



Watertown City Council

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ELECTED
OFFICIALS:

Mark S. Sideris,
Council President

Vincent J. Piccirilli,
Jr.,
Vice President &
District C Councilor

John M. Airasian,
Councilor At Large

Caroline Bays,
Councilor At Large

John G. Gannon,
Councilor At Large

Anthony Palomba,
Councilor At Large

Nicole Gardner,
District A Councilor

Lisa J. Feltner,
District B Councilor

Emily Izzo,
District D Councilor

Committee of the Budget and Fiscal Oversight Meetings: November 5 and November 13, 2025 Report: November 25, 2025

The Committee convened at 6:00 pm on Wednesday November 5, 2025, in the Louis P Andrews Upper Hearing Room, as a hybrid meeting with remote participation by zoom. Present were Vincent Piccirilli, Chair; Emily Izzo, Vice Chair; and Nicole Gardner, Secretary. Also present were City Manager George Proakis, City Auditor Megan Langan (by zoom), Council Analyst Doug Newton, and Councilor Caroline Bays.

The purpose of these meetings was to review input from Councilors and make recommendations to the City Council on the FY2027 Budget Policy Guidelines.

The Chair sent instructions to Councilors explaining that the Committee's task is not to decide whether each request is a good idea or not; rather the Committee acts as an editor to take input from nine Councilors and synthesize it into a concise, actionable document for the Manager. The Committee may decide to defer or exclude a request because it:

- a) requires policy direction from the Council before the Manager can include it in the operating budget;
- b) is substantially complete;
- c) is too ambiguous to be included in the operating budget;
- d) is part of the Capital Improvement Program and not the operating budget;
- e) is within the authority of another body who has not weighed in it;
- f) overlaps with other existing goals or requests.

To facilitate the process, the Chair and the Council Analyst arranged the requests from each Councilor, in the order received, into a worksheet for the Committee to use. During the meeting, the Committee conducted a preliminary review of the FY27 Budget Policy Guidelines, taking into account input from the Committee members and Councilor Bays, and input submitted by President Sideris and Councilor Feltner.

The meeting adjourned at 8:29 pm by unanimous vote.

The Committee reconvened at 6:00 pm on Thursday, November 13, 2025, in the Richard E. Mastrangelo Council Chamber, as a hybrid meeting with remote participation by zoom. Present were Vincent Piccirilli, Chair; Emily Izzo, Vice Chair; and Nicole Gardner, Secretary. Also present were City Manager George Proakis, City Auditor Megan Langan, Council Analyst Doug Newton, Councilor Caroline Bays, Councilor Tony Palomba, and, joining by zoom, Councilor John Gannon.

The Committee continued discussing the draft guidelines, specifically taking into account input submitted by Councilors Palomba and Gannon. See Attachment 1 for the worksheet, showing last year's guidelines, input and discussion, and final Budget Policy Guidelines.

The final Budget Policy Guidelines (Attachment 2) will be ranked by the City Council after they are approved. The order they are shown reflects last year's priority ranking and the timing of when new requests were received.

The Committee will use the same weighted ranking method as in past years, with each Councilor filling out a ranking sheet (Attachment 3), and returning it by December 5, 2025. Following that, the final approved and ranked Budget Policy Guidelines will be sent to the Manager and posted on the website.

➔ **ACTION ITEM:** Councilor Gardner made a motion, seconded by Councilor Izzo, that the Committee recommends to the City Council that it adopt the FY2027 Budget Policy Guidelines as drafted. The motion passed by a vote of 3-0.

The meeting adjourned at 7:25 pm by unanimous vote.

Report prepared by Nicole Gardner and Doug Newton

Attachments:

1. FY2027 Budget Policy Guidelines Worksheet
2. FY2027 Budget Policy Guidelines for Approval by the City Council (unranked)
3. FY2027 Budget Policy Guidelines Ranking Sheet

Watertown FY2027 Budget Policy Guidelines Worksheet – For Committee Report November 25, 2025

The City Council is adopting these budget policy guidelines pursuant to Section 5-1 of the Watertown Home Rule Charter, *and in line with the values and principles outlined in the Charter Preamble*. Based on these guidelines, the City Manager will develop budgetary goals and the City budget for FY27.

