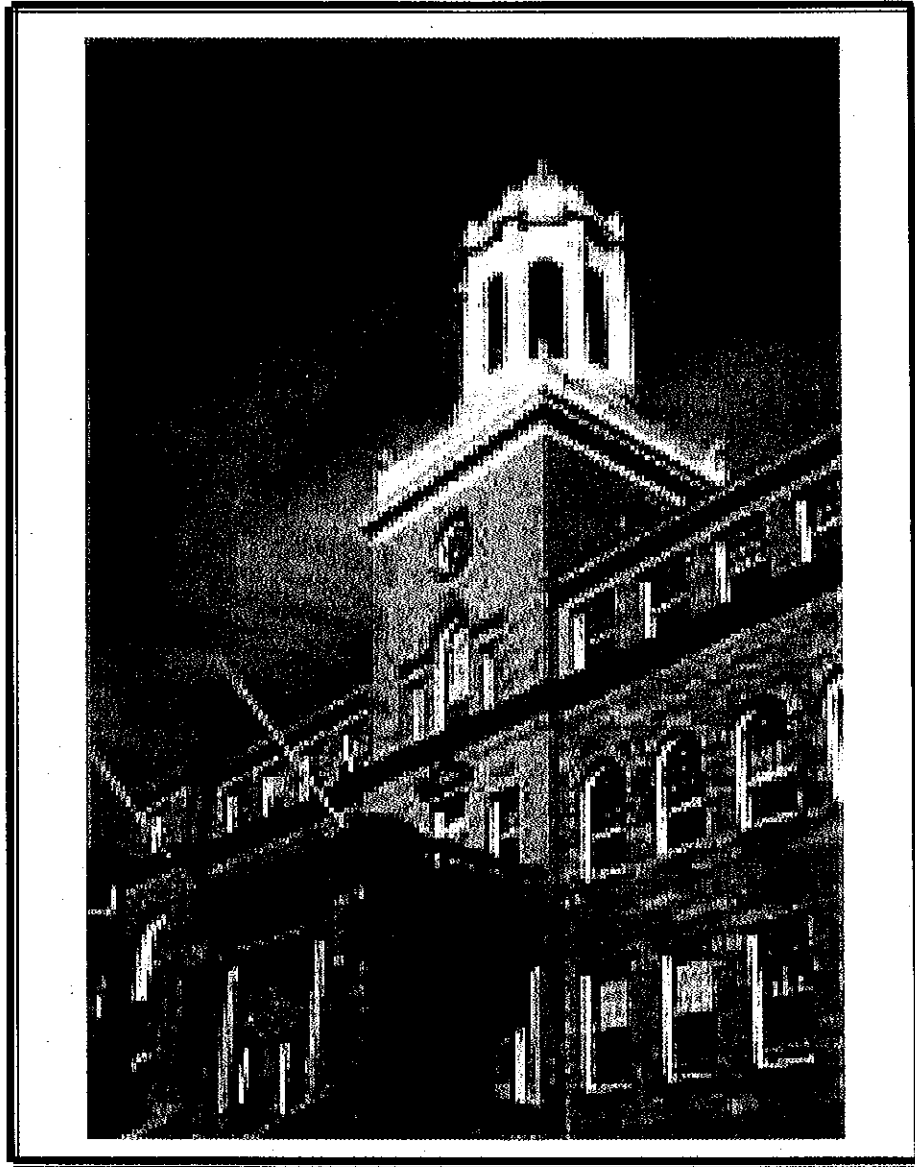


City of Newport Rhode Island

Fifth Annual Performance Report

Delivery of City Services



Year ending June 30, 2011

As published April, 2012

CITY OF NEWPORT, RI
Fifth Annual Performance Report
Year Ending June 30, 2011

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**CITY OF NEWPORT
FIFTH ANNUAL PERFORMANCE REPORT
FISCAL YEAR 2010-2011**

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 of 0.37% - residential rate was anticipated to increase tax revenues by \$365,336 over the prior year's budgeted property tax revenue. Property tax revenue, budgeted below prior year actual revenues, was below the budgeted amount by \$1,849,893. This, offset by increases in delinquent tax collections and meals and beverage taxes led to a decrease in total revenues (from budget) of \$249,264. There were additional savings on the expenditure side because tight controls over spending kept expenditures \$109,044 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 decreased by \$1,409,691.

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 2011 ended with an audited general fund balance of \$9,669,083, which was 12.55% of the operating expenditures.

Long-term Debt

At the end of the current fiscal year, the City of Newport had total bonded debt outstanding of \$64,981,922. Of this amount, \$20,712,430 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 netted an increase of \$23,964,788 during the current fiscal year. Principal debt payments of \$2,862,852 were made during the year. Principal forgiveness from ARRA grants further reduced debt by \$35,747. Debt increased by \$26,791,893 due to water and water pollution control revenue bond drawdowns.

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 \$171,729,613, 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 \$156,907 in contract service charges from the residential housing complex agreements with the Housing Authority of Newport and with Balfour Beatty (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% (\$157,883) 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.

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 \$1,662,268 in FY 2011 (\$2,500,000 in FY2010). The School Department contributes the contractually required contribution of teachers who participate in the School's Extended Benefits program. Benefits are not paid from the Trust at this time. They continue to be paid from the City and School's operating funds.

Capital Improvements

Due to fiscal constraints the approved Capital Improvement Plan (CIP) for FY10-FY11 saw an overall reduction from the Recommended CIP of \$660,000. The transfer from the General Fund was reduced by \$1,637,845 (72.94%); Water Pollution Control/SRF projects increased by \$6,500,000 (69.94%); Water/SRF projects increased by \$3,320,000 (75.38%). Included in the reductions: the school request of \$400,000 was removed; the library request of \$55,000 was removed; Overall funding request of \$268,950 for Information and Communication Systems was reduced by \$100,000 (37.18%); a request of \$88,000 for fire building improvements was reduced by \$44,000 (50%); Parking lot maintenance in the amount of \$140,000 (80%) of a \$175,000 request was deferred; \$135,000 for City building maintenance was reduced by \$60,000 (44.44%); Replacement of City Hall's chairlift in the amount of \$105,000 was removed; A funding request of \$200,000 for redevelopment of the North End was reduced by \$100,000 (50%); A request of \$25,000 from the Easton's Beach Fund for the purchase of Beach Bounce inflatables was removed. 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:

- \$2,519,911 was spent on road and sidewalk reconstruction and improvements.
- \$618,588 was spent on seawall repairs.
- \$1,570,948 was spent on City and school owned buildings.
- \$573,883 was spent on computer and radio systems and infrastructure.
- \$708,860 was spent on vehicle and equipment purchases.
- \$977,507 was spent on the new Pell Elementary School.
- \$289,022 was spent on Easton's Beach and public pier and boating center improvements.
- \$4,605,387 was spent on water infrastructure, mains, buildings and pump stations.

- \$16,664,045 was spent on combined sewer overflow and other water pollution control issues.

The City continues its efforts to promote development of the 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 \$85 million.

Water Fund

On April 18, 2011, the City of Newport, Department of Utilities, Water Division filed an application to increase its rates with the Rhode Island Public Utilities Commission (RIPUC) as part of a multi year plan to the City's customers. The application resulted in PUC Docket 4243. The impact of the proposed rate increases on all our customers will vary based on consumption. The requested rate increase is required for debt service, capital projects and operation and maintenance expenses. The Newport Water Division will be implementing an extensive capital improvement plan over the next five years. The most significant components of the capital improvement plan are the construction of a new water treatment plant at Lawton Valley and the considerable improvements to the treatment processes at the Station 1 water treatment plant on Bliss Mine Road.

Water Pollution Control

The City has been and continues to work toward finding 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 ensures the continued provision of essential public services and opportunities.

PURPOSE OF THIS REPORT

This is the City of Newport's fourth Service Efforts and Accomplishments (SEA) Report. It is published in April 2012 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 2010/11, which covers July 1, 2010 through June 30, 2011. This report also includes the results of the 2009 Citizens Survey.

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 Services, Planning, Zoning, Development & Inspections, and Recreation. These areas of the organization comprise 58.45% of the City’s total General Fund Actual Expenditures for the Fiscal Year 2010-2011 (56.34% of the fiscal year 2010 actual expenditures and 54.70% of the fiscal year 2009 actual expenditures). Also included are the following Enterprise Funds: Maritime, Parking, Easton’s Beach, Water Pollution Control, and Water.

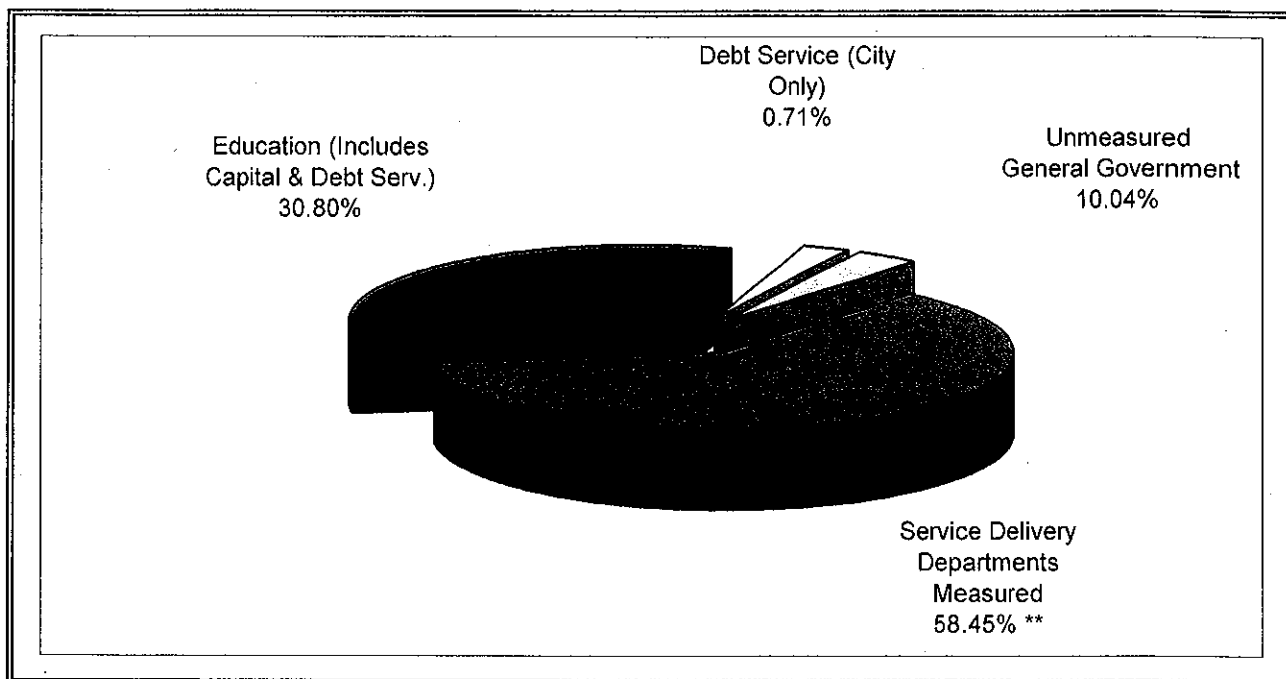
	2010-2011 <u>Actual Expenditures</u>	% of Actual FY 11 Expenditures	Staffing (FTEs)
Human Resources (under City Manager)	\$ 262,386	0.34%	2
Canvassing	210,489	0.27%	2
City Clerk	487,274	0.63%	6
Finance	2,757,565	3.58%	22
Police Dept.	15,219,723	19.74%	104.5
Fire Dept	17,224,494	22.34%	99
Public Services	7,149,699	9.27%	40
Planning, Zoning, Development & Inspection	1,203,781	1.56%	13
Recreation	551,867	0.72%	4
Service Delivery Departments Measured	<u>\$ 45,067,278</u>	<u>58.45%</u>	<u>292.5</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 30.80% (33.14% in FY 2010; 33.18% in FY 2009) 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 employed through City Council appointment.

General Fund Service Delivery Measured ~ 58.45% 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 fifth 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 little outside verification.

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, the 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 2010 Census, Newport's:

- ◆ Population was 24,672, representing a 6.81% decrease from 2000;
- ◆ Population ranked 26th among Rhode Island's 39 communities;
- ◆ Median Age was 36.4;
- ◆ Population Density was 3,204 persons per square mile of land area (7.7 square miles).
- ◆ The City is visited by over 3,000,000 annually.

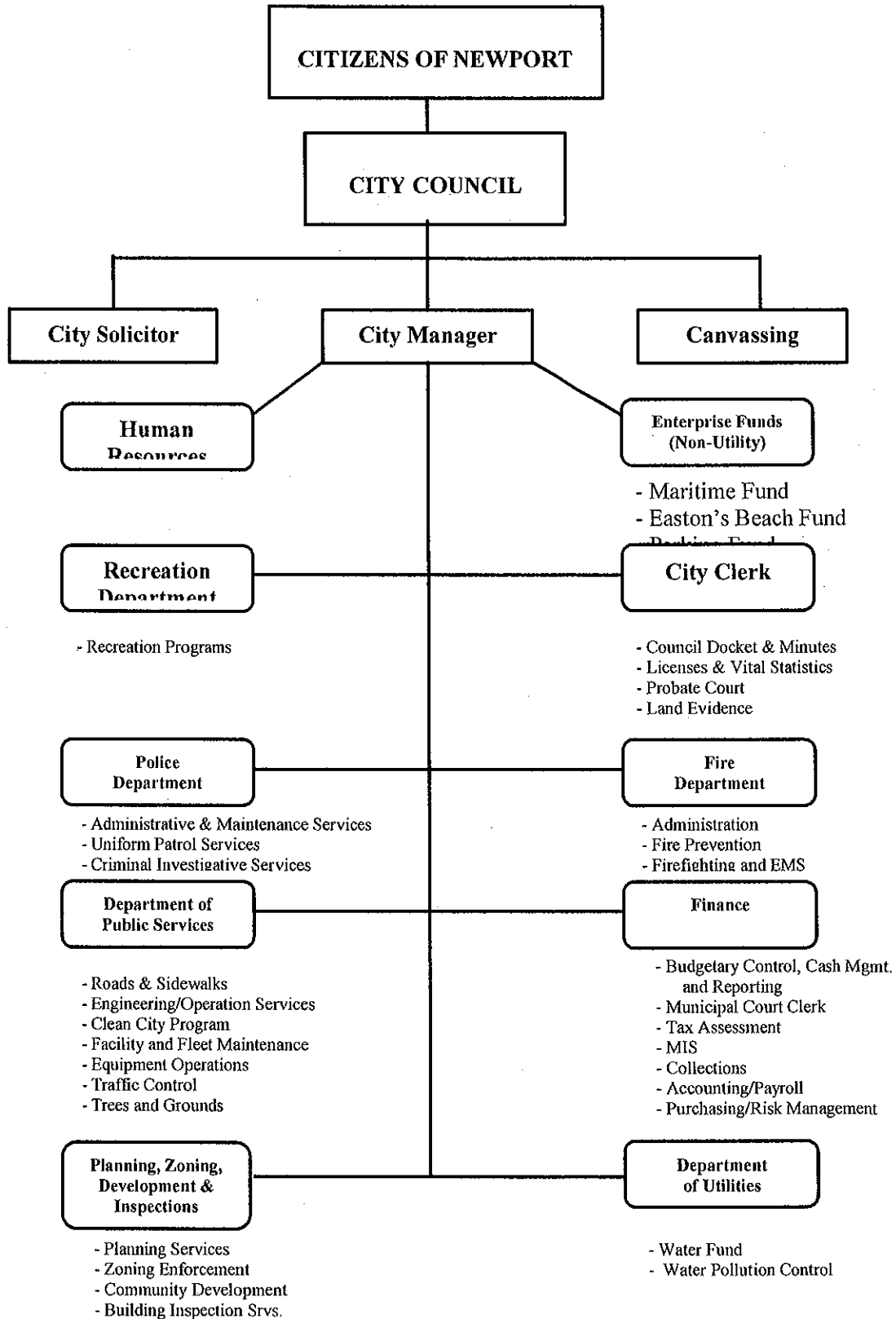
Newport is located at the southern end of Aquidneck Island in Narragansett Bay, about 30 miles southeast of Rhode Island's capital of Providence. The City is bounded by the Atlantic Ocean on the east and the south, Narragansett Bay on the west, and by the Town of Middletown on the northeast. Newport 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.

