 2008/2009 winter season or data from three (sample) storms with different weather characteristics. These data were used to develop and test various analytical techniques.

A study review and information exchange meeting was then held in the fall of 2009. A meeting facilitator presented the results from the data analysis tools along with analytical observations. This led to active, focused discussion among the town’s employees on different snow and ice operational methods, their strengths and weaknesses.

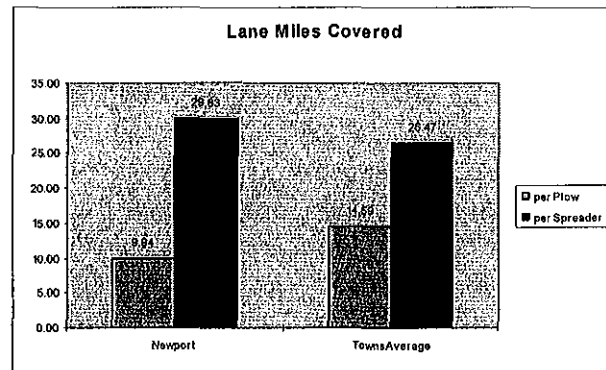
The data reported here is for the fiscal year 2009.

SNOW & ICE REMOVAL – BENCHMARKING

Workload Measure



Workload Measure

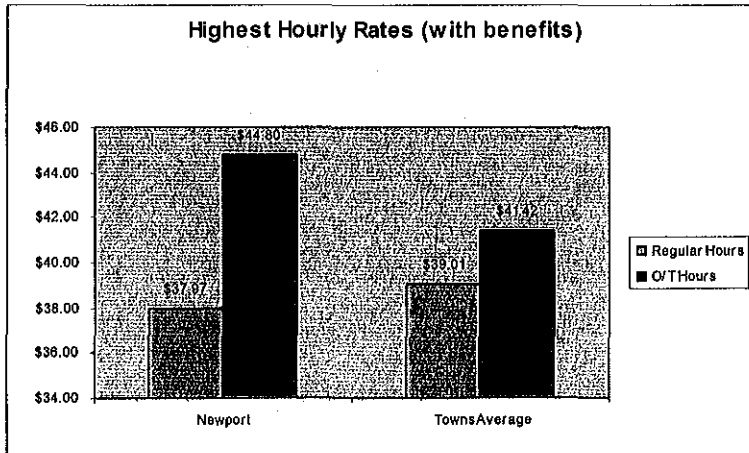


Newport's pick-up trucks cover significantly fewer lane miles during storms because the City uses more pick-up trucks.

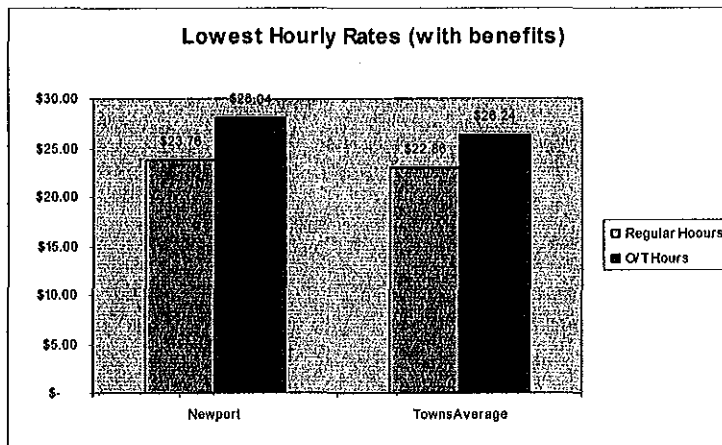
Newport's dump trucks cover significantly more lane miles during storms because the City uses fewer dump trucks.

DEPARTMENT OF PUBLIC SERVICES
Division of Snow Removal (continued)

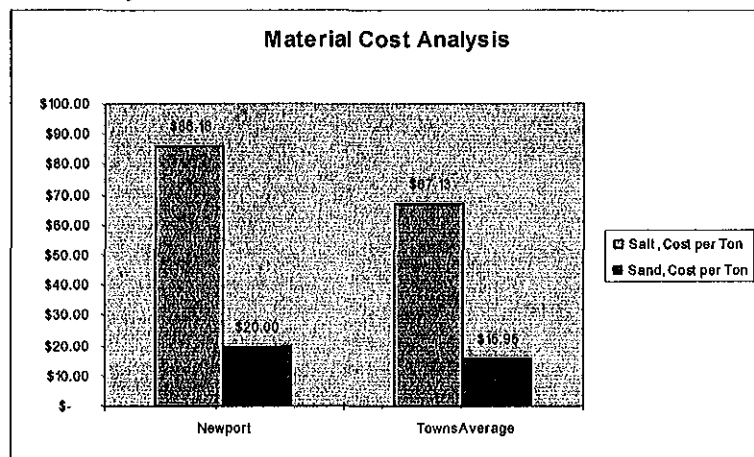
Efficiency Measure



Efficiency Measure

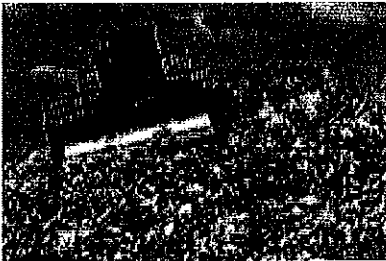


Efficiency Measure



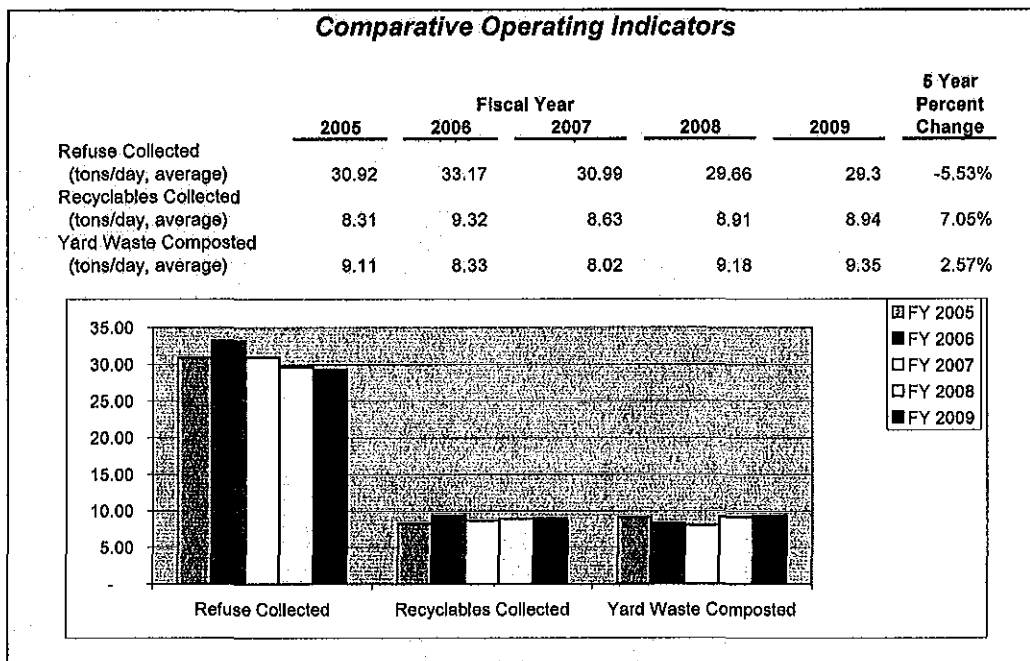
Decreased material costs are anticipated in FY 2010

DEPARTMENT OF PUBLIC SERVICES
Division of Solid Waste Collection & Disposal



FY 2009 Goal: To decrease the amount of waste for which the city pays a tipping fee of \$32/ton at Rhode Island Resource Recovery Corporation by researching and implementing programs to increase the amount of yard waste diverted to composting.

Accomplishment: Average daily reduction of 0.36 tons of waste for which the City pays a tipping fee of \$32/ton was realized in FY 2009.

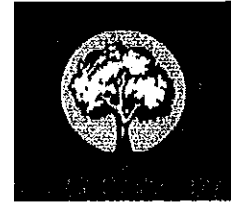


FY 2009 Goal: Increase the amount of leaves and yard waste disposed of through a composting program by 10%, from 1100 tons diverted to composting to 1200 tons composting.

PERFORMANCE MEASURES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL
Tons of leaves and yard waste diverted to composting	1041.64	1002.64	1194.75	1215.02

DEPARTMENT OF PUBLIC SERVICES
Division of Urban Tree Management

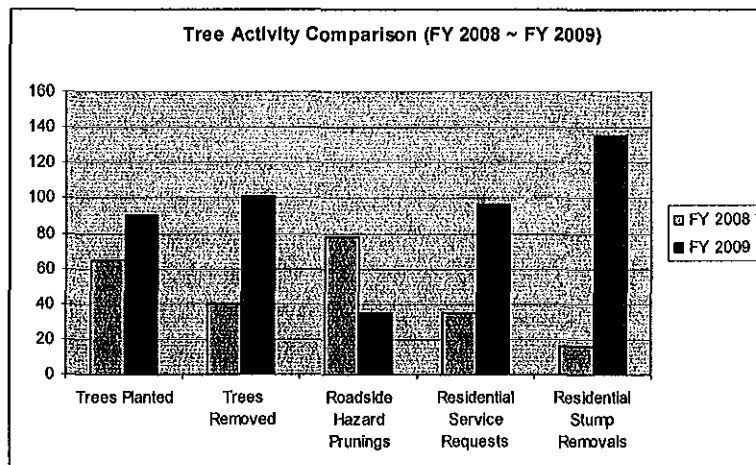
Contact Info:
 Scott Wheeler, Tree and Parks Supervisor
 Email: swheeler@cityofnewport.com
 Telephone:



As our response to requests of the Citizen Focus Groups held in May, 2008, and in recognition of Newport's continued recognition as Tree City USA, this is the second year we are reporting performance on the City's urban tree management.