I. COST-SAVINGS/REVENUES - The City Council believes that identification of cost savings and/or new revenues should be a precondition to additional expenditures. To this end, in developing the FY27 budget, the City Manager should:		
FY26 Guideline	Input & Discussion	Draft FY27 Guideline
A. Continue to proceed with the guidelines of the Comprehensive Plan, with the long-term goal to promote a diversified and growing tax base, and a renewed focus on small business, retail corridors, and emerging industry clusters.	Committee Discussion 11/5: Unanimous agreement to leave as is.	Continue to proceed with the guidelines of the Comprehensive Plan, with the long-term goal to promote a diversified and growing tax base, and a renewed focus on small business, retail corridors, and emerging industry clusters.
B. Continue to pursue the implementation of the Watertown Square Area Plan with the long-term goal of increasing our tax base through the development of multi-family housing and small and medium sized businesses in the Square.	Committee Discussion 11/5: Watertown Square is key to future new growth; Guideline is broad and encompasses many elements. Unanimous agreement to leave as is	Continue to pursue the implementation of the Watertown Square Area Plan with the long-term goal of increasing our tax base through the development of multi-family housing and small and medium sized businesses in the Square.
C. Continue pursuing mitigation monies, linkage fees, and/or other measures from larger scale projects.	Committee Discussion 11/5: Unanimous agreement to leave as is.	Continue pursuing mitigation monies, linkage fees, and/or other measures from larger scale projects.
D. Require all departments to actively pursue filing applications for all relevant state, federal, and private foundation grant programs.	Committee Discussion 11/5: Unanimous agreement to leave as is	Require all departments to actively pursue filing applications for all relevant state, federal, and private foundation grant programs.
E. Actively seek Payment in Lieu of Taxes (PILOT) agreements, or other in-kind services, with each non-profit organization owning or purchasing property in Watertown.	Sideris 11/5: <i>Remove as there is not a lot of evidence of the city spending any time on seeking PILOTs or other in-kind services at this time.</i> Committee Discussion 11/5: Unanimous agreement to leave as is.	Actively seek Payment in Lieu of Taxes (PILOT) agreements, or other in-kind services, with each non-profit organization owning or purchasing property in Watertown.

New Request	Input & Discussion	Draft FY27 Guideline
<p>New Item #1 (Sideris): With the uncertainty of the home rule petition on the tax shift, consider taxing under the cap and using a portion of free cash to help alleviate the burden on the residential class.</p>	<p>Committee Discussion 11/5: Potential for home rule petition on tax shift not passing. If it passes, this is less pressing. May require a structural change to the budget rather than free cash given it is a long-term challenge. Could use free cash if the petition is approved for the future but not FY27. It will be good for the Manager to include scenarios in the FY27 budget.</p>	<p>With the uncertainty of the Home Rule Petition on the tax shift, develop a series of strategies to help alleviate the burden on residential property taxpayers.</p>
<p>New Item #2 (Palomba): Actively support through written communication to the Legislature’s Joint Committee on Revenue and through our state legislative delegation the recommendations to allow local communities to increase hotel and meal taxes as proposed in the Governor’s Municipal Empowerment Act of 2025.</p>	<p>Committee Discussion 11/13: Legislature has not yet passed the act. This would be a legislative matter for the Council rather than an item for the Manager to include in the FY27 budget.</p>	<p>Do not adopt</p>
<p>New Item #3 (Palomba): Work with the City Council to amend our Community Preservation Committee ordinance (Number O-2018-59) or if necessary, introduce a new ordinance that would require the CPC to annually allocate 60% of the Community Preservation Funds to the City’s Affordable Housing Trust.</p>	<p>Committee Discussion 11/13: CPA funds are separate from the operating budget. How the CPC allocates money is described in their five-year plan, which they can update. Affordable Housing Trust can always request funding from the CPA.</p>	<p>Do not adopt</p>

II. Program Enhancements/Expenditures: To the extent that resources allow, in light of the financial policies stated above, and adhering to the principle of first identifying cost-savings and/or new revenue, the following program enhancements and, if necessary, new expenditures should receive priority in the FY27 budget. Education program enhancements and expenditures should be considered subsequently in light of the recommendations of the School Committee.