Changes in the City's departmental configuration during previous fiscal years 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 361 Full Time Equivalent (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 2011 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 Firefighting/EMS 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

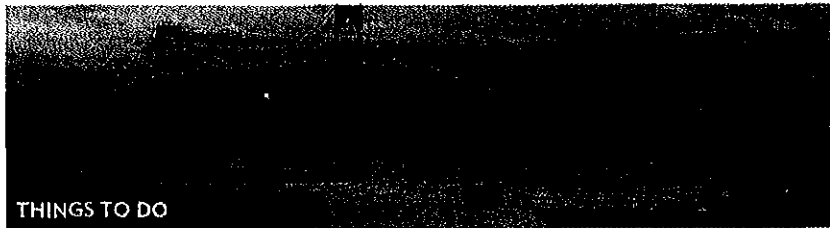
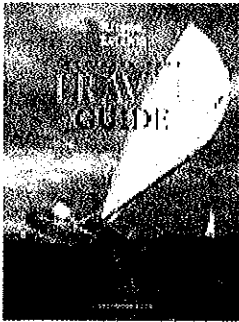
By many measures, the City of Newport has met the challenges it faces with relative success. For an overall image, Newport was seen by 85.0% of the 2009 Citizen Survey (87.3% in 2006) (See Appendix A, NESPMP Citizen Satisfaction Survey Results: Newport, RI, page 59) as a "good" or "excellent" place to 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

Awarded a grant by the National Center for Civic Innovation to fund the production of 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 62.



RESIDENT SATISFACTION SURVEYS

Citizens were involved in the data collection and reporting via the City's 2009 Citizen Survey. In this survey, 369 residents (851 residents in 2006) 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 was compiled and the results were made available to City staff, council, and residents (available on the City Web site at http://www.cityofnewport.com/departments/finance/pdf/Citizen_Survey_Report_03-26-10.pdf). Additional Citizen Surveys are planned for the future input of citizens.

CITY RESOURCES

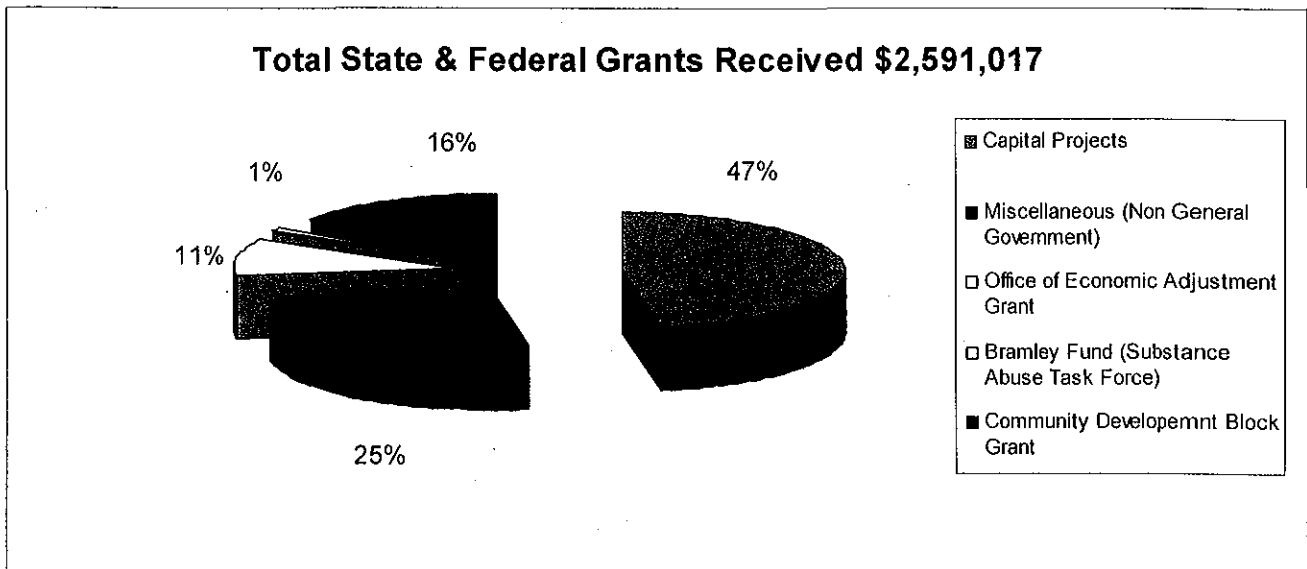
The City's General Fund is supported by *ad valorem* (property) tax, meals and beverage tax, hotel rooms tax, state aid, zoning and development fees, permit fees, fines and other charges, recreation fees, and other miscellaneous revenue sources. General fund expenditures support the following major functions: police, fire, public services, recreation, planning, zoning, inspections, community development, municipal court, and other general governmental services. The City of Newport serves approximately 24,672 year round citizens (2010 census).

The City's tax base is significantly residential in nature. Residential real property (land and buildings) accounts for 74.93% of total values in FY 2011 (74.77% in FY 2010; 76.29% in FY 2009). Commercial real property (land and buildings), accounts for 20.62% of total values in FY 2011 (21.06% in FY 2010; 19.47% in FY 2009). The remaining 4.45% tax base (4.17% in FY 2010; 4.24% in FY 2009) is comprised of motor vehicles and tangible property. Local taxes generated 85.62% of general fund revenues in FY 2011 (83.19% in FY 2010 [this does not consider Bond Proceeds or Bond Premiums totaling \$14,240,455]; 80.68% in FY 2009).

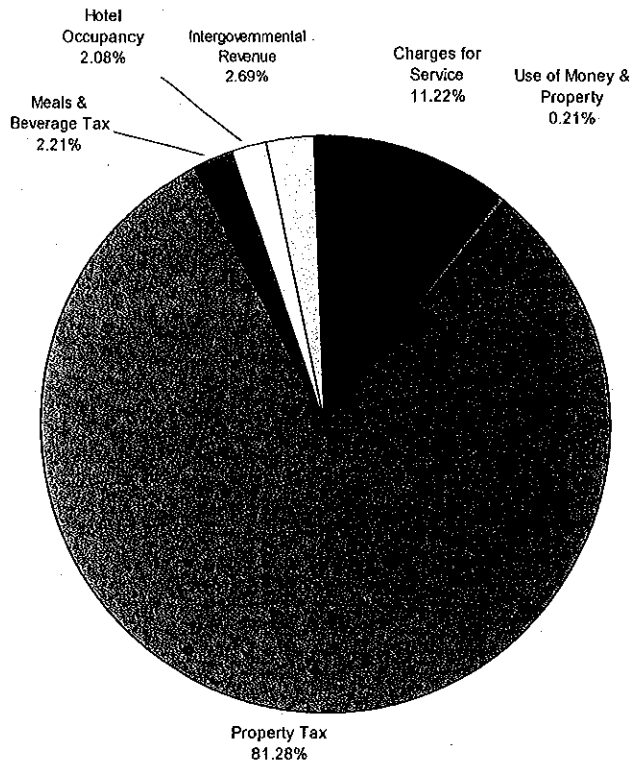
FIFTH ANNUAL PERFORMANCE REPORT ON DELIVERY OF CITY SERVICES FOR FY 2011
 INFORMATION ON HOW TO GET A COPY OF THIS REPORT – SEE PAGE 1

Property taxes of \$61.1 million (\$60.5 million in FY 2010; \$58.9 million in FY 2009), plus state aid and other revenues total to \$75.2 million in General Fund actual revenues (\$76 million for both FY 2010 and FY 2009). Of those dollars, 67.79% (64.33% in FY 2010; 64.26% in FY 2009), or just over \$50,977,308 (48,340,701 in FY 2010; \$48,195,464 in FY 2009) is dedicated to City services, for a *Per capita* cost of \$2,067.01 (\$1,907.68 in FY 2010; \$1,901.95 in FY 2009). The 8.35% increase is due, in part, to a decrease in population (-6.81%) per the 2010 census. The remaining funding is allocated to Newport Public Schools and the Newport Public Library.

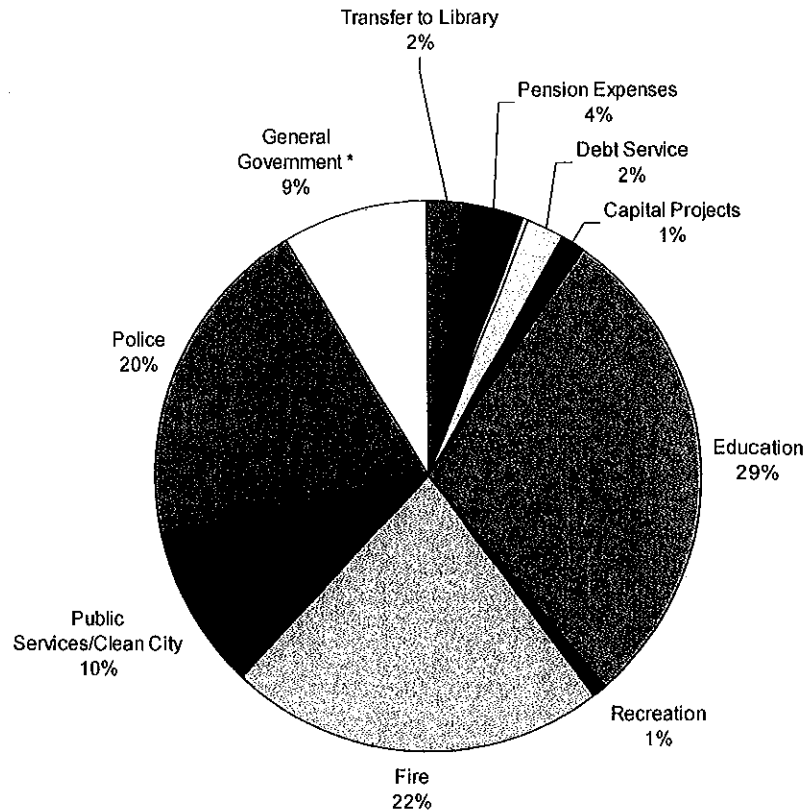
Attracting new revenue sources is a continuing challenge. Through the efforts of many Department Directors the City of Newport received a total of \$2,591,017 (excluding Enterprise Funds) during FY 2011 as shown below.