Accomplishments:

- Newport's spring and fall street-planting programs added 91 new trees in 2009 including 66 bare root trees. Eight of the balled trees were planted along Gladys Bolhouse Road to improve screening of the gateway parking lot as coordinated with the Point Association and the Economic Development Dept which has pledged to pay for \$10,000 in plant material over three years to improve the aesthetics of the property;
- The fourth annual planting of daffodils at Newport's entrances – 18,000 in the O'Connell Highway rotary and 2,000 at the Friends Meeting House – took place in October 2009;
- A U.S. Forest Service America the Beautiful Grant of \$4,000 was received to plant 20 trees across the City as part the Neighborhood Cooperative Tree Planting Program ;
- In support of Arbor Day, Rogers High School students planted a birch tree at the school in memory of Senator Pell. The tree was added to a grove of nine trees planted in 1996 during official state Arbor Day celebration to recognize Senator Pell at the time of his retirement.
- For the 18th year in a row, Newport has qualified as a Tree City, USA;
- City staff implemented the daily use of the Davey Tree Keeper 7 software system for the entry of all citizen requests for tree work and the generation of street tree work orders. Staff updated the street tree data along 10 miles or approximately 10% of city streets.
- The Newport Tree Society is assisting the City in seeking grant funding to hire a URI arboricultural intern to assist with completing the data collection.



* FY 2008, 1st quarter, not available

DEPARTMENT OF PUBLIC SERVICES
Division of Urban Tree Management
(continued)

Challenges:

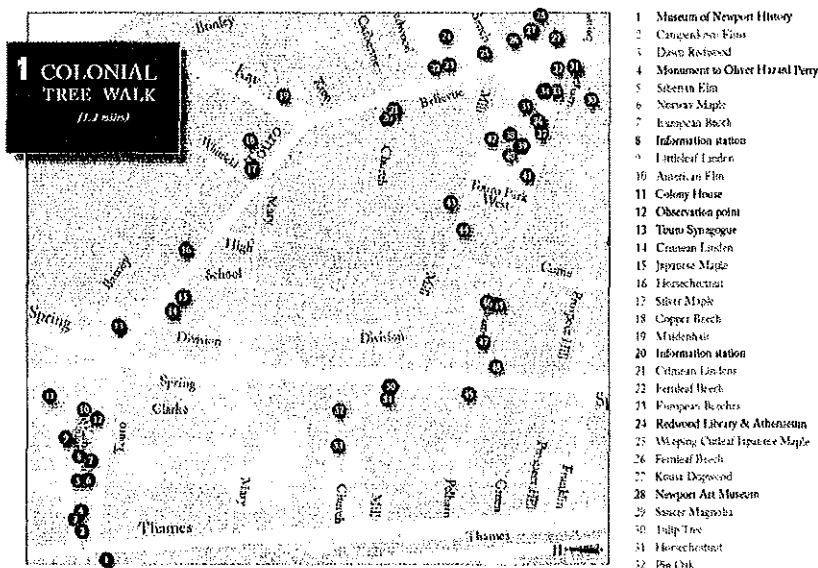
- *In the spring of 2009 National Grid resumed the pruning of Newport's trees to provide electrical clearance. The pruning had been delayed for 3-4 years beyond the typical pruning cycle resulting in damage to the trees and negatively impacting the aesthetics of the community. In response to citizen and council complaints the commission and forestry staff developed "National Grid's Newport Vegetation Management Program."*



Four Standards of Tree City USA:

1. A Tree Board or Department
 - a. *Newport Tree and Open Space Commission*
 - b. *Division of Urban Tree Management*
2. A Tree Care Ordinance
 - a. *Chapter 12.36*
3. A Community Forestry Program With an Annual Budget of at Least \$2 Per Capita
 - a. *Of the City's total General Fund expenditures, the Division of Urban Tree Management utilized 0.28% (0.25% in FY 2008) to perform their duties – or a per capita cost to citizens (per 2005 census) in FY09 of \$8.19 (\$7.37 in FY 2008).*
4. An Arbor Day Observance and Proclamation
 - a. *The Department of Environmental Management held the state's Arbor Day ceremony on Friday, April 24, 2009 at Rogers High School.*

The Newport Tree Society is creating a 'necklace' of five to seven Tree Walk loops, including maps and supporting materials. Our first walk, The Colonial Tree Walk, began at the Museum of Newport History. Corporate sponsors are sought for each tree walk. For more information visit <http://www.newporttreesociety.org>



PROOF as of October 1 2009 Background map courtesy of Newport's Old Quarter.

DEPT. of PLANNING, ZONING, DEVELOPMENT and INSPECTIONS

Contact info:
 Paige Bronk, AICP, Dir. of Planning,
 Zoning, Development & Inspections
 Email: PBronk@cityofnewport.com
 Telephone: (401) 845-5450



Scope of Operations: The mission of the Department of Planning, Zoning, Development, and Inspections is to plan for orderly growth and development, ensure compliance with construction, zoning and nuisance codes and to protect public health, safety and welfare within the community. The Department serves as a one-stop shop for land development review and regulations for building, housing, electrical, plumbing, mechanical, zoning (certificates, variances, special uses and historic), subdivisions, site plans and development plan proposals within the City of Newport.

Use of Resources: The Department of Planning, Zoning, Development and Inspections employs 13 full time employees. Of the City’s total fund expenditures, as offset by the City’s annual Community Development Block Grant, the Department of Planning, Zoning, Development and Inspections utilizes 1.68% (1.58% in FY 2008) to perform their duties -- or a per capita cost to citizens (per 2005 census) in FY09 of \$49.74 (\$43.87 in FY 2008). In terms of a median home valued at \$350,000, \$55.99 of the annual property tax bill in 2009 of \$3,332 funded the Department of Planning, Zoning, Development and Inspections.

Only 30.5% of citizens responding to our 2006 Citizen Survey were satisfied with the overall quality of Planning, Zoning, Development & Inspections, with the biggest concerns being enforcing clean-up of derelict houses

FY 2009 Goal: Increase number of municipal inspections by 10%.

PERFORMANCE MEASURES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL
Percent increase of municipal inspections	10%	10.39%	14.67%	3%

The continued economic downturn has negatively affected the number of municipal inspections.

FY 2009 Goal: Increase number of housing inspections by 10%.

PERFORMANCE MEASURES	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL
Percent increase of housing inspections	10%	12.93%	28.94%	0%

The continued economic downturn has negatively affected the number of housing inspections.

DEPT. of PLANNING, ZONING, DEVELOPMENT and INSPECTIONS
(Continued)



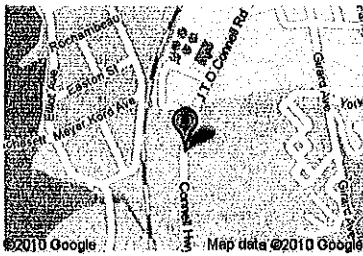
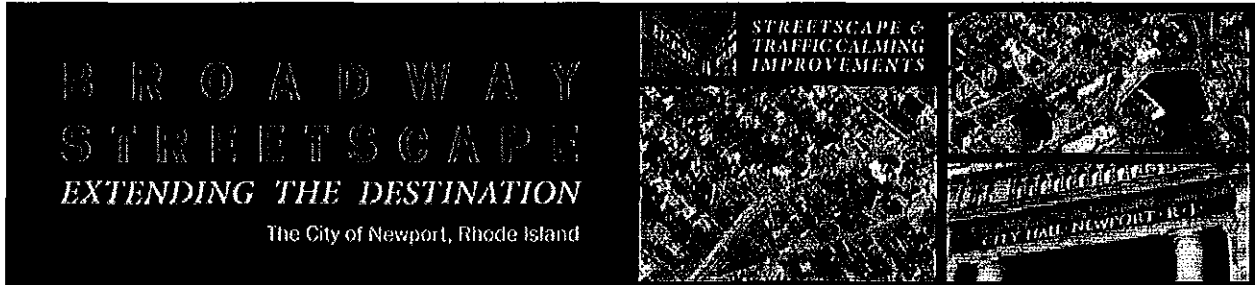
Additional Achievements:

- *Finalized redevelopment lease agreement with Coastal Extreme Brewing (makers of Newport Storm Beer and Thomas Tew Rum) on 1.5 acres of City-owned land. The City leased this property to the development so that the business can build an 8,500 square foot manufacturing facility in 2009. The property will add to the tax base and contribute jobs to the local economy.*
- *Completed final engineering, state and federal permitting, procurement, and award to expand the Perrotti Park facility with piers and floats to accommodate expanded water-based transportation facility. Also, the Ann Street Pier, another City-owned water facility, will be improved for a similar use. Harbor Shuttle grant funding was used for both of these efforts.*
- *The City of Newport Hazard Mitigation Plan was completed and approved by the City Council, Rhode Island Emergency Management Agency, and the Federal Emergency Management Agency. This provides guidance to the City on future priorities and natural hazards. Also, the approved plan allows the City to be offered federal post-hazard emergency response funds after a damaging natural event.*
- *The Broadway Streetscape Project was initiated which included the development and release of an RFQ for consulting services. The Louis Berger Group was hired and began work in May, 2009.*
- *Staff completed a review, analysis, and amendment of the City's Sign Ordinance. The amendment improves upon problematic sign issues such as "A-Frame", parking, special event, banner, and directory signs within the City. Overall, there was general support for the effort and the City Council approved of the changes.*

Challenges:

- *The department was challenged in having three staff person vacancies out of 13.5 employees. The positions of Historic Preservation Planner, Senior Permitting Clerk, and Plumbing/Mechanical Inspector were vacant for portions of this time period which added a burden to the department's staff.*
- *The weak economy was a major challenge and impacted the department in two ways. Overall permit revenue was down primarily because of a reduction in large projects. The most notable large project that has been delayed is the Bellevue Gardens development. Also, the redevelopment projects that the department managed were detrimentally impacted since financing was not easily obtained by developers. Examples included the Sheffield School and BankNewport developments.*

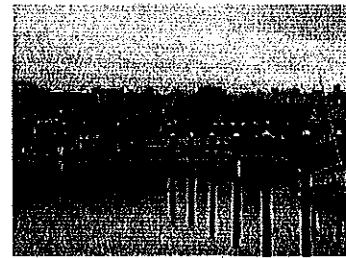
DEPT. of PLANNING, ZONING, DEVELOPMENT and INSPECTIONS
(Continued)



Coastal Extreme Brewing Co.



North End



Perroti Park



Sheffield School



The Newport Planning Board and PZD&I Department have initiated the City of Newport's Comprehensive Plan Update process. The public was encouraged to attend public meetings held on June 4 and June 23, 2009 to express their views and desires for the future Newport Comprehensive Land Use Plan.

City of Newport,
Rhode Island



Comprehensive Land Use Plan
Adopted February 28, 2003
Approved August 6, 2004

DEPARTMENT OF PARKS, RECREATION & TOURISM

Contact info:
Susan F. Cooper, Director of Recreation
Email: SCooper@cityofnewport.com
Telephone: (401) 845-5801



Scope of Operations: The Department of Recreations, downsized from the Department of Parks, Recreation and Tourism, is responsible for all recreation programming and activities management. It actively services the entire community through its various recreation and sports activities, & sports facilities, overseeing Martin Recreation Center, Cardines Baseball Field, Freebody Park sports complex, and an outdoor skatepark.

Use of Resources: The Department of Recreation employs 4 full time employees. Of the City's total General Fund expenditures, the Department of Recreation utilized 0.81% (0.71% in FY 2008) to perform their duties – or a per capita cost to citizens (per 2005 census) in FY09 of \$24.09 (\$20.81 in FY 2008). In terms of a median home valued at \$350,000, \$27.11 of the annual property tax bill in 2009 of \$3,332 funded the Department of Recreation.

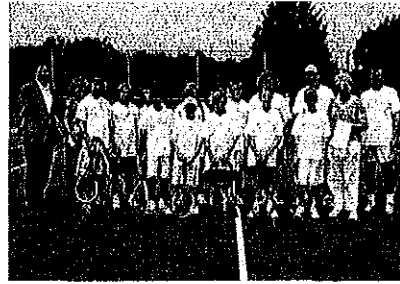
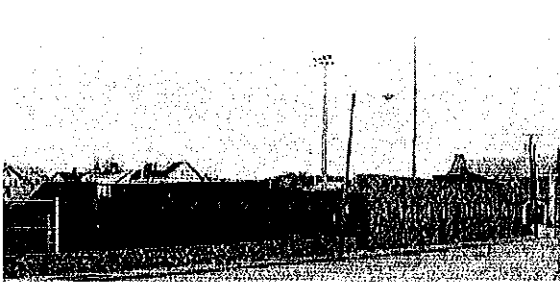
62.8% of citizens responding to our 2006 Citizen Survey were satisfied with the overall quality of Parks, Recreation & Tourism services, with the biggest concern being the condition of City beaches.

FY 2009 Goal: To provide healthy and positive recreation programs and community events that will meet the leisure needs of the citizens of Newport; To provide oversight to the scheduling of all sports and facilities and City parks in a safe, financially sound, and responsible manner.

Accomplishments:

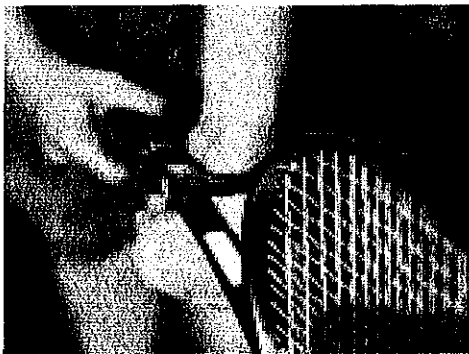
- **Special Events** ~ Community support of the wide variety of department organized special events was outstanding. Attendance was up significantly, and sponsor cash and in-kind donations increased as well. Four new community events were added, while all existing events returned.
- **2009 Recreation & Leisure Guide** ~ A promotional brochure was produced in spring 2009 by the Newport Daily News as a supplement to the newspaper. It contained information coordinated through the Recreation Department, combining the Recreation, Library and Senior Services information in an easy to read format. There was no cost to the agencies. All costs were covered through paid advertising solicited by the newspaper.
- **Registration data base** ~ The department has been able to create an in-house data base of all program participants to analyze trends (new versus returning families, etc.), and generate reports and email addresses for faster communication.

DEPARTMENT OF RECREATION (Continued)



Challenges:

- *The renovation of Toppa Field with artificial surfacing, which was to be donated by Salve Regina University was donated to the Town of Middletown instead. The \$2.5 million project would have transformed the 2 softball and 1 football fields into a major economic generator with opportunities to grow the sports of lacrosse, soccer and rugby to the existing sports of softball and football.*
- *Lack of internet promotional opportunities like “facebook”, “twitter”, and “constant contact,” along with on-line registration procedures has been a barrier for the department in its effort to connect with some residents, especially younger ones.*



Awards:

- *Ed Harrigan, Recreation Administrator, was inducted into the Rhode Island Recreation & Parks Association's “Hall of Fame” in March 2009;*
- *“Pitch, Hit, & Run National Award” ~ awarded for excellence in local competition;*
- *Newport Recreation's 13 yr Old Tournament Team won Jr. WNBA Gatorade Championship tournament in Boston, MA, and was recognized both during a Celtics Game and by the Newport City Council.*

DEPARTMENT OF ECONOMIC DEVELOPMENT

Contact info:

Jonathan Stevens, Dir. Of Economic Development

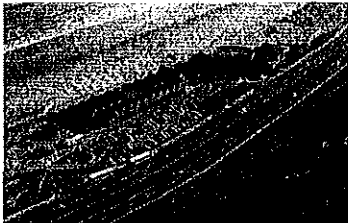
Email: JStevens@cityofnewport.com

Telephone: (401) 845-5413

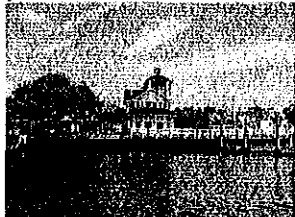
Created by ordinance in 2007, the Department of Economic Development is responsible for managing three of the City's enterprise funds. These three are the Maritime/Harbor Fund, the Easton's Beach Fund and the Parking Fund. The Department of Economic Development is also the City's liaison to the local business community and is an advocate for programs and projects enhancing Newport's value as a heritage tourism destination.

The Department of Economic Development manages the revenue-generating properties below.

- The Easton's Beach and the Easton's Beach Rotunda Ballroom;



- The City's Harbor Facilities;



- King Park Auto & Trailer Parking, Boat Launch and Permit Information;

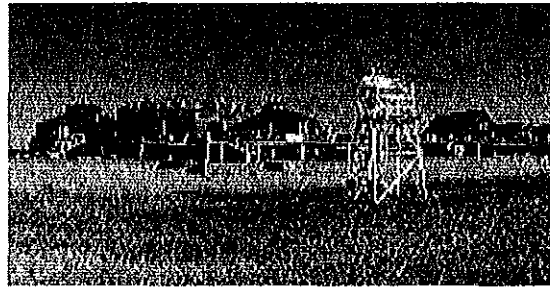


- The Mary Street Parking Lot, Gateway Visitor's Center & Garage

- Permits for Movie, Television and Photography Productions.