FY26 Guideline	Input & Discussion	Draft FY27 Guideline
<p>A. All departmental budgets should prioritize and enhance the ability of the city to implement the strategies and action items in the Climate and Energy Plan</p>	<p>Committee Discussion 11/5: Unanimous agreement to keep as is.</p> <p>Palomba 11/13: <i>Expand- Each departmental budget should state specifically what Element, Strategy, and Action their budget is addressing.</i></p> <p>Committee Discussion 11/13: Committee on 11/5 felt it was broad enough, Climate & Energy Plan is reviewed every six months. Climate & Energy Committee of the Council has opportunities to seek additional information. Manager can look into potential options for climate team to work with budget team. Committee encourages climate team to work with departments to assess progress on the Climate Plan and share updates with the Council & the public.</p>	<p>All departmental budgets should prioritize and enhance the ability of the city to implement the strategies and action items in the Climate and Energy Plan.</p>
<p>B. Provide resources to address the strategies and action items in the Comprehensive Plan and the Watertown Square Area Plan</p>	<p>Committee Discussion 11/5: The DCDP has been fully staffed, no additional resources needed at this time. Unanimous agreement to remove</p> <p>Palomba 11/13: <i>More specifically, continue to fund the creation of a draft Demonstration Project with the goal of creating affordable housing, municipal parking, and expanded opportunities for small business</i></p> <p>Committee Discussion 11/13: Resources which have been added include those necessary for a demonstration project.</p>	<p>Remove</p>

FY26 Guideline	Input & Discussion	Draft FY27 Guideline
<p>C. Continue to work collaboratively with the Watertown Public Schools on the comprehensive multi-year educational budget that assures sustainable funding for our schools and the successful education of our children and seek to accommodate a 3.5% annual increase for FY26 for the Educational appropriation that will provide level-service funding for our schools.</p>	<p>Sideris 11/5: <i>Move the appropriation to a 4% increase for funding of our schools. Justification- increases in enrollment and costs for SPED services have increased so more funding is warranted.</i></p> <p>Committee Discussion 11/5: Level-service funding can include new positions in the schools budget if needed. Student population has grown as has the share of students with high needs.</p> <p>Palomba 11/13: <i>...seek to accommodate a 3.75% annual increase for FY27 for the educational appropriation that will provide level-service funding for our schools.</i></p> <p>Gannon 11/13: <i>...seek to accommodate an annual increase for FY26, based upon the annual 2.5% Proposition 2 ½ levy increase, plus the new growth percentage for FY25, for the educational appropriation that will provide level-service funding for our schools.</i></p> <p>Committee Discussion 11/13: Manager and Committee are comfortable with 4%. Councilor Palomba is also supportive of 4%, hadn't seen that an increase was already agreed to. School Committee also decided a 4% increase is needed to maintain a level-service budget.</p>	<p>Continue to work collaboratively with the Watertown Public Schools on the comprehensive multi-year educational budget that assures sustainable funding for our schools and the successful education of our children and seek to accommodate a 4% annual increase for FY27 for the Educational appropriation that will provide level-service funding for our schools.</p>