GENERAL FUND ACTUAL REVENUES FY 2011
\$75,270,590

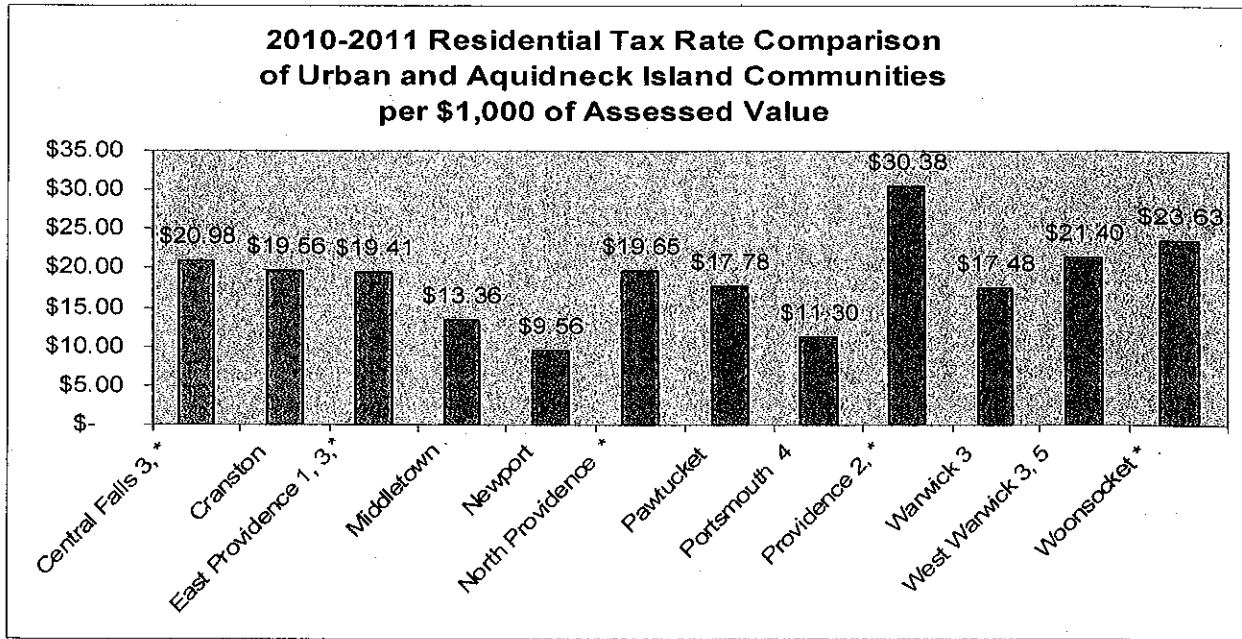


GENERAL FUND ACTUAL EXPENDITURES FY 2011
\$77,021,366



FIFTH ANNUAL PERFORMANCE REPORT ON DELIVERY OF CITY SERVICES FOR FY 2011
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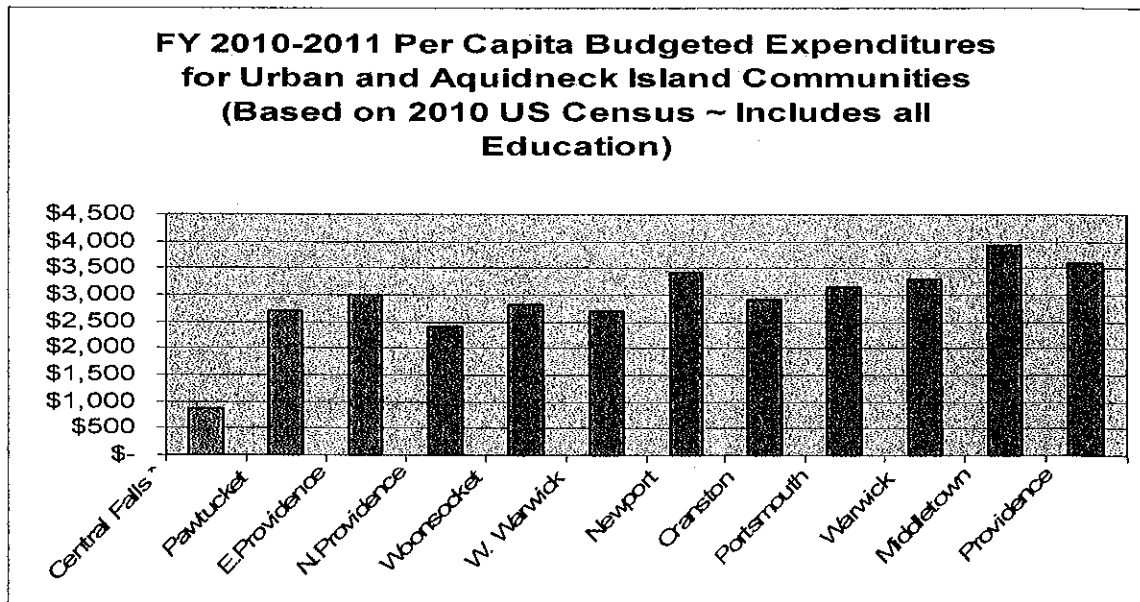
City of Newport, RI					
Schedule of General Fund Revenues & Expenditures (Budgetary Basis)					
Fiscal Year 2011					
	<u>Original Adopted Budget</u>	<u>Final Amended Budget</u>	<u>Actual Collected</u>	<u>Percent Collected</u>	<u>Prior Year % Collected</u>
General Fund:					
Property Tax	64,695,524	64,945,524	64,411,792	99.18%	99.31%
Intergovern Revenue	1,497,809	1,646,509	2,024,875	122.98%	107.03%
Charges for Service	8,769,550	8,769,550	8,447,421	96.33%	108.21%
Use of money and property	500,000	300,000	154,807	51.60%	75.05%
Other	161,950	161,950	231,695	143.07%	107.05%
Total Revenues	75,624,833	75,823,533	75,270,590	99.27%	100.45%
<i>* Bond Proceeds & Premium</i>					
	<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	113,501	113,501	89,007	78.42%	79.62%
City Manager	733,128	733,128	730,296	99.61%	96.54%
City Solicitor	413,401	413,401	389,343	94.18%	95.82%
Canvassing	223,877	223,877	210,489	94.02%	90.36%
City Clerk	529,399	709,292	487,274	68.70%	72.73%
Dept. of Finance	2,828,659	2,860,690	2,757,565	96.40%	93.20%
Police	15,393,813	15,424,613	15,219,723	98.67%	103.95%
Fire	15,482,879	15,722,879	17,224,494	109.55%	96.60%
Public Services	8,098,287	8,625,291	7,149,699	82.89%	85.67%
Plan, Zone, Develop & Inspect	1,249,180	1,249,180	1,203,781	96.37%	95.04%
Recreation	593,036	593,036	590,517	99.58%	96.51%
Civic Support	83,150	83,150	64,150	77.15%	96.45%
Library Operations	1,671,719	1,671,719	1,671,719	100.00%	100.00%
Debt Service	1,853,177	1,853,177	1,733,884	93.56%	93.29%
School Operations & Capital	22,564,157	22,564,157	22,564,157	100.00%	100.00%
Unallocated Expenses	3,573,020	3,549,957	3,861,692	108.78%	94.83%
Transfers to Capital	1,020,450	1,020,450	1,073,579	105.21%	100.00%
Total Expenditures	76,424,833	77,411,498	77,021,366	99.50%	97.38%



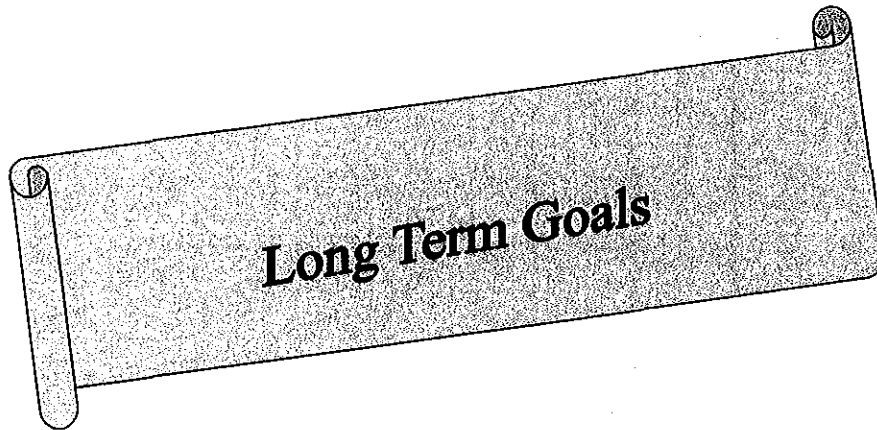
RI Valuation data Tax Roll Year 2010 (Assessed 12/31/09)

** Denotes Homestead Exemption Available*

- 1) Rates support fiscal year 2010*
- 2) Municipality had a revaluation effective 12/31/09*
- 3) Municipality had a statistical update effective 12/31/09*
- 4) Motor vehicles assessed at 70% of values prescribed by the RI Vehicle Value Commission; Motor vehicles assessed at 100% in all other municipalities.*
- 5) Four different tax rates depending on code – rate shown is lowest*



A comparison of Fiscal Year 2011 budgeted expenditures (including all educational expenditures except for Central Falls which is under State receivership) 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 CITY MANAGER
 DIVISION OF HUMAN RESOURCES**

Contact info:

Michael Coury, human Resources Administrator

Email: mcoury@cityofnewport.com

Telephone: (401) 845-5443

Scope of Operations: The Division of Human Resources provides personnel and labor relations support as a division of the City Manager’s Office. Responsibilities include employee information; safety and skills training programs; compliance with the provisions of various labor contracts; City Manager representative in union grievance proceedings and collective bargaining negotiations; benefits administration; municipal recruitment and selection; promotional and entry-level civil service testing procedures and implementation; supervisory and union employee counselor on applicable policies and practices; updates and ensures adherence to local, state and federal labor laws; administration of Workers’ Compensation and Return-To-Work programs; certification of employment records and payroll functions.



Use of Resources: The Division of Human Resources employs 2.5 full time employees. Of the City’s total General Fund expenditures, the Division of Human Resources utilizes 0.38% (0.38% in FY 2010; 0.39% in FY 2009) to perform their duties – or a per capita cost to citizens (per 2010 census) in FY11 of \$12.00 (\$11.10 in FY 2010; \$11.52 in FY 2009). In terms of a median home valued at \$350,000, \$12.86 of the annual property tax bill in 2011 of \$3,346 funded the Department of Public Records.

FY 2011 Goal: Equal Employment Opportunity: To have a workforce representative of the general workforce population within the City of Newport. These figures are based on the Department of Labor’s “available workforce” statistics (2000 Census Population).

PERFORMANCE MEASURES	FY 2009 ACTUAL	FY 2010 ACTUAL	FY 2011 ACTUAL
Percent of minorities in our workforce	6.68%	5.26%	6.12%

PERFORMANCE MEASURES	FY 2009 ACTUAL	FY 2010 ACTUAL	FY 2011 ACTUAL
Percent of females in our workforce	20.68%	21.68%	21.61%

DIVISION OF HUMAN RESOURCES (continued)

Accomplishments:

- *National Recruitment and selection processes leading to the successful hiring of a new Police Chief, Fire Chief and City Manager. Each of these processes were conducted nearly simultaneously with nearly 300 total applications processed.*
- *Re-evaluation and change to the City's traditional Plan 65 group health insurance for applicable City retirees to BlueCross MedicareRX, Plan D Waiver coverage for 200 City retirees resulting in over \$300,000.00 in premium savings to the City.*
- *Submission and approval of the Early Retirement Reinsurance Program (ERRP) federal application and medical claims history for two fiscal years. Recent notification from the Federal government has indicated that the City of Newport is positioned to receive nearly \$400,000.00 in Federal reimbursement.*

Challenges:

- *Healthcare costs, compensation levels and "doing more with less" as a result of the national economic crisis is creating difficulty in job satisfaction, job retention and in the City's recruitment and selection processes as compared to private industry. Moreover, the City's labor relations are becoming more strained as a result of the uncertainty in governmental finances and competition between each of the four labor unions and its non-union personnel.*

CANVASSING AUTHORITY

Contact info:

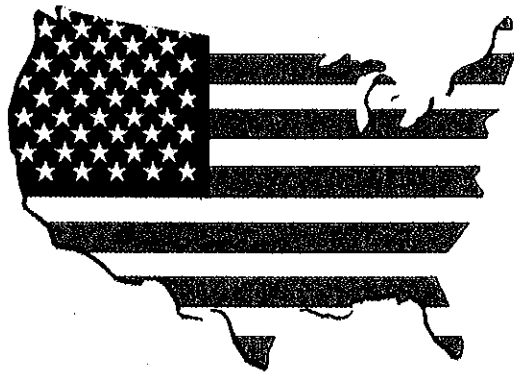
Rick O’Neill, Canvassing Clerk

Email: ro'neill@cityofnewport.com

Telephone: (401) 845-5384

Scope of Operations: to conduct all elections in the City of Newport.

The Canvassing Authority is responsible for maintaining an accurate list of registered voters and is responsible for administering elections fairly and efficiently in an open, transparent, and equitable manner. Upon request, the Canvassing Authority also assists with elections for entities such as the Housing Authority and the Newport City Personnel Appeals Board.



Use of Resources: The Canvassing Authority employs 2 full time employees. Of the City’s total General Fund expenditures, the Canvassing Authority utilizes .27% (0.21% in FY 2010; 0.30% in FY 2009) to perform their duties – or a per capita cost to citizens (per 2010 census) in FY11 of \$8.53 (\$6.27 in FY 2010; \$8.82 in FY 2009). In terms of a median home valued at \$350,000, \$9.14 of the annual property tax bill in 2011 of \$3,346 funded the Canvassing Authority.

FY 2011 Goal: To continuing working with the Secretary of State Elections Division and the Board of Elections to implement the next phase of the National Change of Address (NCOA) process.

Accomplishments: *Review of all registration records for accuracy to confirm their compliance with election standards is a continual process and is in compliance with election standards.*

FY 2011 Goal: To recruit new poll workers from high school and college and from diverse multi-cultural groups.

Accomplishments: *Recruitment goal of 15% of poll workers under age 25 is a continual process.*

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 .79% (0.71% in FY 2010; 0.68% in FY 2009) to perform their duties – or a per capita cost to citizens (per 2010 census) in FY11 of \$24.65 (\$21.03 in FY 2010; \$20.04 in FY 2009). In terms of a median home valued at \$350,000, \$26.42 of the annual property tax bill in 2011 of \$3,346 funded the Department of Public Records.

FY 2011 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 2011 Goal: To have all land maps placed on the ACS computer system over a three year period so that myriad hard copies can be stored in a secured area.

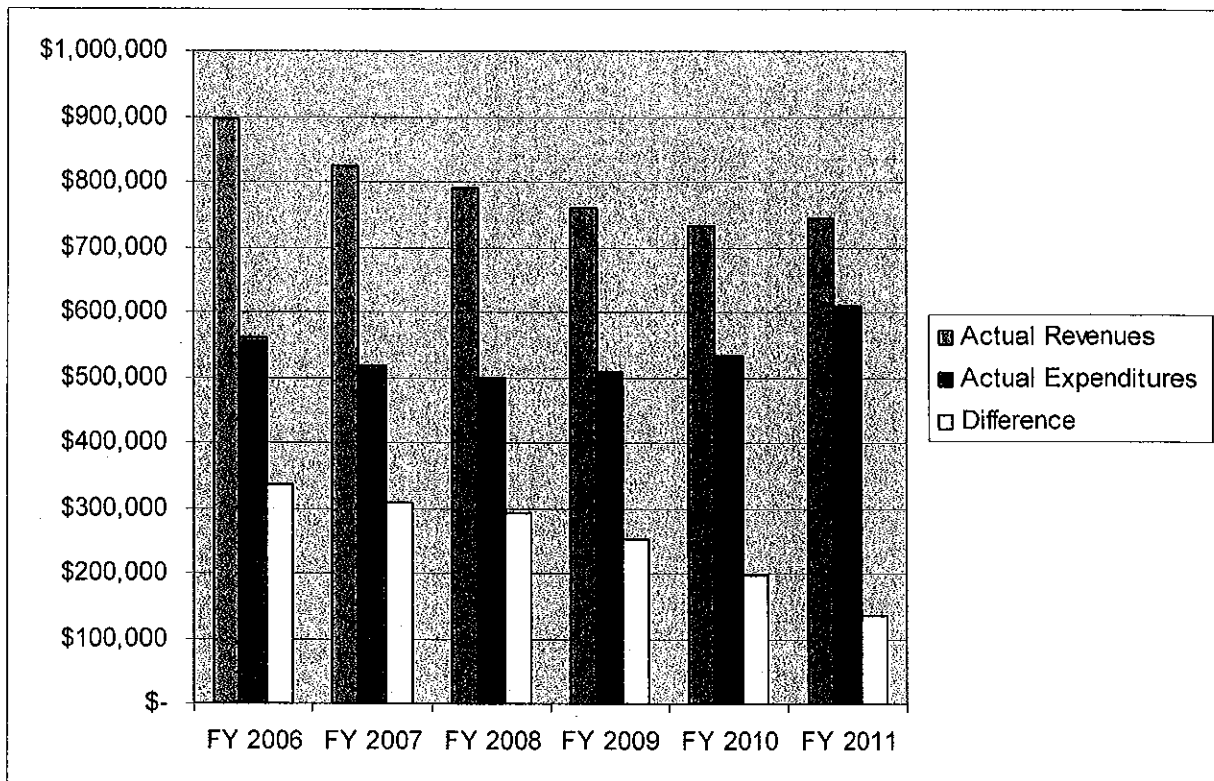
Accomplishments: *Goal has been achieved with one hundred percent (100%) of land maps placed on the ACS computer system within two years.*

FY 2011 Goal: To implement a disaster plan using **dPlan-RI** templates. This plan will protect and preserve the permanent records kept in the City Clerk’s Office, Property Records office and the vaults located in the both offices and the hallway of the ground floor of City Hall in the event of a natural or man-made disaster.

Accomplishment and Challenge: *Inputting the information into the software created by the State of RI for Newport’s D-Plan (Disaster Recovery) has taken longer than anticipated, given the amount of required data, however, it is nearing completion.*

FY 2011 Goal: To archive and preserve probate records by scanning to DVD-R’s for off-site storage.

Challenge: The City Clerk’s Office has postponed this project to a future because of budgetary constraints that will require the use of funds from the archival trust for daily recording expenses in the Land Evidence Office.



The Dept. of Public Records collected approximately \$135,462 more in revenue than its cost of operation in FY 2010/11.

DEPARTMENT OF FINANCE

Contact info:

Laura Sitrin, CPA, 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 22 full time employees. Of the City's total General Fund expenditures, the Department of Finance utilized 3.58% (3.55% in FY 2010; 4.00% in FY 2009) to perform their duties – or a per capita cost to citizens (per 2010 census) in FY11 of \$111.74 (\$105.01 in FY 2010; \$118.34 in FY 2009). In terms of a median home valued at \$350,000, \$119.77 of the annual property tax bill in 2011 of \$3,346 funded the Department of Finance.

FY 2011 Goal: To provide friendly, courteous and professional assistance to citizens coming to City Hall to pay City taxes and fees or inquire on financial issues.

Accomplishment:

PERFORMANCE MEASURES	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ACTUAL	FY 2011 ACTUAL
Number of Collections citizen survey cards completed at fiscal year end	116	26	76	74
Percent scoring Excellent in all six areas of satisfaction	91.38%	92.31%	86.84%	95.95%

PERFORMANCE MEASURES	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ACTUAL	FY 2011 ACTUAL
Number of Assessing citizen survey cards completed at fiscal year end	17	34	10	5
Percent scoring Excellent in all six areas of satisfaction	94.12%	97.06%	100%	80.00%

Challenge: *Difficulty success rate when inviting citizens to complete citizen survey cards.*

DEPARTMENT OF FINANCE (continued)

Additional Performance Data:

FY 2011 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
2011	6/23/2010	9/21/2010	Yes
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
2011	6/23/2010	9/23/2010
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, 2011.