EASTON'S BEACH



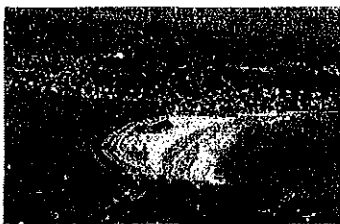
Scope of Operations: This program provides for the operation and maintenance of the public facilities at Easton's Beach. It includes safety oversight of swimmers by state certified Lifeguards, beach cleaning and raking, and water quality testing. It also includes the rental administration of the Rotunda ballroom and the operation of the Carousel, seasonal bathhouses, beach store, Beach Bounce and numerous community special events. Other free public amenities such as children's playground, Skateboard Park, restrooms and showers, and picnic shelter are the responsibility of this fund as well.

Easton's Beach Fund also includes the oversight of the lease of the snack bar and vending cart concessions, and the Save the Bay Aquarium and Education Center.

Beach Operations – responsibilities include operation and security of the City's public beach facilities at Bailey's East Beach and the operation and maintenance of the restrooms at King Park.

FY 2009 Goal: Increase bathhouse sales by 5%

Accomplishment: *Easton's Beach had a great increase of new sales due to promotions and positive publicity, but lost 38 previous rental patrons due, in part, to pollution and economic issues. Overall increase in bathhouse sales was 18.00%.*



Additional Achievements:

- *FY09 revenues increased \$116,941 over FY08, despite June bad weather;*
- *Parking agreement with Hotel at Newport Beach, providing \$22,500 for patron access to the east lot during evening hours;*
- *Drafting Business Plan with Beach Commission;*
- *Seaweed Harvester up and running;*
- *Began new Children's indoor play center in Rotunda- January through Mid April of 2009- Grossed \$ 33,000;*
- *New Summer evening beach series to bring more evening business, including: Adult Dance & Exercise, Children's discount night, Beach Idol for Kids;*

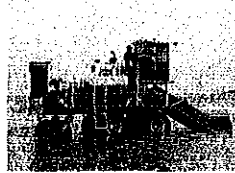
EASTON'S BEACH (Continued)

Additional Achievements (continued):

- *Upgraded water slide amusement to seven days a week, increasing net revenue, daily attendance and paid vehicles at the gates;*
- *Published 20,000 new beautiful beach brochures for distribution through the Gateway Visitors Center, Chamber of Commerce, Newport area hospitality venues, and Beach entrance gates;*
- *Managed marketing programs including VIP parking, daily bathhouse rentals, carousel, water slides, beach bounce, beach rentals, beach sales of clothing and accessories, season parking stickers, Rotunda Events.*

Challenges:

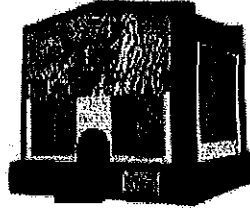
- *Seaweed: Easton's Beach has long suffered from this nuisance. The new seaweed harvester, a prototypical machine, is expected to improve the quality of experience and the reputation and potential profitability of Easton's Beach.*



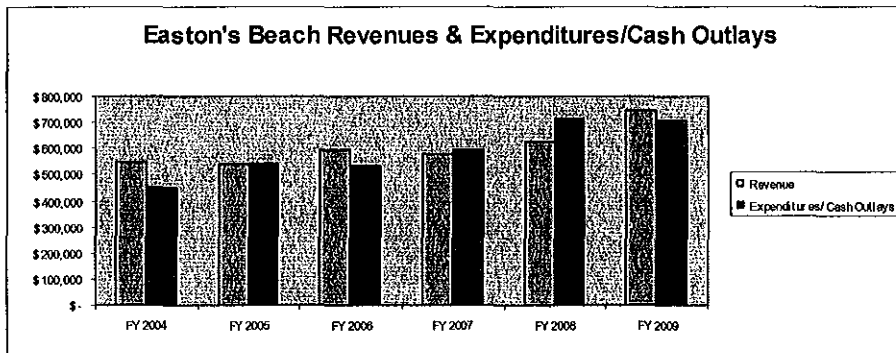
- *Pollution: The new UV treatment plant should significantly improve conditions. City staff have also been successful in entering into new protocols with the Department of Health, which is helping a great deal;*
- *Improved revenues: Ballroom, parking, rate increases and new vendor concessions should be considered to strengthen revenues;*
- *Property maintenance: need to strengthen investment schedule in the Rotunda building and infrastructure.*

Awards:

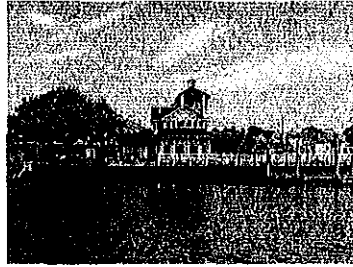
- *Beach staff member John Blankenship was voted a finalist for City Employee of the Year;*



- *The Beach Bounce was awarded the "Best of Rhode Island" Award for the "Best Place to Take the Kids on a Rainy Day" by Rhode Island Monthly magazine.*



MARITIME FUND



Scope of Operations: The Maritime Fund provides for the operation of the Newport Harbor. It is responsible for enforcement of ordinances and state and federal boating laws pertaining to the operation of commercial and pleasure craft within the harbor and surrounding public waters. This fund operates the public piers and public dinghy docks throughout the harbor. It also operates the Perrotti Park ferry, cruise ship docks and the Harbormaster building with public restrooms.

FY 2009 Goal: Initiate state mandated inspection system of vessels for discharge related infractions by inspection of 50 vessels.

Accomplishments:

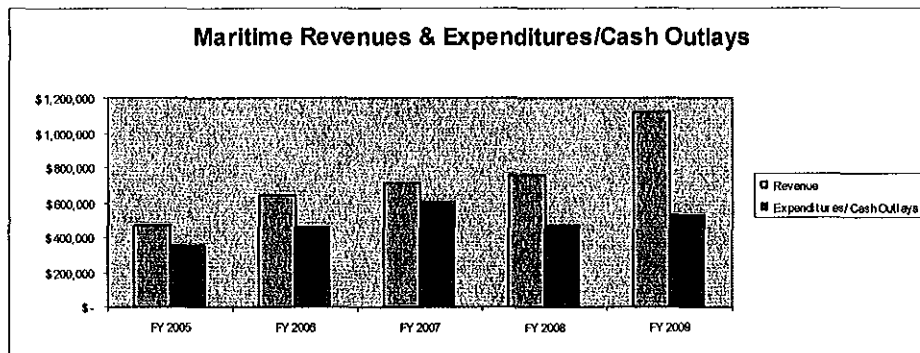
PERFORMANCE MEASURES	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL
Number of State mandated inspections	60	56	53

Additional Achievements:

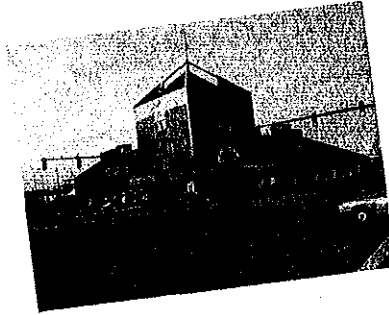
- *Installed New “Welcome” Sign at Harbor Entrance;*
- *Cruise ship passenger counts up significantly;*
- *Mooring Waiting lists posted on City web site;*
- *New drift way ordinance enforced; 30 derelict boats removed;*
- *Dinghy sticker program initiated and available on web site;*
- *Council established new waiting list program;*
- *Rehabilitation of Poplar Street Driftway*

Challenges:

- *Time constraints on the successful completion of Dredging project and dock expansion project at Perrotti Park prior to Spring Cruise ship season commencement;*
- *Foul and/or extreme weather necessitates awning tent for cruise ship passengers;*



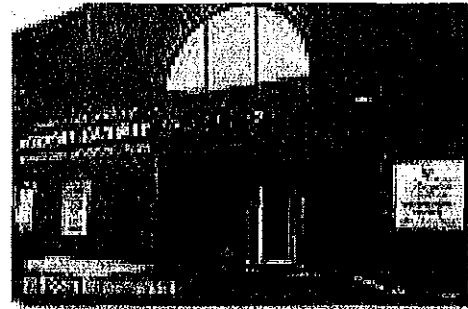
PARKING FUND



Scope of Operations: The Parking Fund oversees the parking contracts for Gateway and Mary Street public parking lots, on street meter parking, review of parking violation agreements; assistance to vendors, businesses and other agencies with occasional requests for special parking considerations; maintenance and capital improvements for the lots and associated public restrooms. Functions also include coordination of special event management related to lot and on-street parking.

The Parking Fund provides the public with safe, convenient and appropriate parking within the City of Newport. Further, it maximizes accessibility to each resident, business, and attraction with the increased availability of parking and decreased traffic congestion by controlling parking eligibility and providing public fee parking. Working as a team to ensure the effective management of this resource, efforts for this fund are shared by Police and Economic Development.

It is highly recommended that visitors park at the Newport Visitors Information Center on America's Cup Boulevard, at the gateway to the City.