FY26 Guideline	Input & Discussion	Draft FY27 Guideline
<p>D. Based on final City Council policy direction, develop a budgetary plan, within the confines of Proposition 2 1/2, for the five unfunded capital items:</p> <ul style="list-style-type: none"> • Senior Center/Recreation Area • East End Fire Station • DPW Staging Area • Watertown Square Plan Implementation • Middle School Renovations 	<p>Sideris 11/5: <i>Should prioritize this list again to focus more on the top areas.</i></p> <p>Committee Discussion 11/5: Budgetary plan was developed and included in FY26 budget, further action will be by vote of the Council. Rank the Middle School at the top of the list in accordance with the vote at the Special Council Meeting on 11/19/2024. Other items are listed in no particular order. Continue adding to Stabilization funds in FY27 budget.</p> <p>Gannon 11/13: <i>Eliminate DPW Staging Area</i></p> <p>Committee Discussion 11/13: Unanimous agreement to leave as is.</p>	<p>Continue to build stabilization funds for these five unfunded capital items:</p> <ul style="list-style-type: none"> • Middle School Renovations • Senior Center/Recreation Area • DPW Staging Area • Watertown Square Plan Implementation • East End Fire Station
<p>E. Continue support for Building for the Future Initiative funding in collaboration with the School Building Committee, for the MSBA High School project, without debt exclusion funding.</p>	<p>Sideris 11/5: <i>Remove this item as the borrowing is in place and will be paid, the MSBA process is well underway with reimbursements coming in on a regular basis, and we are already obligated to repay the bonds.</i></p> <p>Feltner 11/5: <i>Continue support for Building for the Future Initiative funding in collaboration with the School Building Committee, for the MSBA High School project and include the Middle School, without debt exclusion funding.</i></p> <p>Committee Discussion 11/5: High school planned to be finished in April, no further funding. Unanimous agreement to remove.</p> <p>Palomba 11/13: <i>Eliminate this as it has already been achieved.</i></p> <p>Committee Discussion 11/13: Committee agreed with Councilor Palomba at 11/5 meeting.</p>	<p>Remove</p>

FY26 Guideline	Input & Discussion	Draft FY27 Guideline
<p>F. Fund the recommendations of the Community Health & Human Services Assessment in the FY26 budget</p>	<p>Feltner 11/5: <i>Continue support for recommendations of the Community Health & Human Services Assessment in the FY27 Budget</i></p> <p>Committee Discussion 11/5: New Human Services Director has been hired. Some potential for new resources needed for this department in FY27; may need an administrative staff person.</p> <p>Palomba 11/13: <i>Eliminate this as the majority of the Assessment's recommendations have been implemented.</i></p> <p>Committee Discussion 11/13: One more administrative staff person may be needed. Councilor Palomba supports that along with the Committee.</p>	<p>Continue support for recommendations of the Community Health & Human Services Assessment in the FY27 Budget.</p>
<p>G. Provide funding and resources to ensure that the City's 5-year rolling plans for streets, sidewalks, water, sewer, stormwater, and underground utilities are effectively planned and executed for optimal results.</p>	<p>Committee Discussion 11/5: No additional funding or resources needed at this time, as this is currently built into the Capital Improvement Program. Covers business as usual, but a helpful guideline for the Manager in the event budget cuts become necessary. Significant cuts, however, would not be handled via budget policy guidelines but by separate Council meetings. Unanimous agreement to remove.</p>	<p>Remove</p>

FY26 Guideline	Input & Discussion	Draft FY27 Guideline
<p>H. Continue working to identify additional acquisition of land for open space and recreation using the Acquisition of Land/Open Space Stabilization Fund and including proposals submitted to the Community Preservation Committee</p>	<p>Sideris 11/5: <i>Consider changing the language here to have the focus for open space/recreation be placed more on the CPC as they have accumulated funds and this may allow the manager more flexibility in this budget cycle.</i></p> <p>Feltner 11/5: <i>Continue working to identify additional acquisition of land for open space and recreation using proposals submitted to the Community Preservation Committee.</i></p> <p>Committee Discussion 11/5: Land has been acquired via normal process outside the CPC, i.e. Walker Pond, with CPA money going to develop the land after acquisition.</p>	<p>Continue working to identify additional acquisition of land for open space and recreation using the Acquisition of Land/Open Space Stabilization Fund and using proposals submitted to the Community Preservation Committee to fund the development of the land.</p>
<p>I. Provide resources to enhance the Public Works Department’s efficiency, flexibility, and capacity to meet the city’s growing needs. This includes managing contractors, responding to work orders, overseeing development projects, planning infrastructure improvements, communicating road construction updates, complying with MassDEP waste management regulations, maintaining complete streets infrastructure, and improving snow and ice removal. Identify and implement the necessary technology to support these functions.</p>	<p>Feltner 11/5: <i>Continue support for the Public Works Department in efficiency, flexibility, and capacity to meet the city’s needs. This includes managing contractors, responding to work orders, overseeing development projects, planning infrastructure improvements, communicating road construction updates, complying with MassDEP waste management regulations, maintaining complete streets infrastructure, and improving snow and ice removal. Identify and implement the necessary technology to support these functions.</i></p> <p>Committee Discussion 11/5: The DPW has been fully staffed, no additional resources needed at this time. DPW Director will review their operational budget lines to ensure they are in line with how the DPW operates. Each item listed in the FY26 guideline is essentially complete and now part of standard operations.</p>	<p>Restructure the budget of the Department of Public Works so that it matches the new divisions structure and the operational needs of each division.</p>