GFOA's Cert. of Achievement for Excellence in Financial Reporting		
Fiscal Year	Date Submitted	Award Received
2010	12/28/2010	Yes
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
2010	12/16/2010	1/28/2011
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:
 Gary T. Silva, Chief of Police
 Email: gsilva@cityofnewport.com
 Telephone: (401) 845-5776



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 104.50 full time employees, having reduced its force of sworn officers from 86 to 78 through attrition. Of the City’s total General Fund expenditures, the Police Department utilizes 19.76% (19.44% in FY 2010; 18.87% in FY 2009) to perform their duties – or a per capita cost to citizens (per 2010 census) in FY11 of \$616.86 (\$575.60 in FY 2010; \$558.54 in FY 2009). In terms of a median home valued at \$350,000, \$661.18 of the annual property tax bill in 2011 of \$3,346 funded the Police Department.

76.4% of citizens responding to our 2009 Citizen Survey (70% in 2006) were satisfied with the overall quality of police services.

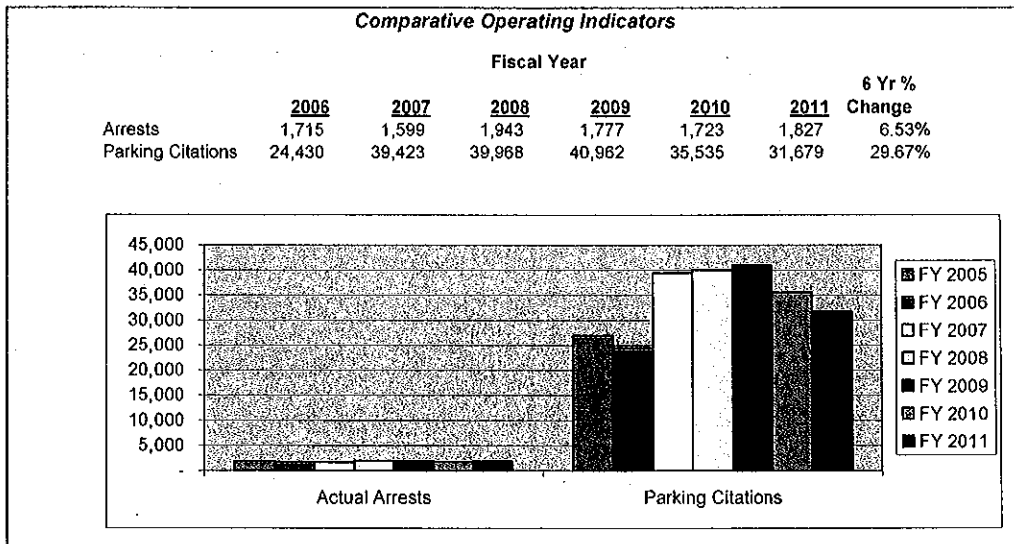
FY 2011 Goal: Improve traffic safety and enhance traffic flow.

PERFORMANCE MEASURES	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ACTUAL	FY 2011 ACTUAL
Number of public educational sessions held:		5	5	21	11

PERFORMANCE MEASURES	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ACTUAL	FY 2011 ACTUAL
Number of supplemental enforcement details	186	183	210	242

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

POLICE DEPARTMENT
 (continued)



Additional Accomplishments:

- *In October 2010, development and implementation of the Return Home Safe program, designed to establish a department data base of individuals with medical conditions or other special needs that may require police or other assistance. At the end of the fiscal year 18 individuals had been established.*
- *Anti-bullying program maintained at Thompson School.*
- *Update of City of Newport Emergency Operations Plan.*

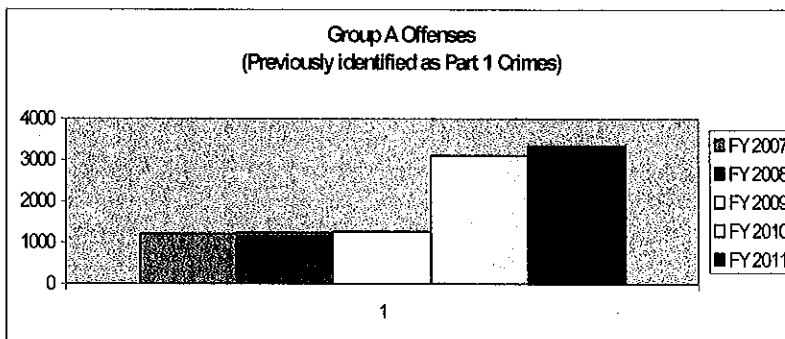
Challenges:

- *The Police Department will continue to deliver a high level of service following the permanent reduction in the number of sworn personnel, and while leaving non-sworn positions vacant. Also, the department experienced long and short term personnel absences resulting from injuries and military service activation. These absences magnify the permanent reduction in personnel and create challenges to the efficient and effective deployment of personnel, resources and delivery of services. Additionally, the department is challenged with managing the personnel absences related to injuries, with the goal to quicken the return to duty of those personnel in order to reduce the impact of absences on police operations.*
- *Delay of development and implementation of on-line reporting for citizens, resulting from other organizational demands.*
- *Delay of upgrade to the existing Dispatch audio recording system, resulting from other organizational demands.*

POLICE DEPARTMENT
(continued)

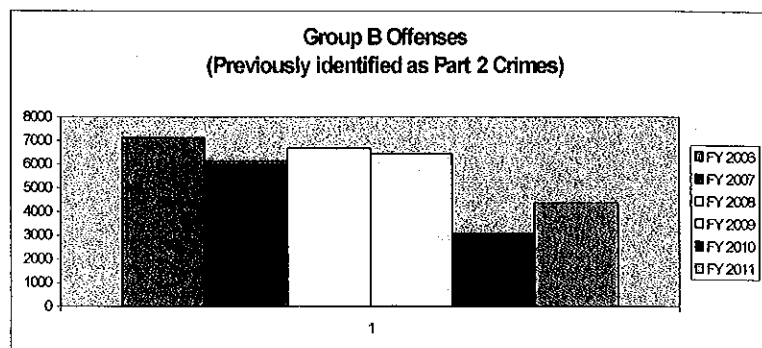
Awards:

- In February 2011, 28 Newport Police Department employees were honored at the city's Annual Employee Service Awards Breakfast ceremony. Newport Police Officer James Winters was recognized as the City of Newport Employee of the Year.
- In March 2011, the American Legion presented their American Legion Award to 4 sworn personnel to recognize their bravery in the performance of their police duties.
- In May 2011, the police department annual awards ceremony was held to recognize employee performance for calendar year 2010. Thirty-eight awards were distributed between 28 sworn personnel and 4 non-sworn personnel.
- In May 2011, two sworn personnel were recognized by the Rhode Island General Assembly. A Resolution was proclaimed for their heroic actions in the performance of their duties. The incident involved a serious stabbing of one officer during a struggle with a suspect and the actions of a second officer to provide assistance in controlling the suspect and taking immediate action to transport the severely injured officer to Newport Hospital.
- In June 2011, one sworn Community Oriented Policing officer was recognized by the Rhode Island Department of Corrections at its Probation and Parole Community Partnership Recognition Ceremony.



Group A offenses are classified by federal reporting standards as felony crimes and serious offenses.

Group B offenses are classified by federal reporting standards as misdemeanor crimes and less serious offenses.



FIRE DEPARTMENT

Contact info:
 Peter D. Connerton, Sr., Fire Chief
 Email: pconnerton@cityofnewport.com
 Telephone: (401) 845-5911

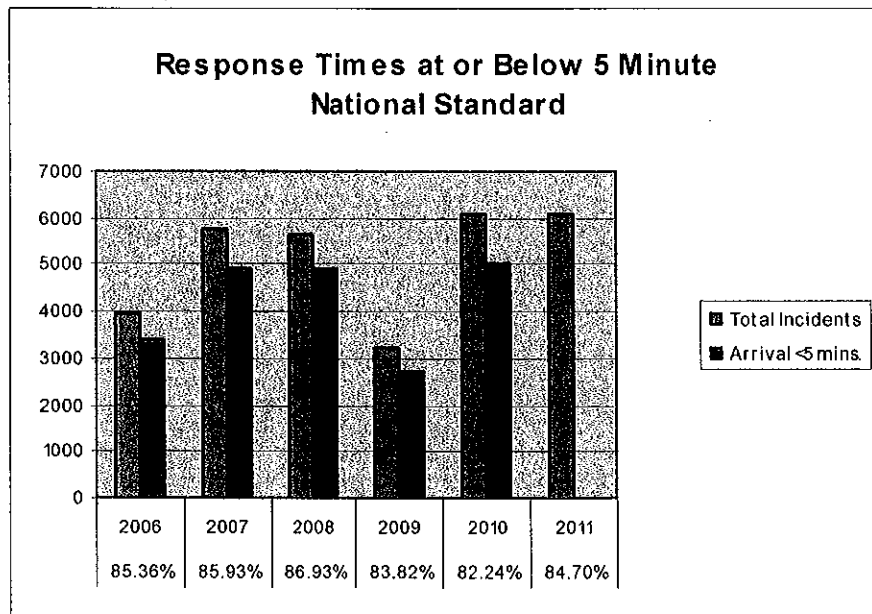


Scope of Operations: The mission of the Newport Fire Department is to preserve lives and property within the community by providing services directed at the prevention and control of fires, accidents, and other emergencies, while maintaining the highest standards of professionalism, efficiency, and effectiveness.

Use of Resources: The Fire Department employs 99 full time employees. Of the City's total General Fund expenditures, the Fire Department utilized 22.31% (20.23% in FY 2010; 18.71% in FY 2009) to perform their duties -- or a per capita cost to citizens (per 2010 census) in FY 11 of \$696.57 (\$598.86 in FY 2010; \$553.88 in FY 2009). In terms of a median home valued at \$350,000, \$746.62 of the annual property tax bill in 2010 of \$3,346 funded the Fire Department.

96.6% of citizens responding to our 2009 Citizen Survey (86% in 2006) were satisfied with the overall quality of fire services.

FY 2011 Goal: To minimize loss of life and property through efficient response and effective use of suppression forces to an incident.



FIRE DEPARTMENT
(continued)

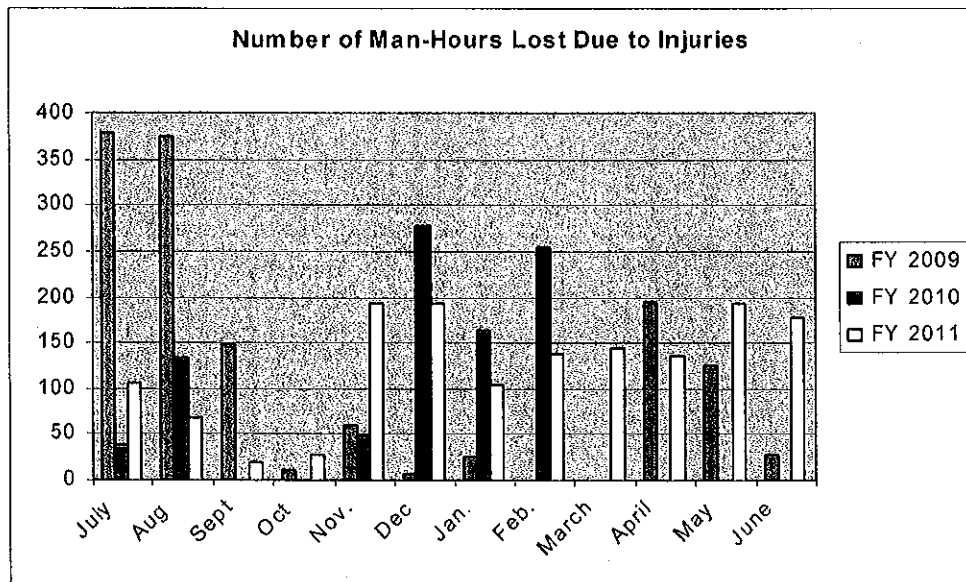
FY 2011 Goal: Provide that places of public accommodation and assembly are inherently safe for the citizens of and visitors to the City of Newport, Rhode Island. Through inspection and follow up, bring 250 buildings into compliance with the Rhode Island Fire Safety Code. The inspections will be focused on occupancy types that have historically attributed to large loss of life from fire, buildings of increased risk as determined by the Fire Prevention Division, and complaints from the general public.

PERFORMANCE MEASURES	FY 2009 ACTUAL	FY 2010 ACTUAL	FY 2011 ACTUAL
Bring 250 buildings into compliance with the Rhode Island Fire Safety Code.	283	366	348

Exceeded goal by 39%

FY 2011 Goal: Continue with the firefighter physical and wellness program. Personnel account for approximately ninety percent of the department’s annual operating budget, which makes it, by far, the greatest operating expense. This initiative would raise the firefighter’s awareness of the benefits of better health through annual physicals and wellness education, and in turn the City should realize fewer days lost to sickness and injury.

Measurement: Reduce number of man-hours lost due to injuries sustained in the line of duty.



There were no man-hours lost due to injuries during the months of Sept., Oct., March, April, May and June, 2010.

FIRE DEPARTMENT (continued)

Accomplishment: *The Fire Department started utilizing 12 Lead ECGs this past winter. By using this new technology, it now has the ability to positively identify certain types of Myocardial Infarctions (heart attacks) in patients that require immediate attention to prevent any or further damage. Usually the outcome of this diagnosis is a fairly rapid inter-facility transport to a hospital that offers Cardiac Catheterization, which results in a better overall prognosis or recovery for the patient.*

Challenges:

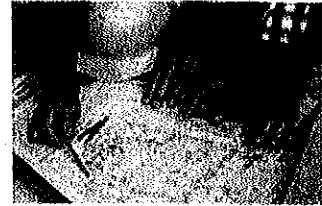
- *Maintaining level of service: Despite fiscal restraints and reduced staffing, the Fire Department was still able to maintain its usual level of service to its residents and the visitors of the City of Newport.*



*Brian Dugan, Deputy Fire Chief,
Employee of the Year, 2011*

DEPARTMENT OF PUBLIC SERVICES

Contact info:
 William Riccio, Jr., PE, 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 40 full time employees. Of the City's total General Fund expenditures, the Department of Public Services utilized 9.51% (9.50% in FY 10; 9.26% in FY 09) to perform their duties – or a per capita cost to citizens (per 2010 census) in FY 11 of \$296.80 (\$281.30 in FY 10; \$274.13 in FY 09). In terms of a median home valued at \$350,000, \$318.13 of the annual property tax bill in 2011 of \$3,346 funded the Department of Public Services.

67.33% of citizens responding to our 2009 Citizen Survey (42.5% in 2006 – when they cited maintenance of streets and sidewalks as their biggest concerns) were satisfied with the overall quality of Public Services.

FY 2011 Goal: Provide a paved road system that has a pavement condition that meets municipal objectives.

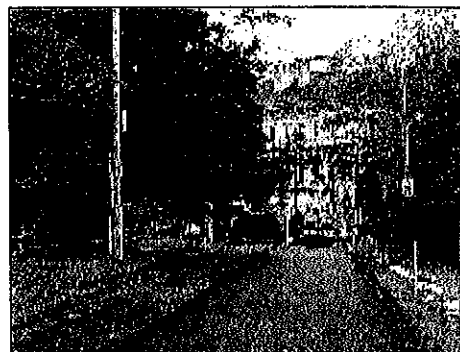
PERFORMANCE MEASURES	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ACTUAL	FY 2011 ACTUAL
Percentage of lane-miles having an acceptable PCI (≥ 70)	42.5 of 94.2 45.1%	44.2 of 94.2 46.9%	44.2 of 94.2 46.9%	47.4 of 94.2 50.32%	55.6 of 94.2 59.02%

The percentage of lane-miles of roadway in satisfactory condition considers the natural degradation of roadways.

