



Programs & Services Committee Report

City of Newton In City Council

Wednesday, July 24, 2019/7:00 pm/Chamber

Committee Councilors Present: Brousal-Glaser (Acting Chair), Krintzman, Albright, Greenberg, Kalis, Baker, Schwartz Absent: Rice (Chair)

Additional Councilors Present: Cote, Grossman, Laredo

Also Present: Claudia Dumond-Henderson, Doug Cornelius, Carolyn Gabbay/Blue Ribbon Commission Members

City Staff: Marie Lawlor (Deputy City Solicitor), Maureen Lemieux (Chief Financial Officer), David Olson (City Clerk/Clerk of the Council), Claire Gardner (Student Intern), Donna Whitham (Committee Clerk).

- #246-19 Reappointment of John McDermott to the Election Commission**
HER HONOR THE MAYOR reappointing JOHN McDERMOTT, 7A Washington Street, Newton, to the ELECTION COMMISSION for a term to expire March 31, 2023.
(60 days: 9/6/19)
- Action: Program & Services Approved 5-0**
- #247-19 Reappointment of Nancy Levine to the Election Commission**
HER HONOR THE MAYOR reappointing NANCY LEVINE, 379 Central Street, Auburndale, to the ELECTION COMMISSION for a term to expire March 31, 2023.
(60 days: 9/6/19)
- Action: Program & Services Approved 5-0**
- #248-19 Reappointment of Vincent O'Donnell to the Newton Housing Authority**
HER HONOR THE MAYOR reappointing VINCENT O'DONNELL, 10 Leighton Road, Auburndale, as a member of the NEWTON HOUSING AUTHORITY for a term to expire August 16, 2024. (60 days: 9/6/19)
- Action: Program & Services Approved 5-0**

The location of this meeting is accessible and reasonable accommodations will be provided to persons with disabilities who require assistance. If you need a reasonable accommodation, please contact the City of Newton's ADA Coordinator, Jini Fairley, at least two business days in advance of the meeting: jfairley@newtonma.gov or (617) 796-1253. The city's TTY/TDD direct line is: 617-796-1089. For the Telecommunications Relay Service (TRS), please dial 711.

Note: Committee unanimously approved all 3 and were grateful for the continued service of the members.

John McDermott-Election Commission

Nancy Levine-Election Commission

Vincent O'Donnell-Newton Housing Authority

This was a Public Hearing.

Referred to Programs & Services and Finance Committees

#208-19 PRESIDENT LAREDO requesting consideration of the recommendations of the special Blue Ribbon Commission regarding compensation for the Mayor, City Council, and School Committee.

Action: **Programs & Services Held: Approved 7-0**

Note: Public comment began with Marica Johnson, 39 Bemis Street who spoke on behalf of the League of Women Voters Newton (LWVN). She stated the LWVN has not taken a position as to support or oppose the proposal of increasing salaries, but do have comments on the process thus far. They appreciate the City Council creating the Blue Ribbon Commission (BRC) of a diverse group of residents, none of whom serve as an elected official. The LWVN is concerned that it appears Committee discussion on this topic had approximately spent only a total of 90 minutes without arriving at a solid recommendation. Therefore, they were surprised a vote of the full Council could happen by September, to enact increases for new City Council starting in January 2020. This was extremely disappointing to the LWVN, as it appeared there was a general agreement in place to begin the increases, prior to the vote.

LWVN feels equity amongst the increases, coupled with the impact of rising costs to the City, had not been explored thoroughly enough. Their understanding was that the BRC was not enthusiastic about the total restructuring of compensation proposal and that further discussion was going to be held with the Mayor. It appeared the BRC was not overwhelmingly in agreement of such increases and the degree to which salaries would be enhanced. Ms. Johnson continued that salary specifics were not discussed in great length; ranges went to \$19,000.00 as a base salary for City Council, not including health benefits. She noted if Council members receive an increase of double in salary, some could be earning a compensation packet of close to \$40,000.00 annually. LWVN is grateful to the Committee for public hearings, though curious as to how these meetings are going to serve purpose and how will these hearings be conveyed to the public for involvement and understanding. They remain unclear with regards to compensation and the method of presentation to the full Council. They are interested in where the source of funding will come from. In short, what will the proposal and recommendation be to the full Council from the BRC and will there be another opportunity for public hearings once the Committee has decided.

With many questions remaining, the hope of the LWVN is that the Committee will focus on more

than just a raise and base salary. The equity in salaries for City Council, School Committee and Mayoral compensation should be given careful thought and the recommendations should be seriously explored. Elected Officials are treated as full-time City employees, with eligibility of benefits as other full-time employees, regardless of how many hours they work. The cost of a family health plan could approximately be \$20K. Currently, nearly half of the City Council and School Committee, accept healthcare through the City, making their salary \$30K and \$25K respectively; those who do not accept healthcare benefits are compensated \$10K and \$5K respectively.