FY26 Guideline	Input & Discussion	Draft FY27 Guideline
<p>J. To meet the goal of allowing people who live and work in Watertown to go car-free, continue to work with the Watertown Transportation Management Association, and identify sustainable sources of funding for permanent local transit programs in Watertown, including the recommendations from the upcoming Study for City Supported Local Transit.</p>	<p>Feltner 11/5: <i>To meet our Climate Plan and Comprehensive Plan goals of allowing people who live and work in Watertown to travel car-free and reduce SOV trips, continue to work with the Watertown Transportation Management Association, and identify sustainable sources of funding for local transit programs in Watertown, including options identified in the recent ARPA funded Study for Improving City-Supported Mobility.</i></p> <p>Palomba 11/13: <i>See my recommendation Section I New Item #2. The Mobility Study does include recommendations to continue to work with and expand the TMA.</i></p> <p>Committee Discussion 11/13: This was reworded to identify the programs recommended in the study. Councilor Palomba’s suggestion speaks to that, no addition needed.</p>	<p>To meet our Climate Plan and Comprehensive Plan goals of allowing people who live and work in Watertown to travel car-free and reduce single occupancy vehicle trips, continue to work with the Watertown Transportation Management Association, and identify sustainable sources of funding for local transit programs in Watertown, including options identified in the recent Study for Improving City-Supported Mobility.</p>
<p>K. Fund an assessment of the Public Buildings Department to meet the needs of our new buildings.</p>	<p>Sideris 11/5: <i>Change slightly to read: Fund an assessment of the Public Buildings Dept. to meet the needs of our old and new buildings.</i></p> <p>Feltner 11/5: <i>add “(currently out to bid)” at the end.</i></p> <p>Committee Discussion 11/5: Needs to go out to bid again. Could begin the implementation of the assessment in FY27.</p> <p>Palomba 11/13: <i>I am unclear whether this has been done internally, though I have not seen a formal assessment, so I do not know whether to keep or remove it.</i></p> <p>Committee Discussion 11/13: Manager hopes to have a consultant this fiscal year. Leave as is.</p>	<p>Begin the implementation of the assessment of the Public Buildings Department to ensure that the department can meet operational needs, continue environmental improvement in buildings, and fulfilling the recommendations of the ADA assessments.</p>