DEPARTMENT OF PUBLIC SERVICES
(continued)

Accomplishments: Roadway Improvements completed (7.09 miles) reflecting FY 2011 expenditures:

<u>Street Name</u>	<u>Limit 1</u>	<u>Limit 2</u>	<u>Length (in Feet)</u>	<u>Width (in Feet)</u>
Brenton Road	Ocean Avenue	Beacon Hill Road	5,810	24
Castle Hill Avenue	Harrison Avenue	Ridge Road	1,678	21
Coggeshall Avenue	Ocean Avenue	Ruggles Avenue	4,461	23
Dana Street	Eustis Avenue	Dead End	150	20
East Bowery	Bellevue Avenue	Freebody Street	525	25
Edward Street	White Street	Feke Street	136	19
Farewell Street	America's Cup Avenue	Poplar Street	498	25
Feke Street	Edward Street	Tilden Avenue	197	18
Harrison Avenue	Carrol Avenue	Ridge Road	9,460	25
Kempesen Street	Eustis Avenue	Toppa Boulevard	370	24
Long Wharf	America's Cup Avenue	Washington Street	1,043	25
Madison Court	Braman Street	Dead End	109	19
Maple Avenue	J.T. Connell Highway	John H. Chaffee Blvd.	568	28
Market Square	America's Cup Avenue	Dead End	268	62
Mayberry Court	Braman Street	Poplar Street	220	12
Michael Terrace	Eustis Avenue	Dead End	340	19
Ocean Avenue	Harrison Avenue	Brenton State Park	2,410	36
Ocean Avenue	Intersection	Coggeshall Avenue	350	30
Pell Street	Kay Street	Greenough Place	509	25
Record Street	Warner Street	Channing Street	243	20
Ruggles Avenue	Hazard Road	Carroll Avenue	3,146	27
Sherman Street	Spring Street	Dead End	957	18
Thames Street	Poplar Street	Marlborough Street	1,037	18
Third Street	Van Zandt Avenue	Cypress Street	699	26
White Street	Farewell Street	Tilden Avenue	426	16.5
Wickman Road	Hazard Road	Brenton Road	1,850	32



DEPARTMENT OF PUBLIC SERVICES
(continued)

Additional Achievements:

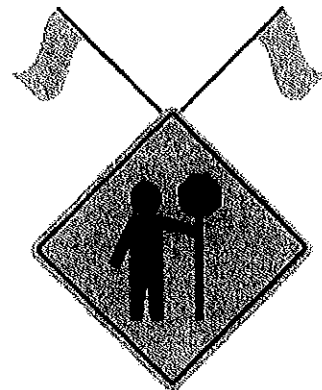
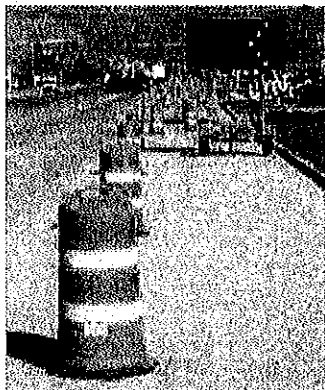
- Completed projects Ocean Avenue Seawall Reconstruction;
- Completed Wellington Avenue Seawall Reconstruction;
- Completed RI Local Equity Aid Program (RILEAP) — Roadway Improvements;
- Initiated Washington Square Improvements within their designated timeframes;
- Energy Efficiency Programs - Bellevue Avenue lighting retrofit;
- Public/Private Partnership - Rovensky Avenue intersection improvements at Bellevue Avenue

Awards Received:

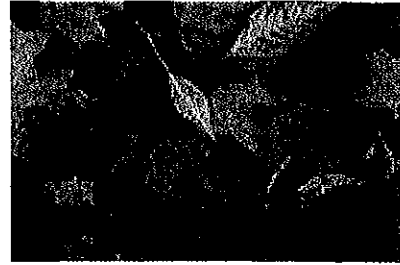
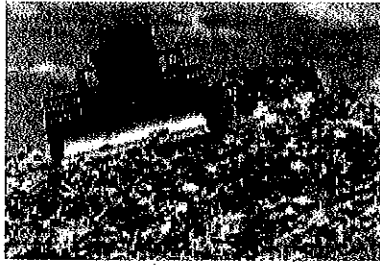
- Bill, Riccio, Director of Public Services, was appointed by the Transportation Research Board (TRB) to serve on a National Cooperative Highway Research Program (NCHRP) Project Panel #15-45 entitled "Update of the AASHTO Guide for the Planning, Design and Operation of Pedestrian Facilities. He is one of 14 panelists selected from a national solicitation;
- The American Public Works Association designated Bill Riccio, Director of Public Services, as a member of their inaugural class of Public Works Leadership Fellows through the Donald C. Stone Center for Leadership Excellence in Public Works (one of 96 in the country.) As such, Mr. Riccio is the first and only representative from the State of Rhode Island;
- Received a grant for Event Recycling Bins through an Anheuser Busch grant/Keep America Beautiful;
- Received a donation of services for Davey Tree to perform a tree inventory in the City.

Challenges:

- Administration and execution of multiple high priority projects.

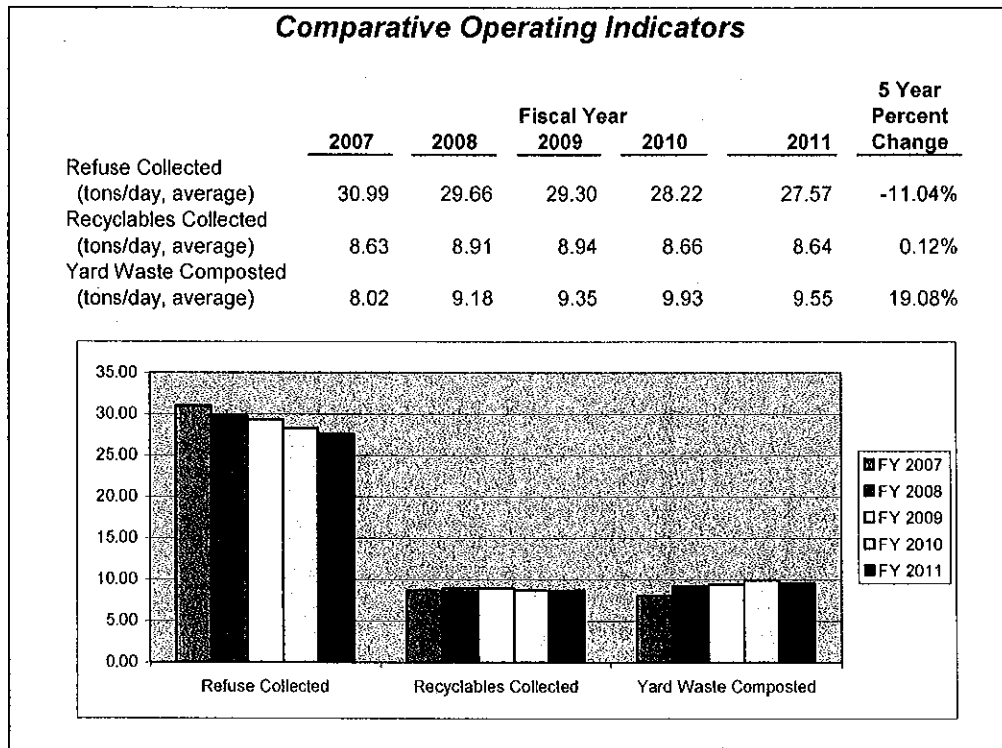


DEPARTMENT OF PUBLIC SERVICES
Division of Solid Waste Collection & Disposal



FY 2011 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 .65 tons of waste for which the City pays a tipping fee of \$32/ton was realized in FY 2011.



FY 2011 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 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ACTUAL	FY 2011 ACTUAL
Tons of leaves and yard waste diverted to composting	1002.64	1194.75	1215.02	1267.43	1257.24

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.

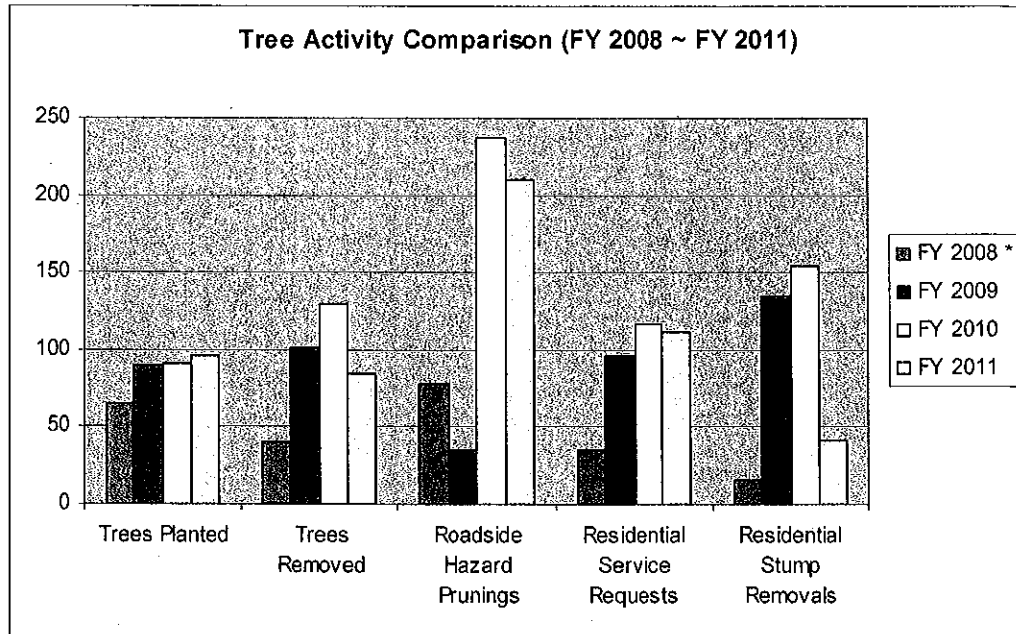
Accomplishments:

- *Newport's spring and fall street-planting programs added 96 new trees in FY2011 including 58 bare root trees. Balled and Burlapped tree plantings focused on Broadway where the division partnered with the Newport Garden Club to plant 15 trees in an effort to fill in gap in the street canopy. A half dozen disease resistant Princeton American Elms were planted at both the Newport Art Museum and the Redwood Library;*
- *The Sixth annual planting of daffodils at Newport's entrances – 18,000 at the intersection of Americas Cup and Broadway and 4,000 at the Friends Meeting House – took place in October 2010;*
- *In support of Arbor Day and in recognition of efforts to replant Broadway with trees, Cranston Calvert students planted a red maple trees at the Broadway post office;*
- *City staff worked in partnership with the Newport Tree Society to launch the Newport Arboretum project <http://newportarboretum.org/home/>. The project that establishes Newport has the first city wide Arboretum was kicked off with a week of activities including kids and adult movies, tree walks, planting demonstrations and a poster contest. A total of 5 tree walks are available in digital and printed formats.*

Challenges:

- *The inability to find a college intern from URI trained in arboriculture prohibited the use of ATB funding to update the Davey Tree Keeper tree inventory data. Grant funds needed to be re-programmed for tree planting with RIDEM approval. Proposals were solicited and private funding sought to contract out the full update of all tree data including GPS coordinates and digitized map locations;*
- *Regular snow events with heavy accumulation reduced time spent on Forestry operations and prevented the staff from accessing the interior of parks for programmed winter hazard mitigation work.*

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



• FY 2008, 1st quarter, not available



Four Standards of Tree City USA:

1. A Tree Board or Department
 - a. *Newport Tree 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 0.29% (0.28% in FY 2009) to perform their duties – or a per capita cost to citizens (per 2005 census) in FY10 of \$8.52 (\$8.19 in FY 2009).*
4. An Arbor Day Observance and Proclamation
 - a. *Held by the Preservation Society of Newport County at The Breakers.*

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

2010 Tree of the Year

The Newport Tree & Open Space Commission has chosen Newport's 2010 Tree of the Year



This beautiful *Ginkgo biloba* was nominated by Kathryn Lucey, who said: *"There are many Ginkos along Newport's streets. But this is by far the most magnificent-especially in the Fall."*

Further information on Newport's trees can be found at www.thenewporttreesociety.org and at www.ritree.org

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 1.49% (1.49% in FY 2010; 1.68% in FY 2009) to perform their duties – or a per capita cost to citizens (per 2010 census) in FY11 of \$46.37 (\$44.19 in FY 10; \$49.74 in FY 2009). In terms of a median home valued at \$350,000, \$49.70 of the annual property tax bill in 2011 of \$3,346 funded the Department of Planning, Zoning, Development and Inspections.

52.34% of citizens responding to our 2009 Citizen Survey (30.5% in 2006) were satisfied with the overall quality of Planning, Zoning, Development & Inspections, with the biggest concerns being enforcing clean-up of derelict houses.

FY 2011 Goal: Develop and coordinate long and short-range plans and efforts for the community and review and make recommendations for proposed plans and development to promote Newport as a healthy, prosperous and desirable living community.

PERFORMANCE MEASURES	FY 2010 ACTUAL	FY 2011 ACTUAL
Number of public meetings held on the Comprehensive Plan	14	21

PERFORMANCE MEASURES	FY 2010 ACTUAL	FY 2011 ACTUAL
Number of zoning amendments completed to be consistent with the Newport Comprehensive Land Use Plan.	3	2

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



Additional Achievements:

- **Newport Harborfront Planning Project:** The “Economic Analysis for Newport’s Waterfront Land Uses” Report was completed; illustrating the significance of “water dependent” uses to Newport’s revenue stream along the harborfront and downplaying new residential uses. The project was completed through partnership with and funding from The University of Rhode Island.
- **Broadway Streetscape Project:** The Broadway Streetscape Preliminary Design phase was successfully completed in 2010. The Project proposes streetscape improvement upgrades to the road surface, curbing, pedestrian crossings, sidewalks improvements, and lighting to the benefit of businesses, residents and visitors. The City was proactive in strategically financing and managing the project to leverage federal and state construction financing. Newport was awarded \$238,756 from a “Safe Routes to School” grant and \$50,000 from a CDBG grant for the project.
- **Harbor Shuttle Improvement:** The Department oversaw the land side improvements to Perrotti Park including a new floating pier, gangways, and gazebo was constructed. Improvements were also made at Ann Street Pier including repairs and a new gangway. As a result, ridership from the Harbor Shuttle operations were at an all-time high during the season.
- **Coggeshall’s Ledge Property Donation:** The Department successfully worked with a property owner to accept a donation of a 1.5 acre island, located at the end of Ledge Road, to the City for public open space benefit. The acceptance of the property will ensure that the land and associated viewscape are protected in perpetuity for future generations.
- **Former U.S. Navy Hospital:** The Department worked to submit a “Notice of Interest” (NOI) to the Aquidneck Island Reuse Planning Authority (AIRPA) for a Public Benefit Conveyance (PBC) including 4.78 acres of land for a waterfront park on the former US Navy Hospital Property. This initiated an effort to secure the property through the National Park Service for no or reduced cost. Staff directly participated in the initial phases of the “Reuse Plan” development including selecting the consultant, research, public meetings, market analysis, and scenario development.

