

CITY OF NEWTON

IN BOARD OF ALDERMEN

BUDGET

JOINT PROGRAM & SERVICES AND FINANCE COMMITTEES REPORT

WEDNESDAY, APRIL 29, 2009

Present in Programs & Services: Ald. Johnson (Chairman), Freedman, Baker, Brandel, Hess-Mahan, Merrill, Parker and Sangiolo

Present in Finance: Ald. Lennon (Acting Chairman), Freedman, Johnson, Parker, Salvucci and Schnipper; absent: Ald. Coletti and Gentile

Also Present: Ald. Danberg, Harney and Linsky

Others Present: Sandy Pooler (Chief Administrative Officer), Susan Burstein (Chief Budget Officer), Fran Towle (Commissioner, Parks & Recreation), Bob DeRubeis (Deputy Commissioner, Parks & Recreation), Marc Welch (Director, Urban Forestry), Dave Mandatori (Supt. Of Maintenance), Linda Plaut (Director, Cultural Affairs), Channon Ames (Recreation Manager), Nancy Scammon (Senior Director), Mark Kelly (Special Needs), Robyn McLaughlin (Admin Asst.), Carol Shein (Adopted Space), Judy Dore (Manager), Carol Stapleton (Recreation Manager), Nicki Likely, Alicia Dylan, (Parks & Rec.), Ed Hauben (Community Ed), Jeffrey Young (Superintendent of Schools), Sandy Guryan (Asst. Supt., Finance, Budget & Admin), Paul Stein (Asst. Supt., Human Resources), Marc Laredo (Chairman, School Committee), Reenie Murphy, Dori Zaleznik, Kurt Kusiak, Jonathan Yeo, Susie Heyman (School Committee members), Karyn Dean (Committee Clerk)

The following report primarily includes questions from the Committees. Please refer to any attached presentations for the major points of the departmental budgets. There is more detailed reporting regarding the departmental responses to the Citizen Advisory Group report.

REFERRED TO FINANCE AND APPROPRIATE COMMITTEES

#70-09 HIS HONOR THE MAYOR submitting the FY10-14 Capital Improvement Program, totaling \$192,908,572, and the FY09 Supplemental Capital budget, which require Board of Aldermen approval to finance new capital projects over the next five years.

REFERRED TO FINANCE AND APPROPRIATE COMMITTEES

#70-09(3) HIS HONOR THE MAYOR submitting in accordance with Section 5-1 of the City of Newton Charter the FY10 Budget totaling \$333,411,747, passage of which shall be concurrent with the FY10-FY14 Capital Improvement Program. Effective date of submission: 4/21/09; last day to pass budget: 6/5/09)

PARKS & RECREATION DEPARTMENT BUDGET AND CIP

ACTION: PROGRAMS & SERVICES APPROVED 4-0-4 (Ald. Brandel, Johnson, Parker and Sangiolo abstaining)
FINANCE HELD 6-0

NOTE: Fran Towle, Commissioner of the Parks & Recreation Dept., presented the budget. She provided a PowerPoint presentation which is attached to this report.

Ms. Towle thanked her staff for their hard work and dedication. She also thanked the community groups for their efforts and donations to the Parks & Recreation programs. This year's budget does not call for any cuts in staff or services, which is a relief, but they will continue their efforts to improve or gain what has been lost over the last few years.

Cost Saving Initiatives

- The Court Restitution program has provided Parks & Recreation with over 9,000 hours of work from people required to do community service.
- Moving the Turf Management activities in-house over the past two years has saved over \$250,000.
- Wells have been added to the athletic fields which decreased dependence on city water with a savings of up to \$100,000 per year.
- In FY2004, the department created an in-house irrigation specialist instead of contracting the service. This saves about \$15,000 a year.
- Adopt-A-Space provides opportunities for community groups and businesses to take care of spaces that the City could not afford to.
- Management of the Newton Centre tennis courts was contracted out in 2005. Along with the automated irrigation system, this has saved \$8,000 a year.