FY26 Guideline	Input & Discussion	Draft FY27 Guideline
<p>L. Continue to enhance the capabilities of the Department of Public Works Forestry Division by adding resources and/or redeploying additional resources to monitor the maintenance of Watertown’s existing public shade canopy and continue to collect and analyze data with the goal of creating and implementing a plan to increase tree planting in neighborhoods with heat islands.</p>	<p>Feltner: <i>Support the capabilities of the Department of Public Works Forestry Division to monitor the maintenance of Watertown’s existing public shade tree canopy and continue to collect and analyze data to increase tree planting in neighborhoods and the overall urban forest.</i></p> <p>Committee Discussion 11/5: Much work has been done planting trees in Watertown. The Forestry Division has been fully staffed, no additional resources needed at this time. It is now part of standard operations. Unanimous agreement to remove.</p> <p>Palomba 11/13: <i>Prioritize of annual report by the Department of Public Works’ Forestry Division of its progress at achieving its goal of creating and implementing a plan to increase Watertown’s public tree canopy and increase tree planting in neighborhoods with heat islands.</i></p> <p>Committee Discussion 11/13: The Committee considered how annual reporting from the Tree Warden should take place. Council may be interested in annual updates from the DPW Forestry Division, perhaps at the Climate & Energy Committee rather than the Public Works Committee.</p>	<p>Remove</p>
<p>M. Consider re-use of the former north branch library, including exploring use of alternative funds to assist in renovations</p>	<p>Committee Discussion 11/5: Building is in better shape than expected, some estimates in on what it would cost to bring it up to code. Need to identify the specific municipal use for the building and which department will operate it.</p>	<p>Consider re-use of the former north branch library, including exploring use of alternative funds to assist in renovations</p>

New Request	Input & Discussion	Draft FY27 Guideline
New Item #1: (Sideris) Consider not adding any new staff given the fiscal uncertainty facing all of us.	Committee Discussion 11/5: Above guidelines have been revised to eliminate the addition of resources. The Manager stated that FY27 will not be a year for adding new staff, except are previously noted.	Not adopted
New Item #2: (Piccirilli) Increase funding for public safety, both police and fire.	Committee Discussion 11/5: Police have said they are short on staff, fire has asked for funding for second ambulance (which has been funded) and additional ladder & pumper staff. Each department has provided data to support their requests, which needs to be analyzed. City may benefit from bringing in an outside expert to examine best practices on public safety and make recommendations.	Considering changes to the community, perform an assessment of the police department and the fire department to identify needs, resources, and best practices.
New Item #3 (Palomba): Prioritize the creation, following a community meeting, of the Building Emissions Reduction and Disclosure Ordinance, the creation of a Tree Ordinance, and the creation for a Transportation Infrastructure Fund per our Climate and Energy Plan.	Committee Discussion 11/13: These are also legislative matters for consideration by the Council, not budget matters.	Not adopted
New Item #4 (Palomba): Provide estimates of tax revenue from all new housing developments within the boundaries of the Watertown Square Area Plan.	Committee Discussion 11/13: This could be a valuable request for information to the Manager but is not a matter for the FY27 operating budget.	Not adopted
New Item #5 (Palomba): Prioritize the creation of a comprehensive Accessory Dwelling Unit ordinance to compliment our existing interim ordinance.	Committee Discussion 11/13: Also a legislative matter for the Council. Manager will provide an update on a zoning update to accommodate ADUs.	Not adopted
New Item #6 (Palomba): Prioritize the completion of the Affordable Housing Study and issue an RFP for the Parking Study.	Committee Discussion 11/13: Affordable Housing Study is underway. Manager will provide an update on when it will be completed. Parking study is funded and an RFP draft is pending final review before being published.	Not adopted

New Request	Input & Discussion	Draft FY27 Guideline
<p>New Item #7 (Palomba): Present recommendations for the implementation and funding for key action items articulated in the recently published “Watertown Study to Improve City Supported Mobility” with special attention to creating a community micro transit service for seniors and people with disabilities and for the general public.</p>	<p>Committee Discussion 11/13: Already covered in item 2J.</p>	<p>Not adopted</p>
<p>New Item #8 (Palomba): Request the Department of Human Services to propose short-term and long-term priorities for the use of existing and anticipate revenue from the opioids settlements in collaboration with Watertown Cares.</p>	<p>Committee Discussion 11/13: Human Services Manager will have a plan for allocating these funds by the end of FY26. Human Services Committee canceled a May 2024 meeting awaiting guidelines from the Commonwealth.</p>	<p>Not adopted</p>
<p>New Item #9 (Palomba): Consider the creation of a non-funded, but staff supported by the Senior Planner for Economic Development, Task Force composed of developers, representatives of the business community, representatives of select City’s boards/commissions, and residents to investigate the opportunities for re-use of properties that are presently permitted for life science developments.</p>	<p>Committee Discussion 11/13: This would also be a legislative matter for the Council. Manager provided an overview of the ten sites zoned for life-science lab space and their status. This can be part of a larger discussion with the Council about zoning, including whether to allow housing at certain sites. Further discussion as to embracing the climate-tech sector, which is receiving state investment but minimal federal support. Economic development planner to update Council on the status of the ten vacant life science sites as well as the possibility of Watertown becoming more of a hub for clean technology.</p>	<p>Not adopted</p>
<p>New Item #10 (Gannon): Develop a plan to utilize city buildings to accommodate community groups that, due to shuttered local churches and other private facilities, have lost their meeting spaces. Such groups would include, for example, local youth groups and 12 Step peer-to-peer recovery groups.</p>	<p>Committee Discussion 11/13: This was discussed by the Committee on 11/5 under policy guideline 2M. The former north branch library could be renovated for this purpose. Manager to review which community groups are allowed to use certain spaces.</p>	<p>Not adopted</p>