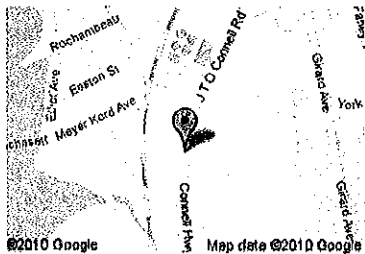
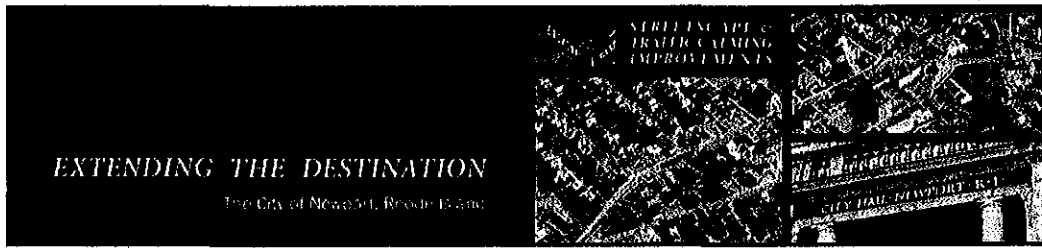
DEPT. of PLANNING, ZONING, DEVELOPMENT and INSPECTIONS
(Continued)

- **Comprehensive Land Use Plan Update (CLUP):** Numerous Committee meetings were held to draft updated sections of the Plan as required for the revision. Public meetings were also held to gain input from the community on various topics. This information was used to formulate new goals and policies for the document. Parcel maps were updated as a part of the effort.
- **Harbor Center and Ann Street Pier:** The Department was instrumental in developing a strategic plan for the Harbor Center and Ann Street Pier. It involved three elements including the Ann Street Pier Extension, conversion of the basement level into a Transient Boater Facility using federal grant dollars, and conversion of the upstairs floors into a use that would provide more financial benefit to the City. CRMC permits were obtained for the Transient Boater facility. An RFP was issued and contract awarded for the Transient Boater facility. CRMC permit was issued for the rebuild of the existing Ann Street Pier. CRMC permits were initiated for the Pier extension project. Staff has been instrumental in all phases of planning and project management.
- **Sheffield and Carey School Redevelopment:** The Department developed and released Requests for Proposals (RFP) for both schools. The properties were shown to multiple interested parties. Responses for the properties were strong and, as a result, discussions have led to future disposition and development.
- **Island Transportation Study and Pell Bridge Realignment:** The Department was instrumental in working with the AIPC and consultant in developing the Island Transportation Study involving the development and assessment of numerous transportation improvement strategies. As a result of the plan's development, the Pell Bridge Realignment Project was ranked the #1 project for transportation and economic development importance for Aquidneck Island. Also, this led to a final design for the ramp project that was accepted by the City of Newport, RIDOT and the RITBA.

Challenges:

- The "Senior Development Planner/CDBG Administrator" position was vacated in February and the position was not filled due to a hiring freeze. Also, the Municipal Inspector position was vacated in June and was not filled.

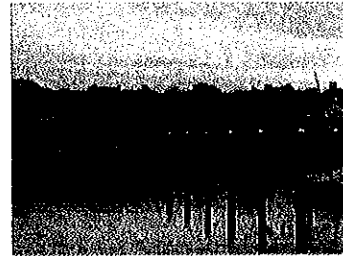
DEPT. of PLANNING, ZONING, DEVELOPMENT and INSPECTIONS
(Continued)



Coastal Extreme Brewing Co.



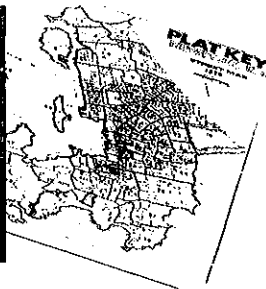
North End



Perroti Park



Sheffield School



The Newport Planning Board and PZD&I Department have initiated the City of Newport's Broadway Streetscape & Traffic Calming Improvements Project. The public was encouraged to attend public meetings held on October 1, 2009 and April 26, 2010 to express their views and desires for the future Broadway Streetscape & Traffic Calming Improvements Project. Summaries of those public meetings is located at:

http://www.cityofnewport.com/broadwaystreetscape/pdf/Responses_Hearing.pdf and

http://www.cityofnewport.com/departments/planning-development/pdf/public-meeting_04-26.pdf, respectively.

The Final Report on the City of Newport's Broadway Streetscape & Traffic Calming Improvement Project is located, in two parts, at:

http://www.cityofnewport.com/broadwaystreetscape/pdf/Streetscape_Final_Submission-Part1.pdf

http://www.cityofnewport.com/broadwaystreetscape/pdf/Streetscape_Final_Submission-Part2.pdf

DEPARTMENT OF RECREATION

Contact info:
Edward Harrigan, Administrator
Recreation
Email: EHarrigan@cityofnewport.com
Telephone: (401) 845-5806



Scope of Operations: The Department of Recreations 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 0.77% (0.75% in FY 2010; 0.81% in FY 2009) to perform their duties – or a per capita cost to citizens (per 2010 census) in FY10 of \$23.93 (\$22.29 FY 2010; \$24.09 in FY 2009). In terms of a median home valued at \$350,000, \$25.65 of the annual property tax bill in 2011 of \$3,346 funded the Department of Recreation.

79.47% 62.8% of citizens responding to our 2009 Citizen Survey (62.8% in 2006) were satisfied with the overall quality of Parks, Recreation & Tourism services, with the biggest concern being the condition of City beaches.

FY 2011 Goals: 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:

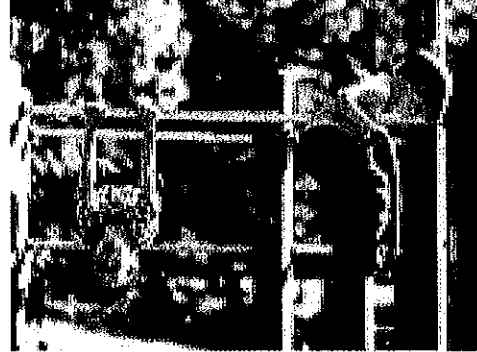
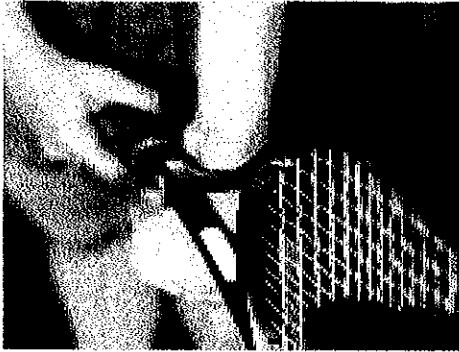
- *Steady attendance increases at our popular children's and family nights at Easton's Beach.*
- *Newport Recreation received \$26,076 in donations, sponsorship and scholarship aid.*
- *The Martin Recreation Center gym floor project was completed in November. The 57 year old original, buckling floor is now beautifully redone and ready for many more years of youth and adult activity.*

DEPARTMENT OF RECREATION
(Continued)



Challenges:

- *The poor economy has forced residents to reduce participation in many programs;*
- *Work on an additional cell phone tower agreement could not get approved by Metro PCS and Administration. Work continues toward an agreement;*
- *Declining population of youth in the community is impacting program registrations*



Awards:

- *The Newport Recreation Department received a second consecutive year grant from Centers for Disease Control, "Achieve Healthy Communities Grant."*

The vision of the Newport CHART team is the establishment of a local and community-wide approach for better health. Our mission is to provide assessment and action at a local policy level to ensure ongoing improvements in the quality of community life by making the healthy choices the easy choices. What is This About? Newport has been selected to participate in a nationwide CDC initiative - Action Communities for Health, Innovation, and Environmental change (ACHIEVE). Newport is one of 40 communities around the country this year working to facilitate policy, systems, and environmental change strategies focused on chronic disease prevention and health promotion. Newport is the pioneer in this effort within this state and in New England for the 2010 grant round. ACHIEVE is a 3-year process that analyzes local health issues, shapes policies and environments, and creates sustainable community-based improvements.

DEPARTMENT OF ECONOMIC DEVELOPMENT

Contact info:

Erin Mulligan, Sr. Principal Clerk

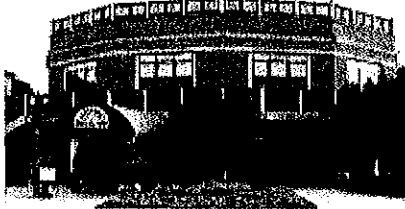
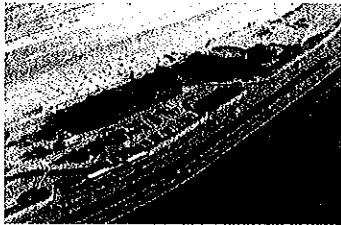
Email: EMulligan@cityofnewport.com

Telephone: (401) 845-5489

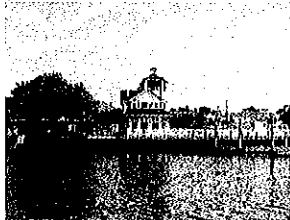
Created by ordinance in 2007, the Department of Economic Development is responsible for managing three of the City's enterprise funds. These three are the Maritime/Harbor Fund, the Easton's Beach Fund and the Parking Fund. The Department of Economic Development is also the City's liaison to the local 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;



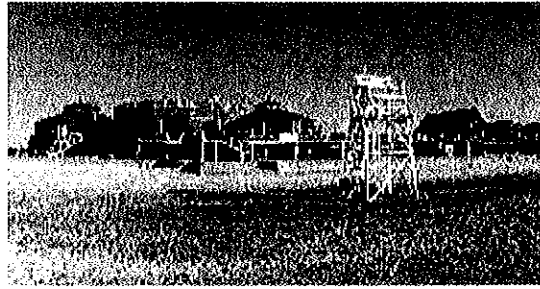
- King Park Auto & Trailer Parking, Boat Launch and Permit Information;



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



EASTON'S BEACH



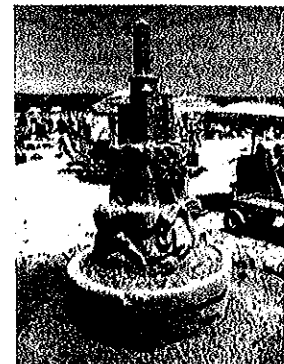
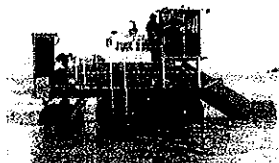
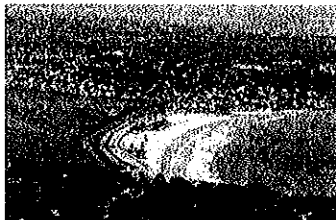
Scope of Operations: This program provides for the operation and maintenance of the public facilities at Easton's Beach. It includes safety oversight of swimmers by state certified Lifeguards, beach cleaning and raking, and water quality testing. It also includes the rental administration of the Rotunda 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 2011 Goal: Increase season parking stickers sales by 5%

Accomplishment: *FY 2011 saw a 7.67% increase in total number of parking stickers sold (from 952 to 1,025). The increase may have been the result of favorable weather conditions and the use of the harvester seaweed machine's effect on increased beach attendance.*



Additional Achievements:

- *In 2011, the Rotunda Ballroom hosted 90 special events compared to 73 in 2010, an increase of 23%. Revenues increased by 30.7%, or \$31,000, over the same period of time.*

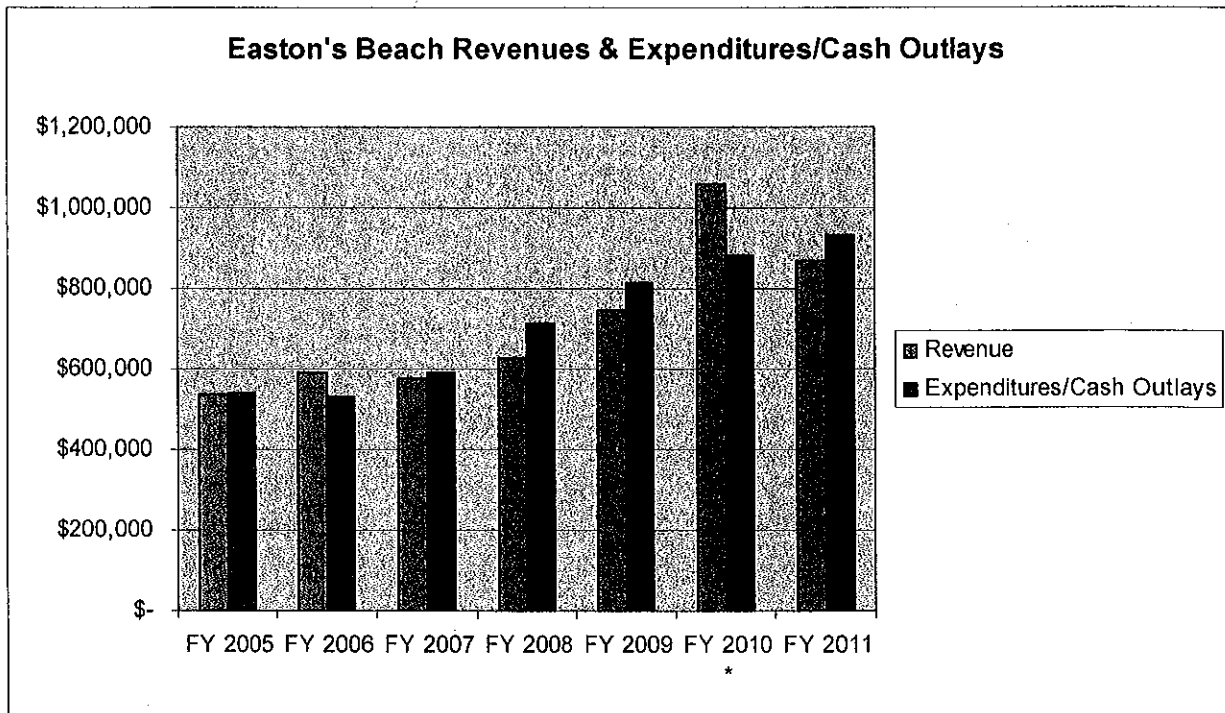
EASTON’S BEACH
(Continued)

- Replaced aged and defective equipment, including Barber Surf Rake and York Landscape Rake, which are essential in keeping the beach clear of seaweed, rocks, shells and trash. Removed and replaced safety hazards, including a deteriorated wooden flag pole and outdated rivets that support the poles for the carousel horses.
- Switched to “greener” products by utilizing recycled paper products and environmentally friendly cleaners for janitorial use. Installed energy efficient lighting after National Grid audit of Beach facilities, saving approximately \$1,000/year with current usage.

Challenges:

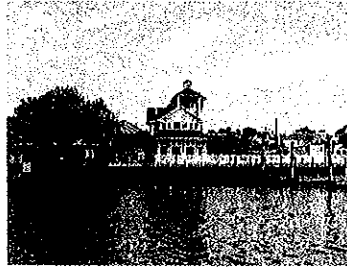
- Infrastructure challenges resulting from multiple years of neglect.

Awards: Easton's Beach was again voted Best of Newport County – 2011 - "Best Family Activity" by Newport Life Magazine.



FY 2010 Revenue includes a transfer of \$92,288 from the General Fund

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 and operates the Perrotti Park ferry, cruise ship docks and the Harbormaster building with public restrooms.