Response to Citizen Advisory Group Report**Recommendation to Consolidate Parks Function of Parks & Recreation with the Department of Public Works**

Ms. Towle explained that Parks & Recreation has taken over several functions from DPW over the years. Since taking over Forestry, Snow Removal at the schools, Fences, and Trash Pick-up in the Village Squares, the personnel and equipment for these functions have been reduced significantly. Parks & Recreation is also currently assisting DPW with recycling at 5 sites throughout the city. Ms. Towle said that both departments do work in tandem on many things including the Marathon preparation and clean-up.

Ald. Sangiolo noted that most of these consolidations have been in the past and wondered if there were other things they could do now. Mainly, she felt that snow removal around the schools could be better coordinated since Parks & Recreation handles the parking lots and sidewalks, and DPW takes care of the sanding and salting of same. DPW plows the streets around the schools and Ms. Towle said she knows that has been a problem in the past. Because both departments are usually working quickly to clear the surfaces so children can get to school, it's not always perfect, but they are working on better coordination. Ald. Lennon noted that Bob

DeRubeis and Dave Turocy have been sitting in on the Snow Committee meetings. They have been talking about these very issues and are working on some policies and solutions.

Recommendation to Increase User Fees

Ms. Towle said the department would like to insure maximum opportunity for participation in their programs. Historically, that is why they have kept user fees low. A list of fees is attached to this report. Recreation in parks improves the quality of life in the community and makes it a more desirable place to live. Because these activities are wholesome, worthwhile, and character building, they should be subsidized by the General Fund resources of the City. Should they embark on a different policy with higher costs, they are concerned that it will limit participation and cause a major shift in the philosophy of the department.

Looking at Crystal Lake and Gath Pool, increasing the fees to cover the existing costs of those areas would double the fee. As for camps, their average fee is \$150-\$175 a week. These programs are generally fully enrolled and they do provide scholarships.

Ald. Sangiolo asked if the Parks & Recreation Commission would be the ones that decide on any fee changes. Ms. Towle said they would and they have tried to keep fees low. They reviewed the fees with the Commission last week and a fee for seniors for swimming was approved. This would be a completely new fee and would be used for scholarships. Ald. Merrill asked that they approach any increase in user fees carefully. Many families are proud and don't want to have to ask for waivers. Increasing fees could increase the number of families that might need to ask, but they don't feel comfortable doing so.

Ald. Brandel felt that the permit fees should support the cost to maintain the fields and perhaps cover some of the cost of removing recyclable materials from the field after use. Ms. Towle noted that a couple of years ago, they had tried to establish a field fee of \$1 per hour and there was great opposition. Many times the youth groups or other groups are already helping to maintain the fields and doing the best they can with their resources. They saw this fee as double charging. She felt that raising fees would be met with resistance and would have to be approached carefully and incrementally. Ald. Brandel felt that times and the economy have changed and all avenues should be re-examined. Ald. Johnson asked Ms. Towle to provide a list of the groups that use the fields and what they are contributing to their upkeep. It is attached to this report.

Recommendation to Consolidate and Coordinate Functions and Offerings

Ms. Towle felt the logical place to start with this would be with Community Education. She contacted the Director, Ed Hauben, and suggested they look at their camp offerings for the summer and establish a clearinghouse on one site. They have produced a combined list that will be on both websites which should be more helpful for users. She will continue to work with Mr. Hauben on this.

Ald. Sangiolo would like to hear more ideas about consolidating programs and functions, or other initiatives. Ed Hauben, Director of Community Education, said that he wanted to be transparent and cooperate in any way possible to benefit the community. He went on to explain the Community Education was a self-sustaining arm of the Newton Public School system. They

have a staff of 8 individuals. They have no financial subsidies and partner with the Schools so are able to use their facilities but they pay the custodial fees. They are a customer service oriented entity and agency of the community. Their mission is similar to Parks & Recreation in their recreational and enrichment programs and there is some overlap. What they do well is customer service and their office is available for communication and registration. As a consolidating effort, they could become more of a one-stop office for information and registration for offerings in both departments. Since they are on the School side and Parks & Recreation is on the Municipal side, he wasn't sure how that would be managed. Ald. Sangiolo asked Sandy Pooler if this could be worked out. Mr. Pooler said he would be working with Ms. Towle and Mr. Hauben to figure that out.