Watertown's FY2027 Budget Policy Guidelines

For Approval by the City Council

November 25, 2025

The City Council is adopting these budget policy guidelines pursuant to Section 5-1 of the Watertown Home Rule Charter, and in line with the values and principles outlined in the Charter Preamble. Based on these guidelines, the City Manager will develop budgetary goals and the City budget for Fiscal Year 2027. *Watertown's Ongoing Budget Policy Guidelines* Resolution 2012-72, *Amending Watertown's Ongoing Budget Policy Guidelines* Resolution 2017-84 and *Watertown's Ongoing Capital Project Budget Guidelines* Resolution 2013-76 are hereby incorporated by reference.

I. COST-SAVINGS/REVENUES

Note: These items will be ranked by the Council in order of priority after adoption

The City Council believes that identification of cost savings and/or new revenues should be a precondition to additional expenditures. To this end, in developing the FY27 budget, the City Manager should:

- A. Continue to proceed with the guidelines of the Comprehensive Plan, with the long-term goal to promote a diversified and growing tax base, and a renewed focus on small business, retail corridors, and emerging industry clusters.
- B. Continue to pursue the implementation of the Watertown Square Area Plan with the long-term goal of increasing our tax base through the development of multi-family housing and small and medium sized businesses in the Square.
- C. Continue pursuing mitigation monies, linkage fees, and/or other measures from larger scale projects.
- D. Require all departments to actively pursue filing applications for all relevant state, federal, and private foundation grant programs.
- E. Actively seek Payment in Lieu of Taxes (PILOT) agreements, or other in-kind services, with each non-profit organization owning or purchasing property in Watertown.
- F. With the uncertainty of the Home Rule Petition on the tax shift, develop a series of strategies to help alleviate the burden on residential property taxpayers.

II. PROGRAM ENHANCEMENTS/EXPENDITURES

Note: These items will be ranked by the Council in order of priority after adoption.

To the extent that resources allow, in light of the financial policies stated above, and adhering to the principle of first identifying cost-savings and/or new revenue, the following program enhancements and, if necessary, new expenditures should receive priority in the FY27 budget. Education program enhancements and expenditures should be considered subsequently in light of the recommendations of the School Committee.

- A. All departmental budgets should prioritize and enhance the ability of the city to implement the strategies and action items in the Climate and Energy Plan.
- B. Continue to work collaboratively with the Watertown Public Schools on the comprehensive multi-year educational budget that assures sustainable funding for our schools and the successful education of our children and seek to accommodate a 4% annual increase for FY27 for the Educational appropriation that will provide level-service funding for our schools.
- C. Continue to build stabilization funds for these five unfunded capital items:
 - Middle School Renovations
 - Senior Center/Recreation Area
 - East End Fire Station
 - DPW Staging Area
 - Watertown Square Plan Implementation
- D. Continue support for the recommendations of the Community Health & Human Services Assessment in the FY27 budget.
- E. Continue working to identify additional acquisition of land for open space and recreation using the Acquisition of Land/Open Space Stabilization Fund and using proposals submitted to the Community Preservation Committee to fund the development of the land.
- F. Restructure the budget of the Department of Public Works so that it matches the new divisions structure and the operational needs of each division.