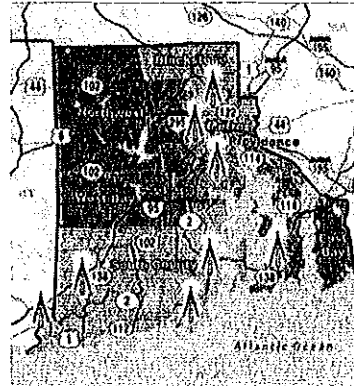
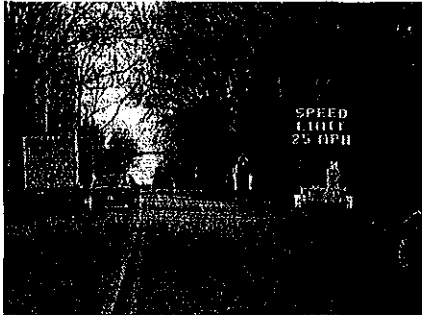
The Newport Visitors Information Center has parking for 480 cars at very reasonable prices and also serves as the City's primary public transportation hub.



PARKING FUND (continued)

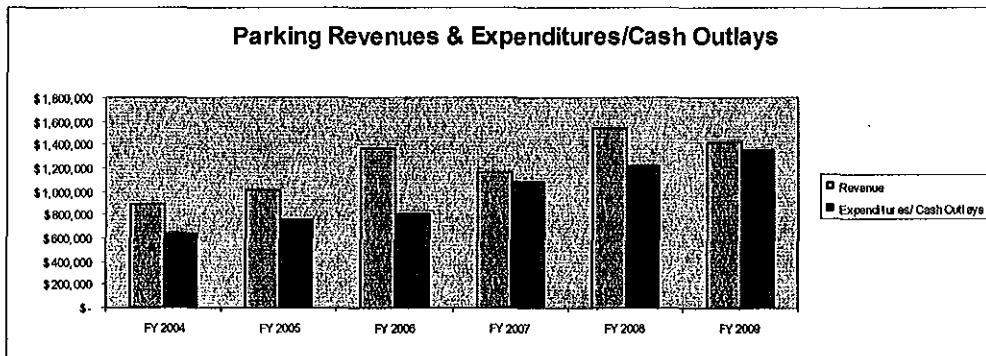
Accomplishments:

- Installed new directional signs from Newport Bridge off ramp to Gateway Center;
- Designed and installed new wood plank fence to screen dumpsters at Mary Street;
- Gateway garage condition assessment completed, improvement specifications drafted;
- Lot operations improved, with very low complaints for season;
- New internal signage at Gateway.

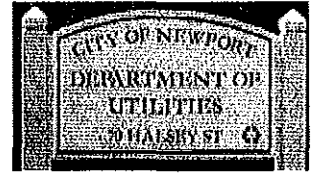


Challenges:

- Overall planning to phase in new credit card-capable parking meters;
- Consideration of phasing out private lease and contract of meter services in favor of purchasing and operating the City's own meter system;
- Need traffic aide or new parking inspector to enable parking lot and meter auditing;
- Possibility of increasing parking prices at Mary Street on weekends;
- Need to complete resurface and restripe Mary Street and Gateway surface lots;
- Gateway Garage needs repairs and sealing treatment; canopy needs replacement;
- Need to work with RIPTA, NCCVB on better arrangement to manage property.



DEPARTMENT OF UTILITIES



Contact info:

Julia Forgue, PE, Director of Utilities

Email: JForgue@cityofnewport.com

Telephone: (401) 845-5601

Located at 70 Halsey Street, the **Department of Utilities** is comprised of two divisions, the **Water Division** and the **Water Pollution Control Division**. Both the Water Division and Water Pollution Control Division operate as enterprise funds of the City.

The Department of Utilities, although a City Department of the City of Newport, is regulated by state and federal agencies in addition to City policies and procedures. The management and operation of each Division is supported by the revenue received from its respective billings.

Certain City Departments provide services that are integral to the operation of the Department of Utilities; examples include the Finance Department and City Solicitor's Office. The City's costs associated for providing these services are allocated to both the Water Fund and Water Pollution Control Fund.

The **Water Division** operates and manages the source water reservoirs, treatment plants, storage tanks and distribution system. The City's water distribution system also services the Town of Middletown and a small portion of the Town of Portsmouth. We also sell water wholesale to the Portsmouth Water and Fire District and Naval Station Newport.

The **Water Division** is responsible for providing drinking water that meets standards established by the US Environmental Protection Agency (EPA) and the Rhode Island Department of Health (RIDOH). The Water Division is licensed by the RIDOH as a Public Water Supplier, License # 1592010. The Water Division is also required to report to the Rhode Island Water Resources Board.

The revenue and rate structure for the Water Division is regulated by the Rhode Island Public Utilities Commission. The Water Division staff is committed to providing our customers the safest and most reliable drinking water possible.

The **Water Pollution Control Division** is responsible for providing wastewater collection and treatment for the residents of Newport. In addition we provide wastewater treatment on a wholesale basis to the Town of Middletown and Naval Station Newport. The Water Pollution Control Division also manages the storm drainage system within the City.

The sanitary sewer collection system, storm drain system, and waste water treatment facility are operated and maintained in accordance with a service contract with United Water, Inc. The City and United Water are issued a Rhode Island Pollutant Discharge Elimination System (RIPDES) Permit # RI0100293 to operate the wastewater facilities.

The sewer use charge is established by the City Council. Services for wastewater treatment for the Town of Middletown and Naval Station Newport are invoiced in accordance with contractual agreements. The Water Pollution Control Division is responsible for operating the wastewater and storm drainage systems in accordance with regulations established by the US EPA and the Rhode Island Department of Environmental Management.

WATER POLLUTION CONTROL



The City's wastewater treatment, pumping stations, two combined sewer overflow facilities and sanitary sewers, and storm drainage system are operated and maintained by the City's contractor Earth Tech.

FY 2009 Goal: To ensure effective sewer services to city customers.

Accomplishment: *Staff is working with EarthTech on the implementation of a system wide catchbasin cleaning plan/schedule.*

FY 2009 Goal: To provide efficient sewage and storm water disposal services.

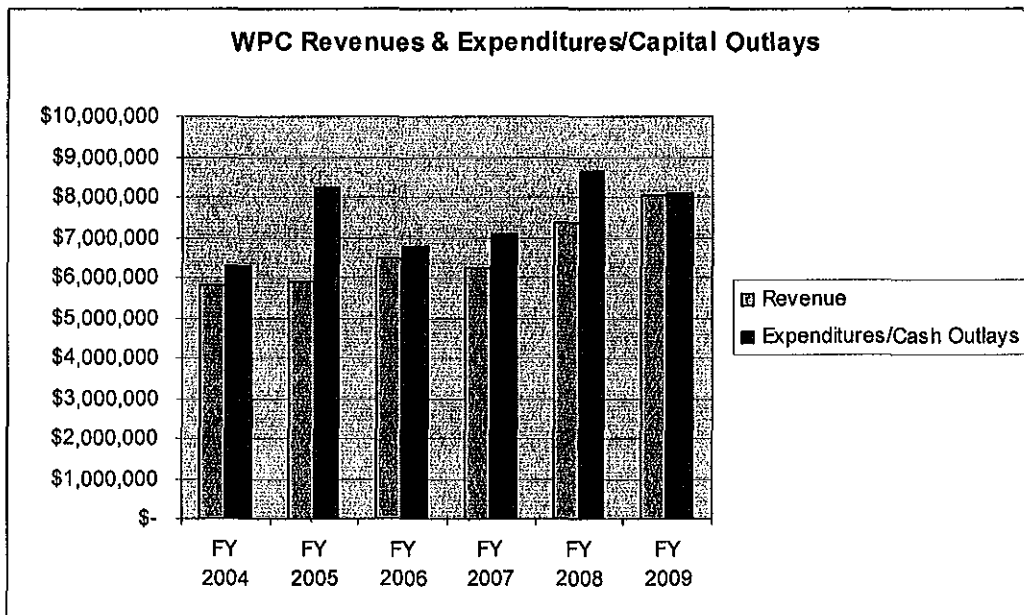
Accomplishments:

- *On April 7, 2009 United Water personnel identified a failure in the 36" prestressed concrete cylinder pipe Long Wharf Force Main (LWFM). United Water contracted with CB Utility (CBU) to make a repair. In order to make the repair an above ground by pass was needed. The bypass was proposed from the Long Wharf pump station to a manhole in the intersection of America's Cup Avenue and Bridge Street. On April 10th work to implement the bypass began, but work was suspended when conditions prevented the draining of the force main. The condition of the entire force main was suspect due to conditions found and known issues with PCC pipe failure. Installation of bypass piping of the entire LWFM began on April 13th and was completed and in operation by April 22nd. In order to begin excavating at the site of the initial failure, the RIDEM required a permit and a groundwater treatment system for the dewatering operations. The treatment for the groundwater consists of a settling basin, a frac tank, and granular activated carbon filters prior to discharge of the groundwater into a catchbasin. CBU began operating the well points for groundwater drawdown on April 29th. After several weeks of data from the testing of the groundwater from the well points, RIDEM approved the removal of the frac tank and the granular activated carbon filters. The TV inspection of the LWFM was completed in May. The bypass piping was also relocated in May in order to assist access to businesses on Long Wharf and America's Cup Avenue. Several alternatives for repair of the LWFM were evaluated to determine the most advantageous alternative based on estimated construction costs, scheduling and hydraulic analysis. The preferred alternative is a hybrid approach consisting of slip lining and replacement of the force main in certain areas. A technical memo summarizing the analysis and the preferred alternative was forwarded to the RIDEM for review and their concurrence on June 4th which was subsequently approved by the RIDEM. The forcemain will be sliplined from the Long Wharf pump station to where the forcemain begins a cross country route in the railroad Right-of-Way near Dyre Street. The remainder of the forcemain will be excavated and replaced with 36" piping. While reviewing the method for replacing the 36" pipe on the east side of the railroad tracks it was determined that the location of the National Grid power poles, located 2 feet from the forcemain, prevented us from safely replacing the pipe in the existing location. The power poles carry 23,000 volts of power for Newport and Jamestown. The City consulted with RIDEM and it was determined that the new 36" forcemain could be installed on the west side of the railroad tracks where the 34" forcemain that was abandoned in the late 1970's exists. The estimate for the work with the new route was developed in June 2009.*