Community Ed and Parks & Recreation would like to start getting some quantitative analysis of the programs. Community Ed runs about 1,200 programs a year and they cancel about 25% - 30% of them. The successful programs allow them to sustain the wide breadth of programs that are provided. Another consolidating idea is to share marketing and promotion costs. Community Ed spends about \$100,000 on those expenses, mostly for their catalogue. Mr. Hauben said Community Ed was very open to exploring all possibilities. Ms. Towle said that they have tried to put more on their website to keep their printing costs down. Parks & Rec. is moving more and more towards web based information dissemination and registration. She said she would look into this with Mr. Hauben.

Additional Committee Questions

Recycling in Parks

Ald. Lennon asked about implementation of recycling in the parks. He thinks people would really take advantage of recycling receptacles. Ms. Towle said that it would take another layer of resources to accomplish this task. The National Parks have a campaign of asking people to take out what they bring in and the Parks & Recreation Department is doing the same thing. They've been working closely with the Youth Leagues and other groups they permit to clean up after themselves. She said they have been very responsive. Ald. Lennon says he has seen debris left in the parks and felt more could be done to encourage recycling. He said he's been working with DPW on the new trash and recycling program and would be happy to work closely with Parks & Rec. to try to find a solution and thought Elaine Gentile would be a good resource as well.

Ald. Brandel said he's had discussions with some of the Youth groups. They are able to collect the recyclables but are having trouble taking them away from the fields. He wondered if the City could help with that. Ms. Towle said they only have one truck for trash. They would then have to collect all the trash, dump it, wash the truck, and then go back to pick up all the recyclables and they do not have the resources to accomplish that.

Maintenance of Parks & Fields

Ald. Parker wanted to know how Ms. Towle saw the decline in the maintenance of the fields and what could be done to reverse it. Ms. Towle said the use of the fields has increased dramatically and they're also developing better methods of maintaining them. With their declining resources, she feels they're doing a good job. Ald. Parker asked what she would add if the money were available. Ms. Towle said she would put back some contractual services for leaf removal and grass cutting.

Forestry

Ald. Lennon noticed \$60,000 less in the Forestry services budget and wondered how that would affect the City. Ms. Towle said they had a supplement through Capital Improvement of \$60,000 to remove some hazardous trees around the City. It was a one-time supplement. Mark Welch, Director of Urban Forestry, rides around the City each year with his assistant to assess the condition of the trees. The report last year generated the need for the \$60,000. Mr. Welch said it was put into their operating funds in FY09.

Performance Management System

Ald. Freedman said that one of the major points of the CAG report is the necessity for a performance management system in order to prioritize goals and achieve them. He wondered how Parks & Recreation could translate their goals and objectives and measure their progress. Ms. Towle said Bob DeRubeis has put together some action plans for their stated goals. For example a goal for expanding programs was the addition of two new camps and they established the new camps. Ald. Freedman said he would like to see that applied to all the goals and they should be included in the budget.

Line Item

Ald. Hess-Mahan asked about the rental vehicle line item in their budget that showed a savings of about \$600,000. Ms. Towle said this was on the emergency line of the budget for snow removal. They pay contractors (rental equipment) so they receive only seed money to start and then they come before the Programs & Services and Finance Committees for more money. At the beginning of the next budget, it goes back into seed money.

Summer Programs

Ald. Lennon asked if there were any internal discussions regarding adding more supervised summer programs. Since the economic downturn, he noted that teenagers will have a harder time finding jobs this summer and it would be advantageous to have programs for them to attend.

Stimulus Funds

Ald. Parker asked if Ms. Towle has explored the federal grants for clean diesel vehicles for Parks & Recreation departments, or any other federal stimulus money. Ms. Towle noted that they will be receiving some state stimulus funds for two parks but she has not explored the federal funds. Sandy Pooler said that Jeremy Solomon was coordinating all of the federal stimulus programs in the Mayor's Office. He has been looking at the vehicle program which has a May 18th deadline. Certain commitments need to be in place in order to be eligible and they will allow the difference between the cost of a regular vehicle and a hybrid. Ald. Parker said many of the grant applications require department specific information and that Mr. Solomon should include the department heads.

Revolving Accounts

All revolving accounts are staying flat except for the following:

- The Camp account would be raised to \$800,000 because they started two new camps.
- The Field Maintenance account would be raised to \$250,000.
- The Recreation Classes account would be raised to \$950,000 due to increased enrollment.