Watertown's FY2027 Budget Policy Guidelines for Approval by the Council

- G. To meet our Climate Plan and Comprehensive Plan goals of allowing people who live and work in Watertown to travel car-free and reduce single occupancy vehicle trips, continue to work with the Watertown Transportation Management Association and identify sustainable sources of funding for local transit programs in Watertown, including options identified in the recent Study for Improving City-Supported Mobility.
- H. Begin the implementation of the assessment of the Public Buildings Department to ensure that the department can meet operational needs, continue environmental improvement in buildings, and fulfill the recommendations of the ADA assessments.
- I. Consider re-use of the former north branch library, including exploring use of alternative funds to assist in renovations.
- J. Considering changes to the community, perform an assessment of the police department and the fire department to identify needs, resources, and best practices.

Watertown's FY2027 Budget Policy Guidelines Priority Ranking

For both sections I and II, rank each item by priority (1=highest) and return to the Chair of the Budget & Fiscal Oversight Committee no later than 12:30 pm Friday December 5, 2025. The final published budget policy guidelines will be ranked by composite priority.

Councilor Name: _____

I. COST-SAVINGS/REVENUES	
FY27 Guideline	Ranking
A. Continue to proceed with the guidelines of the Comprehensive Plan, with the long-term goal to promote a diversified and growing tax base, and a renewed focus on small business, retain corridors, and emerging industry clusters.	
B. Continue pursuing mitigation monies, linkage fees, and/or other measures from larger scale projects.	
C. Require all departments to actively pursue filing applications for all relevant state, federal, and private foundation grant programs.	
D. Actively seek Payment in Lieu of Taxes (PILOT) agreements, or other in-kind services, with each non-profit organization owning or purchasing property in Watertown.	
E. Continue to pursue the implementation of the Watertown Square Area Plan with the long-term goal of increasing our tax base through the development of multi-family housing and small and medium sized businesses in the Square.	
F. With the uncertainty of the Home Rule petition on the tax shift, develop a series of strategies to help alleviate the burden on residential property taxpayers.	

II. PROGRAM ENHANCEMENTS/EXPENDITURES	
FY27 Guideline	Ranking
A. All departmental budgets should prioritize and enhance the ability of the city to implement the strategies and action items in the Climate and Energy Plan.	
B. Continue to work collaboratively with the Watertown Public Schools on the comprehensive multi-year educational budget that assures sustainable funding for our schools and the successful education of our children and seek to accommodate a 4% annual increase for FY27 for the Educational appropriation that will provide level-service funding for our schools.	
C. Continue to build stabilization funds for these five unfunded capital items: <ul style="list-style-type: none"> • Middle School Renovations • Senior Center/Recreation Area • East End Fire Station • DPW Staging Area • Watertown Square Plan Implementation 	
D. Continue support for the recommendations of the Community Health & Human Services Assessment in the FY27 budget.	
E. Continue working to identify additional acquisition of land for open space and recreation using the Acquisition of Land/Open Space Stabilization Fund and using proposals submitted to the Community Preservation Committee to fund the development of the land.	
F. Restructure the budget of the Department of Public Works so that it matches the new divisions structure and the operational needs of each division	
G. To meet our Climate Plan and Comprehensive Plan goals of allowing people who live and work in Watertown to travel car-free and reduce single-occupancy vehicle trips, continue to work with the Watertown Transportation Management Association and identify sustainable sources of funding for local transit programs in Watertown, including options identified in the recent Study for Improving City-Supported Mobility.	
H. Begin the implementation of the assessment of the Public Buildings Department to ensure that the department can meet operational needs, continue environmental improvements in buildings, and fulfill the recommendations of the ADA assessments.	
I. Consider re-use of the former north branch library, including exploring use of alternative funds to assist in renovations.	
J. Considering changes to the community, perform an assessment of the police department and the fire department to identify needs, resources, and best practices.	