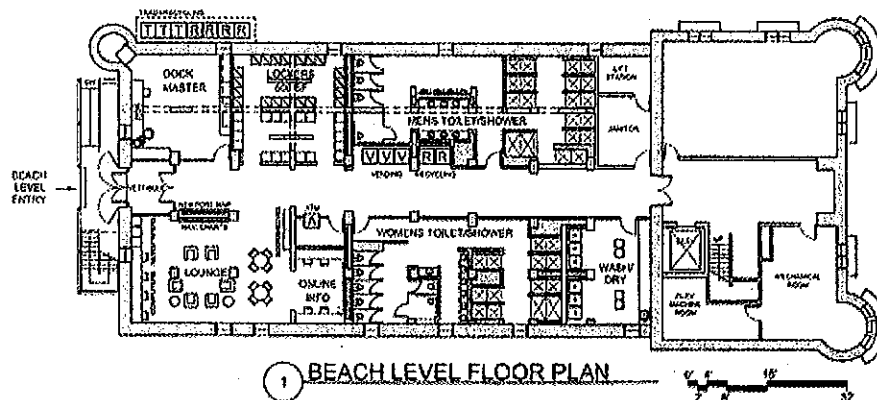
FY 2011 Goal: Initiate state mandated inspection system of vessels for discharge related infractions by inspection of 50 vessels.

Accomplishments:

PERFORMANCE MEASURES	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 ACTUAL	FY 2011 ACTUAL
Number of State mandated inspections	60	56	53	47	60

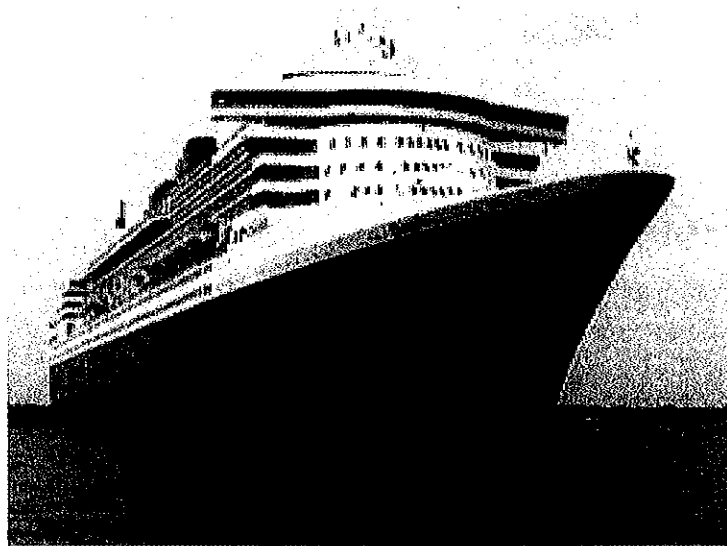
Additional Achievements:

- **Willow Street Driftway Rehabilitation Project:** Completed in conjunction with Department of Public Works from the Maritime Fund Capitol Program. Provides safe public access and use of the Willow Street Driftway.
- **Harbor Center Project:** Working in conjunction with the Planning Department with Funds from Grants and the Maritime Fund Capitol Program, Project is moving forward with construction currently underway despite construction obstacles and other unpredicted challenges.
- **Perrotti Park Transient Docks:** Permitting and Funding issues resolved, construction due to begin 12/2011. Project was joint effort of the Planning Dept. & Harbor Division.



HARBOR CENTER. Securing a \$713,000 US Fish and Wildlife Boating Infrastructure grant, Newport is planning to develop a new harbor center transient boating facility and in the historic Armory on lower Thames Street.

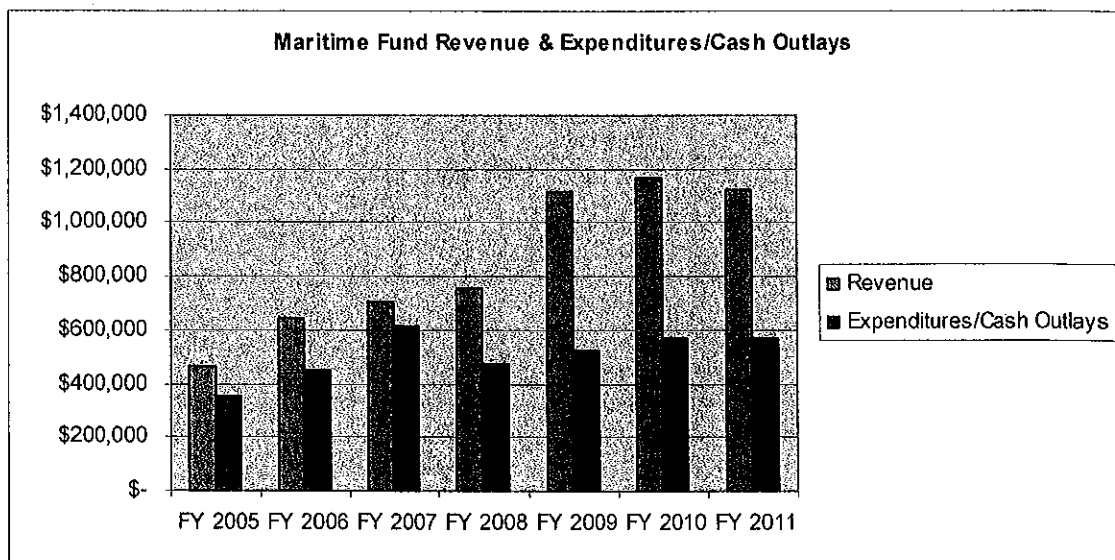
MARITIME FUND (continued)



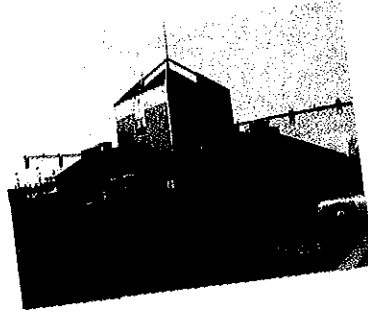
The Queen Mary II visited Newport in October, 2009 & 2011

Challenges:

- *The Inner Harbor Anchorage remains to be a challenge in regards to vessels being left unattended*
- *The CRMC application for the extension of the Ann Street pier although in process remains as a challenge*



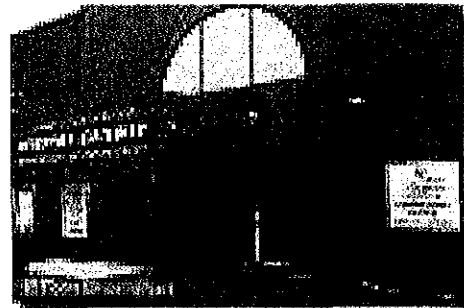
PARKING FUND



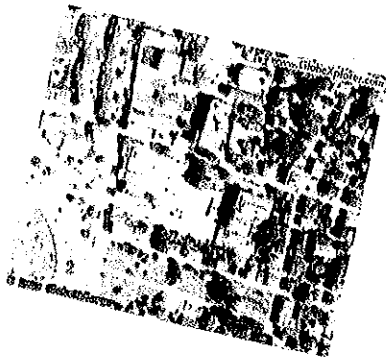
Scope of Operations: The Parking Fund oversees the parking contracts for Gateway and Mary Street public parking lots, on street meter parking, review of parking violation agreements; assistance to vendors, businesses and other agencies with occasional requests for special parking considerations; maintenance 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.



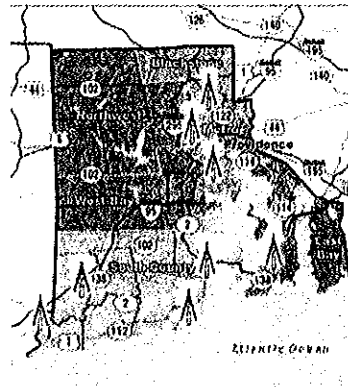
The Newport Visitors Information Center has parking for 480 cars at very reasonable prices and also serves as the City's primary public transportation hub.



PARKING FUND
(continued)

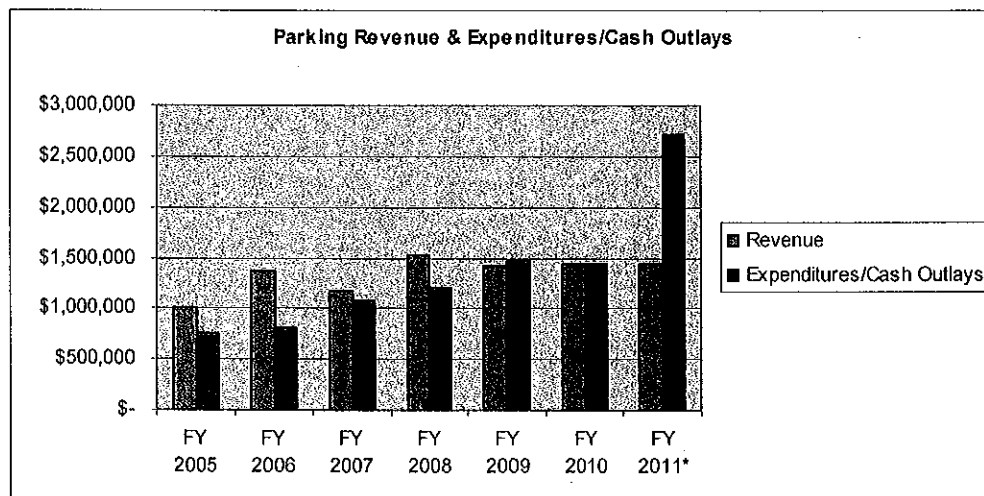
Accomplishments:

- Major repairs and enlargements to Gateway exits; Creation of new Bolhouse Rd. exit;
- Repair all drainage systems and stairways inside of Gateway garage. Repaired broken curbs, concrete surfaces, and rebuilt staircase at the East end of Gateway Garage;
- ADA improvements, created new ADA ramps and new sidewalks; also created 2 new handicap van accessible parking spaces in West End of Gateway lot, and 1 new handicap space outside Gateway Lot with crosswalk;
- Created 7 new parking spaces for Visitor Center and 2 RV spaces at the Gateway Parking Lot;
- Restriped the Gateway Garage, Touro St. parking lot, Long Wharf Parking Lot, and Edwards St. Parking lot;
- Put into action the Valet Parking program.



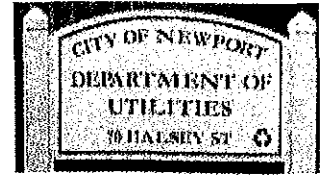
Challenges:

- Standardize and implement a discount parking agreements



* Includes \$1,500,000 transfer out to Water Pollution Control Fund

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.

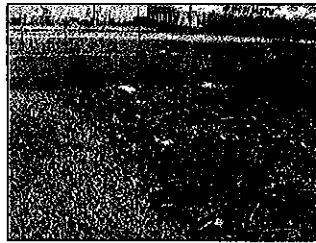
The revenue and rate structure for the Water Division is regulated by the Rhode Island Public Utilities Commission. The Water Division staff is committed to providing our customers the safest and most reliable drinking water possible.

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 United Water.

89.6% of citizens responding to our 2009 Citizen Survey indicated support for the City's Sewer/CSO Infrastructure rebuilding.

FY 2011 Goal: To ensure effective sewer services to city customers.

Accomplishment: *Staff is working with United Water on the implementation of a system wide catch basin cleaning plan/schedule. 1112 catch basins were cleaned and 13 catch basins were repaired in FY 2011*

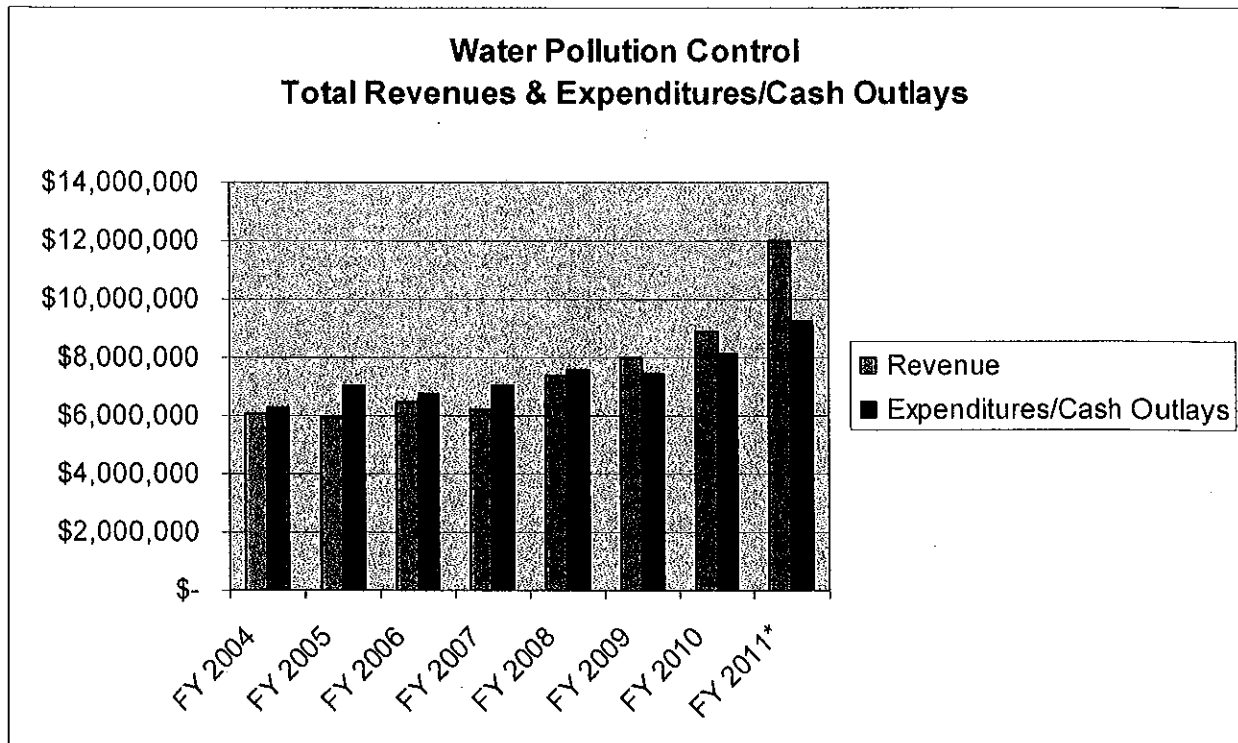
FY 2011 Goal: To provide efficient sewage and storm water disposal services.

Accomplishments

- *Complete the construction of the Wellington Ave. sanitary sewer from Marchant St to Halidon St.;*
- *Completed the rehabilitation of the Thames St sanitary sewer interceptor from Touro St to Morton Ave.;*
- *Completed the rehabilitation of the RailRoad Sanitary Sewer Interceptor which is located in the railroad right of way between VanZandt Ave. and Bridge St.;*
- *Completed the disconnection of catch basins that had been identified as connected to the sanitary sewer. The catch basins were located on eleven City streets and in two City parks;*
- *Continued work with the Program Manager completing tasks in the Corrective Action Plan for eliminating CSO's as detailed in the Consent Decree with EPA/RIDEM*

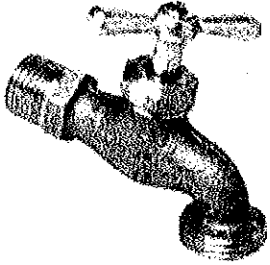
WATER POLLUTION CONTROL (Continued)

- *Conducted an evaluation of the sanitary sewer force main from the Bliss Mine Rd pump station. The results indicated the force main was in satisfactory condition;*
- *Conducted an evaluation of the Beach pump station and subsequently awarded the design work to implement recommended improvements to the pump station;*
- *Finalized negotiations with EPA/RIDEM for the Consent Decree for compliance with the Clean Water Act relating to the City's Combined Sewer Overflow (CSO) control program;*
- *Formed a CSO Stakeholder's Workgroup and conducted two meetings with the workgroup;*
- *Completed the construction of the UV Disinfection System for stormwater discharge onto Easton Beach. The system was operational for the start of the beach season on Memorial Day 2011*



* Includes \$1,500,000 Transfer in from Parking Fund

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.