WATER POLLUTION CONTROL
(Continued)

Accomplishments (continued):

- *City staff received final plans and specifications for the High Priority Sewer Repairs that were identified in Phase 1 Part 2 of the Wellington CSO Project. City staff submitted documentation in June to RIDEM for final approval for SRF funding.*
- *The contract for the final design and construction services for the UV Disinfection system for the moat discharge was awarded at the March 1, 2009 City Council meeting. Staff reviewed 50% design plans and specifications in June 2009 with the consultant. The consultant shall complete 75% design plans in July and prepare permit applications for CRMC, RIDOT, and RIDEM permits. The consultant and City staff are coordinating electrical requirements with National Grid.*
- *The final design for the Railroad Interceptor Improvements project consisting of a Limited Trenchless Rehabilitation of the line, manhole rehabilitation, cleaning, root treatment, and limited structural repairs has been completed by the engineering consultant. A construction easement was obtained for the project from RIDOT on March 31, 2009. Plans and specifications were finalized by the consultant in order to be available for bidding. City staff is working with RIDEM to prepare documentation required for completion of this work with SRF funding.*
- *The contract for the design of catch basin separation in Area 6 of the Wellington CSO project was awarded in September 2008. Area 6 is the area approximately bounded by Touro Street, Bellevue Avenue, Morton Avenue and Thames Street. An amendment to the consultants' contract was awarded at the March 11, 2009 City Council meeting to add additional catch basins discovered since initiation of the contract. The design work was completed in June and submitted to the RIDEM as required.*



WATER FUND



The Newport Water Division (NWD) is a division of the City of Newport's Department of Utilities and is responsible for the operation and maintenance of the system. The NWD operates as an enterprise fund and is responsible for its own financial accounting independent of the overall City budget. Newport Water is regulated by the Rhode Island Public Utilities Commission.

Newport Water draws its water supply from nine surface reservoirs. The raw water is treated at one of the two water treatment facilities - Station 1 Plant in Newport or Lawton Valley Plant in Portsmouth. Newport Water maintains a distribution system which services Newport, Middletown and a small section of Portsmouth. In addition, Newport Water provides water wholesale to the Portsmouth Water & Fire District and Naval Station Newport.

79.4% of citizens responding to our Citizen Survey were satisfied with the City's efforts to minimize disruptions. 49.6% were satisfied with the overall quality of water service.

The Water Fund is regulated by the Rhode Island Public Utilities Commission (RIPUC). All rates and fees of the NWD are reviewed and approved by the RIPUC. An application submitted to the RIPUC requesting an increase in rates begins with the cost of service for a test year. A cost of service rate model is then developed for the proposed rate year. Once an application for a rate increase is filed, the RIPUC who, along with eligible interveners, can request additional information. A settlement may be reached and approved by the RIPUC or the request may go to a full hearing. On December 9, 2008 the Newport Water Division filed with the Rhode Island Public Utilities Commission (RIPUC) an application to increase rates charged to our customers. The Water Division requested a 28.8% increase in rates. The evidentiary hearing was held on May 27, 2009 before the Commission of Public Utilities and Carriers on the request.

On June 25, 2009 the PUC issued its decision on the Water Division's application for a rate increase. The PUC's decision, effective July 1, 2009, allowed for a 15.6% increase in rates. The result of this increase is that Newport water's retail rate of \$4.54 per 1000 gallons increased to \$5.25 per 1000 gallons.

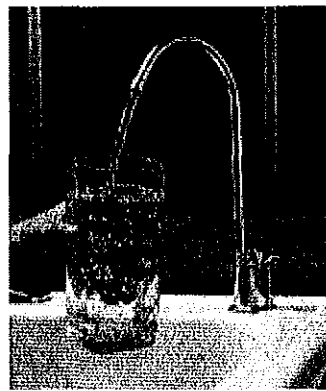
WATER FUND **(Continued)**

The PUC requires the Water Fund to maintain restricted cash accounts for chemicals, electricity, debt service, capital, retiree accrued benefits buyout, retiree health insurance increases and a restricted repayment account. The City is required to fund the accounts on a monthly basis in an amount sufficient to pay for the cost of the respective item; if the approved amount of chemical expenditures for the year is divided by 12 and that becomes the required monthly contribution. The City can then reimburse the water fund checking account for eligible expenses also on a monthly basis.

The following links provide Newport Water's current Rate Schedule and information filed with the PUC.

http://www.cityofnewport.com/departments/utilities/water/pdf/notice_docket_4025_07-24-09.pdf

<http://www.ripuc.ri.gov/eventsactions/docket/4025page.html>



FY 2009 Goal: Inspect one-hundred percent of our public fire hydrants and make necessary repairs within five days.

Accomplishment: *All hydrants were inspected and winterized in Fall 2008. Repairs to damaged hydrants are ongoing as reported.*

FY 2009 Goal: To coordinate all activities of the Water Division to maintain safe and adequate supply reservoirs; to ensure quality drinking water to our customers by complying with the requirements of State and Federal agencies; to invest a prudent budget where system improvements are necessary and toward preventative maintenance; and to communicate effectively with the Public.

Accomplishment: *The Water Division violated the drinking water standard for a total trihalomethanes (THM) in the 4th quarter of 2008, and the 1st, 2nd and 3rd quarters of 2009.*

Accomplishment: *The 2008 Consumer Confidence Report (CCR) was mailed to all water consumers in June, 2009.*

WATER FUND **(Continued)**

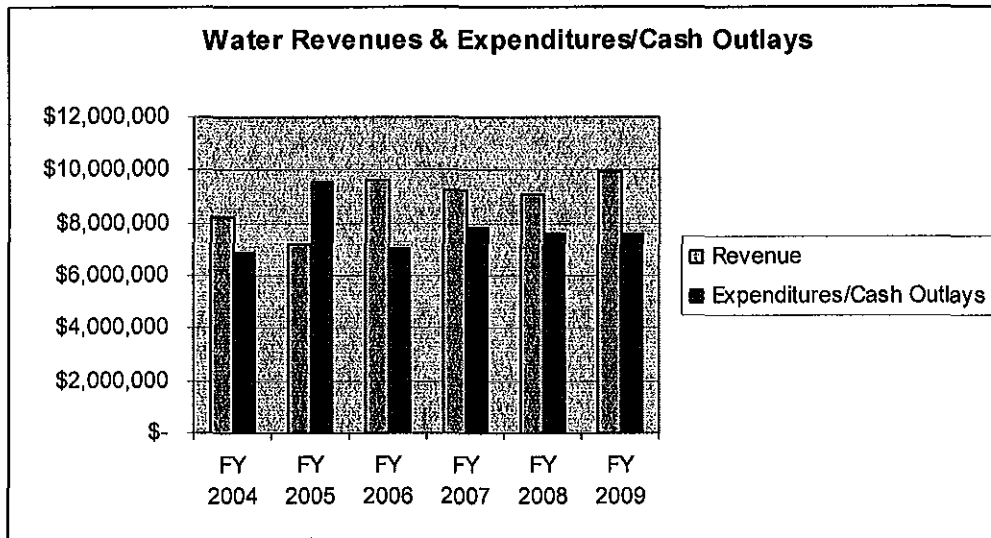
Additional Accomplishments:

- *Radio Read Meter Reading System, a multi-year project, was kicked off on July 15, 2008. Installation of the new system began December 9, 2008. During FY2009 2,522 of the City's 14,500 accounts were converted.*
- *Design and pilot testing for conversion of the treatment process to the use of Chloramines as a secondary disinfectant. This project is in the final stages of conditioning the pipe loops, with full scale piloting to follow. Since the results of the pipe loop study will also provide information for the longterm improvements at the water treatment plants, this work has been incorporated into the piloting work for treatment processes associated with the City Advisor work*
- *The final report for the Safe Yield Analysis of Water Division's nine raw water reservoirs was completed in March 2009.*
- *Goulart Lane Water Storage Tank Improvements. A contract for interior and exterior painting and miscellaneous repairs to the 1.5 million gallon water storage tank was awarded in September 2008. The tank was emptied of water on March 30, 2009 and turned over to the contractor on April 1, 2009. Construction was substantially completed and the tank placed back in service on June 5, 2009. Fencing work was completed in June and is scheduled to be complete by the middle of July 2009.*
- *City Advisor for Water System Improvements. Council approval was obtained on January 14, 2009 for Amendment # 1 to the consulting contract. The Amendment # 1 scope of work includes Utility Financing services, Engineering and Technical Project Development services, and Procurement Process services. A meeting was held in April with City staff to review future demands and supply, preliminary plant siting for the new Lawton Valley plant, and pilot testing. A Request for Qualifications was issued in April with a proposal deadline of June 30, 2009. Qualifications packages were received from five firms on that date. The City Advisor and staff began evaluating the proposals in July. Phase 1 of the Pilot testing to determine optimal treatment technologies was completed in June at the Lawton Valley treatment plant. Phase 2 will begin at the end of July and continue through October at both treatment plants.*
- *Staff prepared a RFP and received proposals for the Water Infrastructure Replacement Plan Update. The current Infrastructure Replacement Plan (IRP) was prepared in January 2005 and is required to be updated every 5 years. The IRP update will review all the Newport Water Division infrastructure components, assess their overall condition, estimate their life-expectancy and present a 20-year (2010-2030) capital improvements cost schedule. The updated IRP will be used for the basis of future rate increase through the Rhode Island Public Utilities Commission as related to capital and/or infrastructure improvements.*
- *Staff prepared a RFP for the Water Quality Protection and Source Water Assessment/Protection Plan. The latest available Water Quality Protection Plan was completed in 1989 and the current Source Water Assessment was completed in April 2003. These plans are required to be updated on a periodic basis and will be required for the next update of the Water System Supply Management Plan.*