Ms. Towle explained that the amount in the accounts is the maximum amount allowable. Ald. Sangiolo asked for a list of what is currently in each of the revolving accounts. She noted that the accounts build up during registration then the money is spent down. That list is attached to this report.

CIP

Ms. Towle said if they had the money, they would like to add some equipment. They just received some money for a pickup truck for snowplowing and another for landscaping. Field renovations would be on the wish list as well as more money for trees. The tree ordinance has helped with planting and pruning.

The Programs & Services Committee voted to recommend approval of the Parks & Recreation Department budget. The Finance Committee voted to hold the budget.

SCHOOL DEPARTMENT BUDGET AND CIP

**ACTION: PROGRAMS & SERVICES HELD 6-2-0 (Ald. Baker and Hess-Mahan opposed)
FINANCE HELD 6-0**

NOTE: Marc Laredo, Chairman of the School Committee, presented an overview of the budget process and some comments on the Citizen Advisory Group recommendations. Superintendent Jeff Young then presented his comments and took questions from the Committees.

School Committee Presentation

Mr. Laredo explained that the School Committee prepares budget guidelines in the fall. They are discussed, debated publicly and presented to the Superintendent to prepare the budget. Coupled with the information provided from the Mayor in January about how much will be in their budget, the Superintendent and his staff then craft the budget for the year. An initial budget was presented in March but because of the uncertainty regarding state funding, the receipt of some federal stimulus money, and the question of additional monies from the City, the vote was postponed until April 28th.

Response to Citizen Advisory Group Report

Mr. Laredo said the School Committee was committed to examining the Citizen Advisory Group's recommendations and, where appropriate, implementing them. To that end, they have a subcommittee led by Jonathan Yeo to review all of the recommendations. The following areas were recommended for review by the Citizen Advisory Group:

Food Service Program: Reenie Murphy is chairing a subcommittee that will have a report available by May 11th with some recommendations for this program. The Superintendent will also be recommending the reduction of lunch attendant positions.

Ald. Parker asked how the cuts to the school lunch attendants would affect the operation of lunch. Supt. Young said it would continue as it always has in terms of cooks and food handlers. The change in the attendants will require some reconfiguration of human resources in the schools to tend to the students while they eat. They do not expect teachers to be supervising lunch.

So few of the schools have cafeterias, therefore, the students eat in classrooms which require more people to supervise. Asst. Supt. Pat Kelly has been working with the principals to figure out solutions for each school.

User Fees: Raising fees for students and their families is careful work. Jeff Epstein is chairing the subcommittee that will examine these areas with a report by the end of June. They will try to implement any recommendations shortly thereafter. The Superintendent reported that the transportation fee will be raised from \$220 to \$260 per year. (At \$260 a year, the family is paying 19% of the cost of the bus ride and the School Committee subsidizes the remaining 81% of the cost.) The use of school buildings (USB) fees will also rise as will the cost of the high school parking fee.

Special Education: The School Committee has committed \$100,000 to conduct a study of Special Education. Dori Zaleznik is chairing the subcommittee for this. The Superintendent reported that there will be a reduction in Special Education aides. They will continue to provide the services that Special Needs students are entitled to by law, and entitled to morally. These students will continue to receive the access to excellent education that they deserve.

Capital Improvements: There is money in the budget for the beginning of a preventative maintenance program at Newton South High School. There is also money in the budget for a feasibility study to look at the Carr, Angier and Cabot schools. Mr. Laredo said these are good first steps.

Ald. Brandel asked about the process of the feasibility study for the Carr, Angier and Cabot schools and how the public might be involved. Supt. Young said \$215K has been allocated for this study. They would do an inventory of the buildings and look at all opportunities including renovation, renovation/expansion, or new construction. A feasibility study does not generate an actual design but a plan on how they might move forward. Mr. Laredo said that they will be actively inviting community input on an ongoing basis. The study would also include a very detailed site planning process which would involve every stakeholder including neighbors, parents, school community, etc.