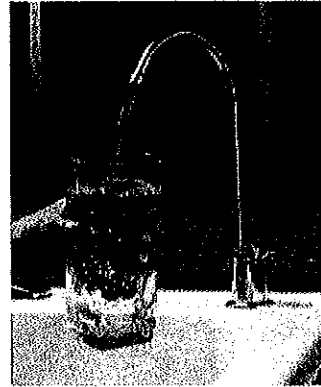
Newport Water draws its water supply from nine surface reservoirs. The raw water is treated at one of the two water treatment facilities - Station 1 Plant in Newport or Lawton Valley Plant in Portsmouth. Newport Water maintains a distribution system which services Newport, Middletown and a small section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

On April 18, 2011, the City of Newport, Department of Utilities, Water Division filed an application to increase its rates with the Rhode Island Public Utilities Commission (RIPUC) an application to increase rates, as part of a multi year rate plan, to our customers. The application resulted in PUC Docket 4243. The impact of the proposed rate increases on all our customers will vary based on consumption. The requested rate increase is required for debt service, capital projects and operation and maintenance expenses. The Newport Water Division will be implementing an extensive capital improvement plan over the next five years. The most significant component of the capital improvement plan is the construction of a new water treatment plant at Lawton Valley and the significant improvements to the treatment processes at the Station 1 water treatment plant on Bliss Mine Rd.

The Water Fund is regulated by the Rhode Island Public Utilities Commission (RIPUC). All user rates must be approved by the RIPUC. In preparation for a rate filing, the City of Newport starts with the cost of service for a test year. A cost of service rate model is then developed for the proposed rate year. The rate request is filed with the RIPUC who, along with eligible intervenors, can request additional information. A settlement may be reached and approved by the RIPUC or the request may go to a full hearing. Docket 4243 was resolved by a settlement agreement.

The PUC requires the Water Fund to maintain restricted cash accounts for chemicals, electricity, debt service, capital, retiree accrued benefits buyout and retiree health insurance increases. 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; for example 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 from the restricted accounts for eligible expenses also on a monthly basis. The required funding amounts are agreed to as part of the Order for Docket 4243.

WATER FUND (Continued)



FY 2011 Goal: Inspect one-hundred percent of our public fire hydrants and make necessary repairs within five days.

Accomplishment: *As part of the Fall 2010 Fire Hydrant Winterization & Inspection Program the total number of public fire hydrants in the Newport Water distribution system were inspected. Repairs were made as required. This includes 617 hydrants in Newport; 408 hydrants in Middletown; and 9 hydrants in Portsmouth.*

FY 2010 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: *There was one (1) violation in FY2011. On December 11, 2010 the Lawton Valley Water Treatment Plant violated the Secondary Maximum Contaminant Level (SMCL) of 2.0mg/l for Fluoride with a concentration of 2.05mg/l. An in line fluoride analyzer is being installed with alarms to better regulate the fluoride concentrations in the water. The Station 1 Facility was not affected by this violation.*

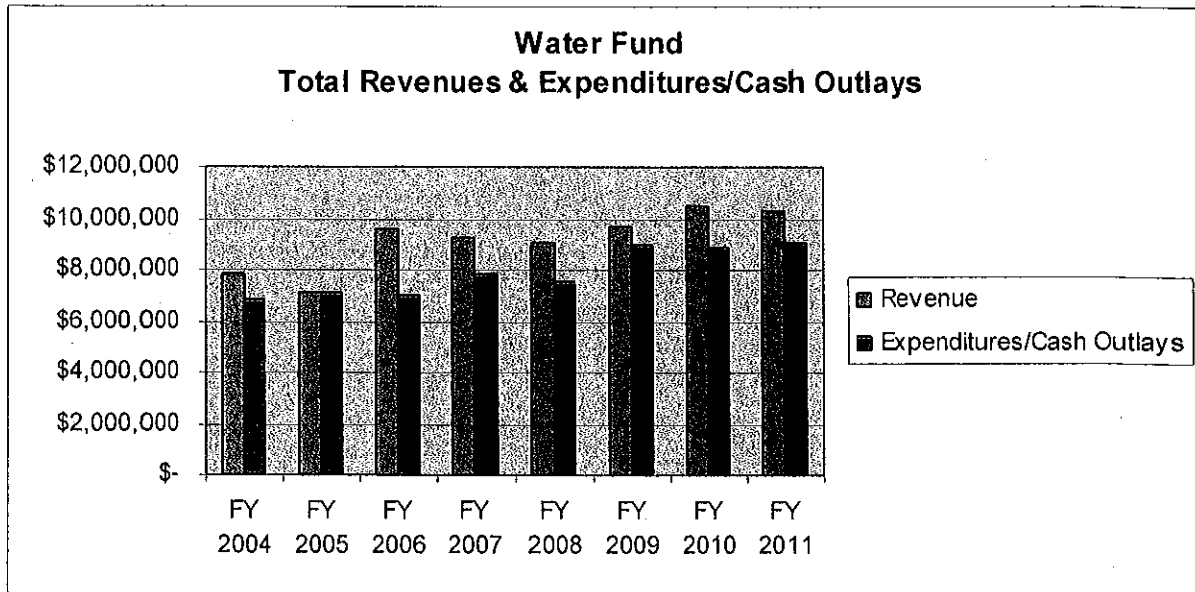
Accomplishment: *The 2010 CCR was mailed to all users in May, 2011*

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. The project to convert the all accounts to the radio read metering system is scheduled to be completed by May 31, 2012;*
- *The three quarterly water billing sections were combined into one section so that all quarterly customers will receive bills in July, October, January, and April. This will allow the Water Division to better compare water sales with water production;*
- *City Advisor for Water Treatment Plant Improvements. The RFP for the Design Build Project for water treatment plant improvements was issued to the 3 qualified firms in November 2010. The proposals from the 3 firms were submitted May 25, 2011. The evaluation of the proposals and negotiation of a contract are underway in order for a recommendation for contract award to be forwarded to the City Council in January 2012;*
- *Filed an application in April 18, 2011 with the RIPUC to increase water rates to support the operation and maintenance of the water system and support the debt service for the water treatment plant improvements. The hearing before the Commission was scheduled for November 1, 2011;*
- *Construction of Water Main Replacement. The construction contract for the water main improvements was completed. This project is funded by the Drinking Water State Revolving Loan Funds (SRF) and is eligible for the American Recovery and Reinvestment Act of 2009 (ARRA).*
- *Engineering Services for Easton Pond Embankment Repairs and Modifications. Received permits and advertised for construction of the Easton Pond Embankment Repairs and Modifications. A contract for construction of the improvements was executed in June 2011;*
- *Awarded engineering design contract for a Water Main Improvement Project targeted for construction in FY2013.*

WATER FUND
(Continued)



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.

PUC – Rhode Island Public Utilities Commission. The Public Utilities Commission comprises two distinct regulatory bodies: a three-member Commission and the Division of Public Utilities and Carriers. Although two distinct regulatory bodies, the Commission and Division generally operate in concert. This is evidenced by the Division's status as an indispensable party in all Commission proceedings, and the Division's statutory charge to enforce all directives of the Commission. Both entities may conduct inquiries, investigations and hearings to effectuate their respective duties. Both may issue orders that have the force and effect of law.

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).

SRRF – 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.



The Research Bureau



New England States Performance Measurement Project

Measure, Share, Improve

NESPMP Citizen Satisfaction Survey Results: Newport, RI

Five cities and towns in the New England States Performance Measurement Project (NESPMP) participated in their first online citizen satisfaction survey in the fall of 2009. The purpose of the survey was to determine what residents think of the services provided by their municipal government and how they view the quality of life in their town or city. The leadership of these participating towns believes that obtaining residents' views is critical to their ability to provide the best level of services while utilizing tax dollars most effectively and efficiently. The areas surveyed included public works, parks and recreation, police, fire, emergency services/rescue, public education, permitting and code enforcement, town management and administrative leadership. We hope the results of the survey will be analyzed and used to enhance the decision-making process and to indicate where there is need to improve the delivery of services and where the town is performing well.

The findings for Newport, RI, below are based on this online survey. Approximately 2,900 residents were sent postcards inviting them to participate. A total of 369 residents completed the survey for a response rate of about 12.7%.¹ Among respondents, 79% have lived in Newport for 11 or more years, about 74% were employed outside the home, 62.2% were male, 51% were between the ages of 45-64, 95% were Caucasian, and about 71% had no children under the age of 18 currently living in their household.

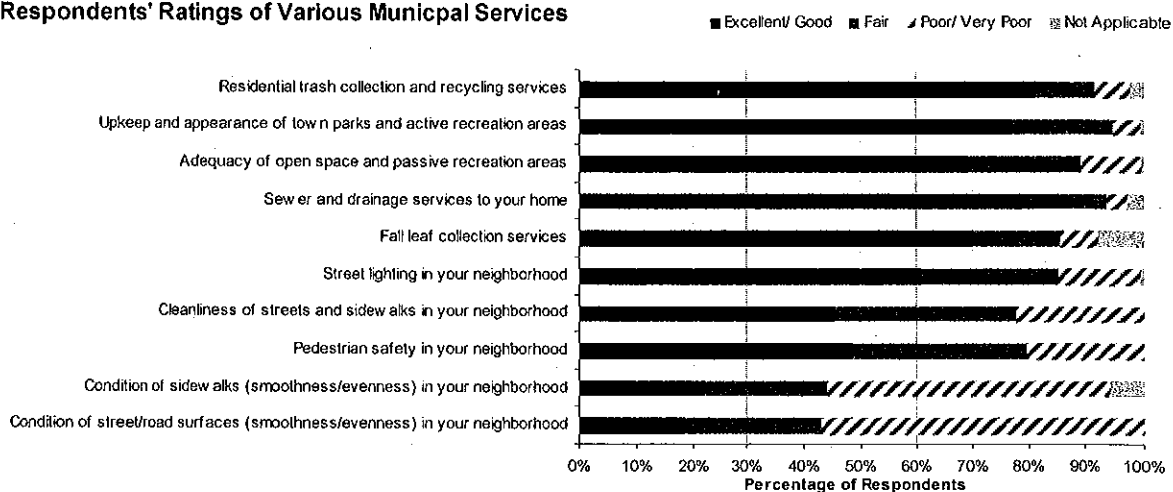
The results indicate that in several areas, the majority of respondents are satisfied with Newport as a place to live and its quality of life and with the services provided by the city. Eighty-five percent of respondents were "very satisfied" or "satisfied" with the overall quality of life in Newport. Respondents were less satisfied with the city's efforts to attract businesses and jobs to the area (66% were "dissatisfied" or "very dissatisfied"). About 63% of respondents were satisfied with the overall appearance of Newport.

When respondents were asked to rate a variety of municipal services based on their own observations and experiences, high ratings went to the city's residential trash collection and recycling services, with 85% of respondents rating this service as "excellent" or "good." Seventy-seven percent of respondents rated the upkeep and appearance of city parks and recreation areas as "excellent" or "good." Lower ratings went to the condition of streets and sidewalks. About nineteen percent of respondents rated the condition of street and road surfaces

¹ However, other citizens were informed of the survey as information on how to access the survey was published in the local newspaper and on local blogs. We do not know how many respondents were those that were contacted via postcard versus those that heard about the survey through these other channels. Therefore, it is difficult to determine a true response rate for Newport.

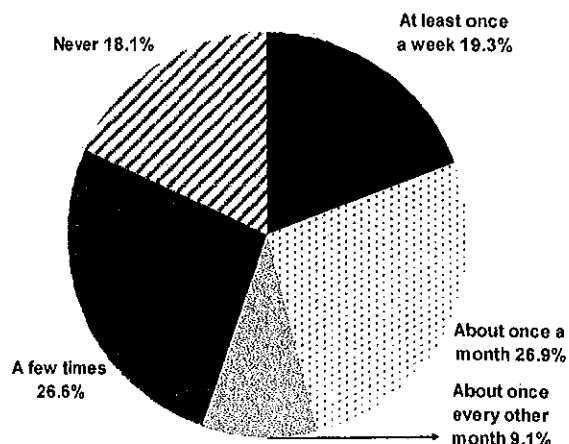
as “excellent” or “good,” while another 24.6% rated them as “fair” and the remaining 57% said “poor” or “very poor.” Twenty-two percent of respondents gave an “excellent” or “good” rating to their neighborhood sidewalks, 22% said “fair,” and 50% said “poor” or “very poor.” Seventy-three percent of respondents said they “strongly agree” or “agree” that major roads/arteries are passable during or shortly after a winter storm event, while about 56% agreed that residential streets were passable the day after a winter storm event.

Respondents' Ratings of Various Municipal Services



Eighty-two percent of respondents have utilized the public library during the past year, and gave high satisfaction ratings to a number of services or features of the public library, especially library facilities. One-hundred percent of respondents with an opinion were “very satisfied” or “satisfied” with the accessibility to services and facilities, while 99.6% were satisfied with the cleanliness and maintenance of facilities. There was a bit less satisfaction with the variety of programs offered, where 93.5% of respondents were “satisfied” or “very satisfied,” and with the quality of young adult programs and services offered (92.9%).

During the past 12 months, approximately how often have you or other members of your household used the Public Library facilities and/or online services?



About 43% of respondents or someone in their household had received assistance from the Police Department over the past year, and of these respondents, 79.3% were satisfied with the Police Department’s response time, 75% were satisfied with the professionalism of staff, and 76.4% were satisfied with the quality of service provided.

About 28% of respondents or someone in their household had received assistance from the Fire Department over the past year, of which 22% received fire suppression services (72% received emergency medical services and 30% answered "other").² Of respondents who had contact with the Fire Department in the past year, 96.6% were satisfied with the department's response time, the professionalism of staff, and with the quality of service provided. Of the 24% of respondents who called 911 in the past year for emergency services, 92.3% were satisfied with the assistance received from the person who took their 911 call.

Almost half of respondents (48.8%) currently, or at some point, have or had children attend the public schools. The highest ratings were given to the student-teacher ratio, or class size (76% of respondents with an opinion were "very satisfied" or "satisfied"), and with other activities, including athletics (73% satisfied) and other extracurricular activities (74.4% satisfied). Much lower ratings were given to the quality of curriculum (57.3% of respondents with an opinion were "very satisfied" or "satisfied") and with the administration at the district level (54.5% satisfied).

About 21% of respondents had applied for a building permit or had been a part of the permit process in the town during the past year. Of these respondents, 75% were satisfied with the ease of obtaining information and materials during the process; 79% agreed that town staff was knowledgeable about the overall process; and 82% of respondents with an opinion were satisfied with the inspection process.

The majority of respondents were dissatisfied with the leadership in Newport. About 68% of respondents with an opinion were "dissatisfied" or "very dissatisfied" with the leadership of elected officials in the city, while about 53% of respondents with an opinion were "very dissatisfied" or "dissatisfied" with the leadership of appointed officials. Respondents were also asked to rate their satisfaction with various town offices and departments that they have been in contact with over the past year. High ratings of users were given to Emergency Medical Services – Rescue (90.7% satisfied), the Fire Department (88.4% satisfied), and Recreational Department and Services (79.5% satisfied). Lower ratings were given to Economic Development (37.3% satisfied), Information Technology/ services (42% satisfied), and to the City Manager/ Administration office (44.7% satisfied).

Residents were generally satisfied with services but dissatisfied with elected officials and administrative leadership. This dichotomy seems to require further probing.

² Respondents could check more than one option, so values may add up to more than 100%.

FIFTH ANNUAL PERFORMANCE REPORT ON DELIVERY OF CITY SERVICES FOR FY 2011
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?