WATER FUND
(Continued)

Additional Accomplishments (Continued):

- GIS and Hydraulic Analysis of the Water Distribution System. The consultant has completed the base mapping of the Water Divisions' mains on the GIS mapping system. Individual services are currently being scanned for final inclusion in the mapping system. The hydraulic models calibration has been completed and was demonstrated to City staff. Training of City staff will be completed when the mapping and modeling is complete.
- Engineering and Design Services for Water Main Replacements. Plans and specifications are complete. Final conditional approval was received in May 2009 from RIDOH for the project. This project shall be funded by the Drinking Water State Revolving Loan Funds (SRF) and is eligible for the American Recovery and Reinvestment Act of 2009 (ARRA). The project is waiting for final funding approval and issuance of bonds scheduled for the fall 2009, prior to issuing the project out to bid.
- Engineering Services for Easton Pond Embankment Repairs and Modifications. The contract for the final design and permitting for the improvements was awarded at the January 28th City Council meeting. The consultant completed a Design Criteria Memorandum for review by City staff, in order to proceed to final design of the system. Staff reviewed 50% design plans and specifications in June 2009. The consultant prepared 90% design drawings and is preparing permit application packages for the CRMC Assent, RIDEM Water Quality Certification, and RIDEM Office of Dam Safety permits.
- The 2008 Consumer Confidence Report (CCR) was mailed to all customers in June 2009. The regulations require delivery to all customers by July 1st.



GLOSSARY

Ad valorem tax – A tax based on the value of real estate or personal property.

ASP - An application service provider (ASP) is a business that provides computer-based services to customers over a network. The application software resides on the vendor's system and is accessed by users through a web browser using HTML or by special purpose client software provided by the vendor.

Balanced scorecard – An approach using multiple measures to evaluate managerial performance. These measures may be financial or non-financial, internal or external, and short-term or long-term. The scorecard allows a determination as to whether a manager is achieving certain objectives at the expense of others that may be equally or more important.

Budget – Quantitative plan of activities and programs expressed in terms of assets, liabilities, revenues, expenses (or expenditures), and in some cases, outputs or outcomes. A performance-based budget may express the organizational goals in terms of specific financial and operating objectives.

Chloramines - disinfectants used to treat drinking water. Chloramines are most commonly formed when ammonia is added to chlorine to treat drinking water. The typical purpose of chloramines is to provide longer-lasting water treatment as the water moves through pipes to consumers. This type of disinfection is known as secondary disinfection. Chloramines have been used by water utilities for almost 90 years, and their use is closely regulated. More than one in five Americans uses drinking water treated with chloramines. Water that contains chloramines and meets EPA regulatory standards is safe to use for drinking, cooking, bathing and other household uses.

Comprehensive Annual Financial Report (CAFR). Financial report that contains, at a minimum, three sections: 1) Introductory, 2) financial, and 3) statistical, and whose financial section provides information on each individual fund and component unit.

Consumer Confidence Report (CCR) - In 1996, Congress amended the Safe Drinking Water Act by adding a provision requiring all community water systems to deliver a brief annual water quality report. The annual report is referred to as a Consumer Confidence Report (CCR). Starting in 2000 and the years that follow, Newport Water must deliver its report for the previous calendar year to consumers by July 1.

The CCR includes information on our source water, the levels of any detected contaminants for the calendar year, compliance with drinking water rules, plus some educational material. The content of the CCR is regulated by the Rhode Island Department of Health (RIDOH) and United States Environmental Protection Agency (USEPA).

The CCR is developed in accordance with the EPA guidance document which explains all of the requirements for report content, format and distribution.

CDBG – An acronym for The Community Development Block Grant, one of the longest-running programs of the U.S. Department of Housing and Urban Development, funds local community

development activities such as affordable housing, anti-poverty programs, and infrastructure development.

CIP – Capital Improvement Program. The purpose of the CIP is to provide a realistic and predictable projection for the cost of providing facilities maintaining infrastructure, and providing equipment to meet service needs.

CRMC (RI) – Rhode Island Coastal Resources Management Council. The Coastal Resources Management Council is a management agency with regulatory functions. Its primary responsibility is for the preservation, protection, development and where possible the restoration of the coastal areas of the state via the issuance of permits for work with the coastal zone of the state.

CSO - A combined sewer overflow, or CSO, is the discharge of wastewater and stormwater from a combined sewer system directly into a river, stream, lake or ocean. Combined sewers can cause serious water pollution problems due to combined sewer overflows, which are caused by large variations in flow between dry and wet weather. This type of sewer design is no longer used in building new communities, but many older cities continue to operate combined sewers.

Department – A separate part, division, or branch of an organization, government, business or school.

DUI – Driving under the influence of alcohol is the act of operating a motor vehicle after having consumed alcohol, or other drugs, to the degree that mental and motor skills are impaired.

Effort – The amount of financial and non-financial resources (in terms of money, material, and so forth) that are applied to producing a product or providing a service (output).

Efficiency measure – The relationship between efforts (or inputs) to outputs or outcomes. Measured by indicators of the resources used or cost per unit of output or outcome. A resource-usage concept, also with a least-cost notion, that is concerned with maximizing outputs at minimal cost or using minimum resources.

Enterprise Resources Planning System - is a company-wide computer software system used to manage and coordinate all the resources, information, and functions of a business from shared data stores.

Evaluation – A careful examination, analysis, or appraisal; an examination of the reasons or causes of results.

Expenditures – An outflow of current financial resources for current operations, capital outlays, or long-term debt principal retirement and interest.

Fiscal Year – A 12-month period for which an organization plans the use of its funds. The City of Newport's Fiscal Year begins July 1st and ends June 30th. Abbreviation: FY.

General Fund – City’s primary operating fund. It accounts for all resources of the general government, except those that are required legally or by sound financial management to be accounted for in another fund.

GIS - Geographical Information System. A GIS is any system that captures, stores, analyzes, manages, and presents data that are linked to location. In the simplest terms, GIS is the merging of cartography and database technology. GIS systems are used in cartography, remote sensing. Land surveying, utility management, photogrammetry, geography, urban planning, emergency management, navigation, and localized search engines.

Goal – The condition or state that one is striving to achieve. Usually long-term and may be beyond what might reasonable be expected to be achieved within one year.

HVAC – An acronym that stands for “heating, ventilating, and air conditioning”. HVAC is sometimes referred to as *climate control* and is particularly important in the design of medium to large industrial and office buildings.

Input measure – Resources (i.e. expenditures or employee time) used in producing an output or outcome.

NETS Program – Newport Emergency Telecommunications System, funded through various federal and state Law Enforcement and Homeland Security grants. Funding allows for the upgrade of the radio equipment in the Police Department’s Dispatch Center and its Emergency Operations Center.

Outcome measure – Indicators of actual impact or effect upon stated condition or problem. They are tools to assess the effectiveness of a department’s performance and the benefit derived from it. An outcome measure is typically expressed as a percentage, rate or ratio.

Output measure – Completed activities usually referring to internal activity – the amount of work done within the organization. Outputs indicate the workload of the organization. The number of people receiving a service and the number of services being delivered are often used as measures of output.

Part 1 Crimes – Include Murder, Manslaughter, Rape, Robbery, Aggravated Assault, Burglary (both Residential and Commercial), Larceny, Auto Theft and Arson.

Part 2 Crimes – Include Other Assaults, CCW, Family Offenses, Narcotics, Disorderly Conduct, Vandalism, all other crimes.

Payment in lieu of taxes (PILOT) – Payment that a property owner not subject to taxation makes to a government to compensate it for services that the property owner receives from the government that would normally be financed through property taxes.

Performance Report – An internal or external report conveying information about the results of an organization’s services and programs.

Per Capita – Used to indicate the average per person for a given statistic (e.g. income, expenditures, etc.)

PCI – The Pavement Condition Index (PCI) is based on a visual survey of the pavement and a numerical index between 0 and 100 used to indicate the condition of a roadway. The PCI index defines the condition with 100 representing an excellent pavement.