Ald. Parker asked if the School Committee had a preference for renovation, expansion or new construction. Mr. Laredo said they would look at each site carefully to determine what would make most sense. They would probably go to Carr School first for a renovation and use that as swing space during work on the other schools. Ald. Danberg asked when the renovation at Carr would begin. Mr. Laredo said the feasibility study was the way to get the projects going. Once the study is done, they will then need the funds to do the improvements. He wasn't sure when the study would be done but it was in the budget to be done this fiscal year.

Ald. Sangiolo asked what other capital improvements they would be looking to make. Supt. Young said there is \$300K in the budget for various projects and \$100K put in reserve to improve the bathrooms.

Strategic Planning Initiative: This has been led by the Superintendent, Claire Sokolof and Dori Zaleznik. They have an overall strategic plan and they need to start implementing that plan. To view the full plan, please visit the School Department's website.

School Department Presentation

Superintendent Young presented the budget for the School Department. He provided a detailed PowerPoint presentation which is attached to this report.

Variables in the Budget

Superintendent Young explained that they do not feel they have a final number for their budget due to the following variables:

Salaries

The Superintendent explained, and wanted it to be very clear, that the FY10 Budget includes no cost of living increase (COLA) for any Newton Public School employee. The senior staff (non-union) school employees have agreed to take zero salary increases as well. Keeping all these increases out, they were able to keep their cuts at bay. The School Committee is engaged in collective bargaining with the three unions (teachers, custodians, and secretaries) and that outcome is as yet unknown. If the unions call for an increase, every % increase equals about \$1.2M in new money and would subsequently result in additional cuts.

Stimulus Funds

The ARRA (the federal stimulus law) translates to an IDEA grant (a Special Education grant). Newton will be receiving \$1.76M. The rules of the stimulus laws require that the money must be requested in the form of a grant and they are in the process of preparing those materials. Everything included in the stimulus grant must be connected to student services or Special Education. The two other goals of the stimulus money for schools are to save jobs where possible, and to try to build the capacity of the school system to do its job better and more efficiently in the future.

Ald. Parker asked if they would be applying for the Secure Our Schools Program Grant that is available through the federal stimulus package. He said they would be eligible for \$25K - \$1M to make the schools safer. The deadline is May 8th. Supt. Young said he would look into that. Supt. Young said they have regular meetings with the Community Based Justice Program, the police department and other public safety personnel. Mr. Laredo said they are extremely aggressive in going after grant money. They have to think about the long-term consequences, however, because they don't want to get a grant that might obligate them to do something several years down the road that may not be central to their mission. Right now, they are putting a fundraising policy together which talks about what they look for in bringing grants to the schools.

Additional City Funds

Supt. Young said that the Mayor informed them that they may be getting an additional \$340K in their allocation. At this point, they do not know if that will happen.

Circuit Breaker

The Circuit Breaker is a state program that reimburses school districts in the Commonwealth a percentage of costs of certain Special Education programs. The law that gave rise to the Circuit Breaker said that the schools should be reimbursed at a rate of 75%. Supt. Young said they have been advised by the Dept. of Education to count on a 70% reimbursement, so they built that into the budget. However, the latest action by the legislature indicates that reimbursement will come in at the rate of 60%. That change will result in a loss of \$500K in state aid and, therefore, a \$500K cut to the budget. They have also heard that the reimbursement may be cut back even further to 50%. That remains unknown at this point. If that happens, it will be a loss of an additional \$500K that they will have to cut. The Mayor and local legislators are working to keep the reimbursement level as high as possible.

General State Aid

Supt. Young reminded the Committees that when the federal stimulus money first came, Gov. Patrick spoke of distributing \$168M to school systems in Massachusetts from that Stabilization Fund. About half of the districts were going to receive no money at all from that Fund and Newton was one of them. Supt. Young said there is some movement afoot to redistribute that money and this may open up an opportunity for some money from that fund, but it is completely unknown at this time.

Budget Reserve

They are holding \$750,000 in reserve which is a compromise between the \$500K and \$1M that might be lost due to Circuit Breaker reimbursement changes. To create this reserve, they are looking to the \$340K in the possible additional City funds as mentioned above, and \$410K worth of items contained within the regular budget that they will hold - they will not hire for certain positions, or purchase certain equipment, until they know how this all ends up.