RFP – A Request for Proposal (RFP) is an invitation for suppliers, often through a bidding process, to submit a proposal on a specific commodity or service. This bidding process is one of the best methods for leveraging a company's negotiating ability and purchasing power with suppliers.

RIDEM – Rhode Island Department of Environmental Management. State agency responsible for programs affecting agriculture, air, coastal resources, fish and wildlife, forests, water resources and watersheds.

RIDOH – Rhode Island Department of Health. The Department of Health is a multifaceted state agency with broad-ranging public health responsibilities

RIDOT – Rhode Island Department of Transportation. State agency charged with construction, maintenance and inspection of a wide range of transportation infrastructure.

Scope – The programs or services covered by a report, or the extent of a report's coverage of an organization.

Service efforts and accomplishments (SEA) – Measures of the resources used, the effect of their use, and the efficiency with which they are used. These measures include measures of service efforts (the amount of financial and non-financial resources used), measures of service accomplishments (outputs and outcomes), and measures that relate efforts to accomplishments (efficiency).

SRF – State Revolving Fund. The Rhode Island Clean Water Finance Agency administers State revolving loan funds created under Title VI of the Federal Clean Water Act and its State counterpart. The Agency also administers the revolving loan fund created under the Federal Safe Drinking Water Act, as amended.

Trihalomethane – Trihalomethanes (THMs) are chemical components in which three of the four hydrogen atoms of methane (CH₄) are replaced by halogen atoms. THMs are also environmental pollutants, and many are considered carcinogenic.

UV Disinfection – An Ultraviolet (UV) disinfection system transfers electromagnetic energy from a mercury arc lamp to an organism's generic material (DNA and RNA). The effectiveness of a UV disinfection system depends on the characteristics of the wastewater, the intensity of the UV radiation, the amount of time the microorganisms are exposed to the radiation, and the reactor configuration.

2006 *DirectionFinder*[®] Survey

Executive Summary Report

Overview and Methodology

ETC Institute administered the *DirectionFinder*[®] Survey for the City of Newport, Rhode Island, to assess citizen satisfaction with the delivery of major city services and to help determine priorities for the community as part of the City's ongoing planning process.

The survey was four (4) pages long and took the average person approximately 10 minutes to complete. It was administered by mail and phone to a random sample of 851 residents during April of 2006. The overall results of the survey have a precision of at least +/-3.7% at the 95% level of confidence.

This report contains:

- an executive summary of the methodology and major findings
- charts depicting the overall results of the survey
- benchmarking data that show how the survey results for Newport compare to other communities
- importance-satisfaction analysis to help the City use survey data to set priorities
- tabular data for the overall results to each question of the survey
- a copy of the survey instrument.

Interpretation of "Don't Know" Responses: The percentage of persons who gave "don't know" responses is important because it often reflects the level of utilization of City services. For graphing purposes, the percentage of "don't know" responses has been excluded to facilitate valid comparisons with other communities. The percentage of "don't know" responses for each question is provided in the Tabular Data Section of this report. When the "don't know" responses have been excluded, the text of this report will indicate that the responses have been excluded with the phrase "*who had an opinion.*"

Major Findings

- **Residents were generally satisfied with the overall quality of life in the City of Newport.** Most of the residents surveyed *who had an opinion* were satisfied with Newport as a place to visit (93%) and as a place to live (87%). Residents were least satisfied with Newport as a place to go shopping (40%).
- **City information is communicated most often through the newspaper.** Eighty-two percent (82%) of those surveyed prefer to receive information about the City from the local newspapers and 45% prefer to receive information about the City from the City newsletter.
- **The City's efforts to promote the City were mixed.** The highest levels of satisfaction with promotion of the City, based upon the combined percentage of "very satisfied" and "satisfied" responses from residents who had an opinion, were the City's efforts to promote tourism (71%) and City sponsored special events (66%). Residents were least satisfied with the level of civic involvement in municipal affairs (35%) and how well the City communicates and shares information (27%).
- **The Street and Sidewalk bond issue was supported over all other financial initiatives.** The highest levels of satisfaction with various financial initiatives, based upon the combined percentage of "very supportive" and "supportive" responses from residents who had an opinion, were the street and sidewalk bond issue (89%), the sewer/CSO infrastructure rebuilding (71%), and the seawall restructuring program (63%). Residents were least supportive of the affordable housing financial initiative (47%).
- **Public Safety Services**
 - **Police** The highest levels of satisfaction with police services, based upon the combined percentage of "very satisfied" and "satisfied" responses from residents who had an opinion, were the responsiveness to calls for assistance (74%), the overall quality of police services (70%), and the efforts to prevent crime (65%). Residents were least satisfied with the congestion management (33%), and the vehicle noise enforcement (29%).
 - **Fire** The highest levels of satisfaction with fire services, based upon the combined percentage of "very satisfied" and "satisfied" responses from residents who had an opinion, were the responsiveness to fire emergencies (92%), the rescue services (91%), and the overall quality of fire services (86%). Residents were least satisfied with the enforcement of sprinkler codes (60%).

- **Public Works** The highest levels of satisfaction with public works services, based upon the combined percentage of “very satisfied” and “satisfied” responses from residents who had an opinion, were the curbside recycling services (77%), the trash removal (76%), and snow plowing (47%). Residents were least satisfied with the maintenance of streets (17%).
- **Planning and Zoning** The highest levels of satisfaction with planning and zoning, based upon the combined percentage of “very satisfied” and “satisfied” responses from residents who had an opinion, were residential property maintenance enforcement (37%), retail and commercial property maintenance enforcement (37%), and solicitations and promotions on public streets (38%). Residents were least satisfied with the clean-up of derelict houses and other public nuisances (25%).
- **Water** The highest levels of satisfaction with water services, based upon the combined percentage of “very satisfied” and “satisfied” responses from residents who had an opinion, were the city’s efforts to minimize water disruptions (79%), water pressure in homes (68%), and the overall quality of water services (49%). Residents were least satisfied with the taste of their tap water (34%).
- **Parks and Recreation** The highest levels of satisfaction with parks and recreation, based upon the combined percentage of “very satisfied” and “satisfied” responses from residents who had an opinion, were the City parks (81%), management of the harbor (64%), and the overall quality of parks and recreation services (63%). Residents were least satisfied with adult recreation programs (42%).
- **Public Education** The highest levels of satisfaction with public education, based upon the combined percentage of “very satisfied” and “satisfied” responses from residents who had an opinion, were the quality of elementary school education (29%), and the quality of educational facilities (23%). Residents were least satisfied with the system leadership and management (16%).
- **Administrative Services** The highest levels of satisfaction with administrative services, based upon the combined percentage of “very satisfied” and “satisfied” responses from residents who had an opinion, were feeling of safety in the City (78%), the overall quality of life in the City (67%), and the image of the City (65%). Respondents were least satisfied with the management of the influx of tourists during the summer (36%).
- **Most Emphasis over the next two years.** Residents chose public education as the city service that should receive the most emphasis over the next two years; the second choice was public works and the third choice was planning and zoning.

Comments. Residents were given an opportunity to provide any additional comments at the end of the survey. The majority of the comments fell into these three categories;

- ❖ **The infrastructure of Newport.** Residents are concerned about the quality of streets, sidewalks, water services and sewer services.
- ❖ **The management of tourism.** Residents are concerned about tourist related issues like parking, noise from bars and restaurants, and the increasing number of permanent homes becoming vacation (short-term rental) homes.
- ❖ **The quality of schools.** Residents are concerned about the quality of education received by students and about the quality and safety of school buildings.

THIRD ANNUAL PERFORMANCE REPORT ON DELIVERY OF CITY SERVICES FOR FY 2009
INFORMATION ON HOW TO GET A COPY OF THIS REPORT – SEE PAGE 1

Feedback Form

Please take a moment to complete this form and give us your feedback on this report. Please email (esceppa@cityofnewport.com), mail it to Elizabeth Sceppa, Finance Dept., 43 Broadway, Newport, RI 02840, or fax it to: 401 848-5750. Your comments will help us to improve this report in the future. Thank you!

- 1) Was it clear to you from the report why this report is being done? Circle one: YES NO
- 2) Was it clear to you from the report what areas of city government would and would not be reviewed and discussed? Circle one: YES NO
- 3) Were the goals and objectives of the City of Newport departments discussed in the report clearly stated within the report? Circle one: YES NO
- 4) Was there enough information about each City department discussed in the report for you to form a reasonably complete picture of how each department uses resources (people and money)? Circle one: YES NO
- 5) Did the report include enough information on the key measures of performance for each department: Circle one: YES NO
- 6) Was the information from the citizen survey reported on in this report understandable to you as a reader? Circle one: YES NO
- 7) Was the information from the citizen survey reported on in this report useful to you as a reader? Circle one: YES NO
- 8) Was the report overall easy for you as a reader to understand? Circle one: YES NO
- 9) Was the report overall useful to you as a reader? Circle one: YES NO

How did you learn of this report? _____

How much time did you spend reading this report? _____

What part or parts of the report were the most interesting and useful to you? Why _____

What part or parts of the report were the least interesting or useful to you? Why _____

What changes would you suggest be made to this report to improve it in the future?

What areas would you like to see measured or added to this report that were not included?