Additional Committee Questions

Ald. Baker expressed the gratitude of the Board for the Superintendent's excellent work during his tenure. Many Committee members echoed these sentiments.

Search Committee

Ald. Baker asked about the search process for a new Superintendent. Mr. Laredo said there will be a very open process in the search. The School Committee has committed to having an interim Superintendent for the next year while the search is ongoing.

Science Equipment

Ald. Parker wondered if Jen Price's (Principal, Newton North High School) concerns about needing science equipment were being addressed. Supt. Young said the FY10 budget calls for an investment of \$40K in science equipment. They came to that number by collecting lists from the high schools and science coordinators and do the best they can. Mr. Laredo said that \$100K was also allocated for the broad term of "equipment" which could include science equipment, musical equipment, etc. This money is being held in reserve as described above.

Internship Programs

Ald. Linsky asked if other types of programs might be brought into the schools in the form of SILOTS from other institutions (in addition to the Lesley/Northeastern Intern Programs). Supt. Young said that Reenie Murphy has been instrumental in trying to build a partnership with Boston College. She and others from the School Committee and administration met with the Dean of the Education School to explore those opportunities just a few weeks ago. That meeting was left with their having tremendous interest in the Newton's strategic plan. One key aspect of the strategic plan is called "The Workforce of the Future". In this case, the "workforce" means the adults that will be educating the children and Boston College has a vested interest in producing that workforce. Supt. Young feels there is a very rich possibility with Boston College. Ald. Linsky asked if the commitment with Lesley/Northeastern is long-term. Supt. Young said it is a pilot program funded for this year and then will be evaluated.

Ed Center Reorganization

Ald. Lennon asked if the School Dept. and School Committee would be looking at different models of organization in the Education Center. Supt. Young said that a significant reorganization at the Ed Center was done several years ago. They cut the staff by 14% and saved \$750,000 off the base, so it was a recurring savings. Mr. Laredo said it was a discussion for the School Committee to have in the search process. The Gibson Report and the Citizen Advisory Group report both expressed concern over the lack of oversight in certain areas at the Education Center so this is not a simple question. The new Superintendent would need to have leeway to determine how to structure his/her staff.

Alternative High School

Ald. Lennon was intrigued by the idea of an alternative high school and wanted to know more. Supt. Young said building the right staff and programming is essential. They would use the space in the annex behind the Education Center. He said they would request 2.5 FTE Special Education content area teachers; 1.0 FTE social worker/guidance counselor; 2.0 aides; .2 of a Program Coordinator. The total cost is \$323K. The renovation of the space would cost \$50K and is something that Mike Cronin would be able to take care of (this is included in the \$323K). Supt. Young projects savings in out-of-district tuition of \$553K and savings in transportation of \$90K for a total of \$633K. The net savings would be \$320K. They expect this to be in place in the fall.

Performance Management

Ald. Hess-Mahan said he was aware of the performance reporting that occurs in Needham. He wondered if that was something that might be resurrected in Newton. Supt. Young said the Needham report has wonderful content. He said that was an area they needed improvement and have built a position into the budget of a Program Evaluator. This person would help them amass, inventory, and organize the reams of data they have. They could then better analyze that data. Mr. Laredo said they do data driven decision-making, but know they could do it better.

Revolving Accounts

Ald. Sangiolo said a revolving account needs to be set up for the elementary music program fees. A docket item will be filed next week. The School Committee has several revolving accounts but did not comment on them.

Additional Meeting

Ald. Parker moved to hold the budget in Programs & Services because it is still in flux. He felt they would need another opportunity to collect further information. Ald. Johnson asked Supt. Young and Mr. Laredo if they could return on May 12th with more information. Supt. Young said it was wildly optimistic to believe that the state aid and the circuit breaker information would be clear and definitive by then. He felt that the additional City funds may be closer to settled, but he would have to check with the Mayor. Ald. Parker felt that they may not have all the information, but more may be available so he would like to hold and meet again. A meeting has been set for May 12th at 7:15pm.

Both Committees voted to hold the School Department budget pending further information.

All other items held without discussion.

Motion to adjourn.

Respectfully Submitted,

Marcia T. Johnson, Chairman
Program & Services Committee

Paul E. Coletti, Chairman
Finance Committee