The LWVN does not want a rush-to-judgement, only to accommodate new positions commencing in January 2020. The hasty vote for January's pay raise, seems to outweigh the need for transparency and careful deliberation. Ms. Johnson would like more transparency and facts distributed to citizens, as they feel there are many areas in which residents are harmfully unaware. For this cause, the LWVN will be sending comments to various media outlets and members of their own organization to spark a more thorough comprehension within the community.

Peter Carg of 210 Nahanton Street offered sentiment that his concerns echo those of Ms. Johnson. He feels this process is being rushed and requests there to be full transparency. He feels this topic has been discussed for too many years and the topic of reducing the size of the City Council continues to be the subject for which residents favor. Would prefer to address the reduction of City Council prior to salary/benefit increases which creates more pension and healthcare liabilities for the City. He explained trying to control expenditures is a very serious consideration and this will not be of sound judgement for the City of Newton.

Jane Franz of 12 Glastonbury Oval, commented that after she attended a Blue Ribbon Commission meeting, she changed her perspective regarding increases for the City Council, School Committee and Mayor. She believes the decisions should be reflective of the precarious times for which we are living. She stated that healthcare is a national crisis and necessitates different measures during this time. She requests Newton residents think beyond the budget and reconsider this issue. Health insurance is out of control and companies should provide to as many people as possible. Current prices of healthcare are a financial burden and at an unacceptable rate for today's society; people need to have health insurance from wherever they can. She does not have recommendations, but feels that elected officials of City Council, School Committee and Mayor, should be entitled to accept and retain health insurance. Ms. Franz does agree with the 5 year review of this provision and as a final comment, thinks it is unfair to engage employees for 19 hrs/wk merely to deprive them of health insurance benefits.

Public Hearing will remain open for September 4, 2019 meeting.

Marie Lawlor began comments to inform Committee that BRC final report stated on pages 1 and 6 that Municipal, State and Federal can count as creditable service towards the State pension; this is incorrect due to Federal having no bearing on State. She pointed out that School Committee

members annually earn less than \$5K and according to State pension laws not considered creditable service for a pension. However, if the employee later joins the City or State in a pension eligible position, they can buyback those years of service and include them as pension worthy in the future. She explained the 2 tier system recommended in the final report is not permissible and that she had informed the BRC Chair. The 2-tier rate of pay proposal would allow a subsidy/bonus higher rate of pay to employees who do not accept health insurance and a different rate of pay for those who accept plans. Under Chapter 32.b, the statute which governs all municipal health insurance and benefits, this option is not permissible. The statute ensures equity to keep rates and benefits equal across the line (collective bargaining units not applicable), otherwise all City employees would have to be included in the 2-tier optional program.

On behalf of Her Honor The Mayor Maureen Lemieux spoke and expressed appreciation to the BRC for their work on the study. The Mayor would like to ensure the City Council and School Committee are well represented and does not want a barrier to service. Budgets are extremely tight and more restrictive every year as the City increases appropriations for long-term liabilities. At this juncture the City in the midst of negotiations with all Unions. The Mayor is confident this will move forward with these deliberations on the many interests and needs that must be addressed and she looks forward to updates as the progress moves forward. Ms. Lemieux stated that at present, approximately 2500 employees do accept health insurance and 500 who do not accept health insurance.

A Councilor inquired about percentages of the health insurance currently being offered. Ms. Lemieux responded that employees who engaged the insurance prior to July 1, 2011 pay 20% of costs, while those after that date pay 25% and 30% depending on the Unions. Additional questions were how many retiree pensions are being paid currently and how many City Councilor, School Committee members and Mayors receive some form of medical coverage. Figures were not readily available, but would be accessible through Human Resources and the Retirement Board. The Councilor is trying to ascertain the potential financial impact to the City, based on how many members are already drawing pensions and those expected to do so in the future. One Councilor inquired if there are survivor benefits. Ms. Lawlor explained they do not control anything related to Social Security. She explained a windfall elimination provision that is designed for a surviving spouse also receiving their own non-Social Security pension. One Councilor asked for clarification on the status of the interplay with regards to the Councilors voting salaries and what transpires at the executive level. For example, if Councilors have a decided vote could it be subjected to a veto opportunity by the Mayor. It was confirmed that if the Mayor vetoes, the Council would be able to then override the veto if they so choose; this course of action will be confirmed at the next meeting prior to deliberations.

There was a request by a Councilor to discuss the merits of the proposal by the BRC and to have a consensus as to how the Council feels about the salary increases. Would like for them to do more talking than less as to the numbers and the effects to the budget. It was mentioned that time and demands of these roles have increased over the years and should commensurate with salaries. Added that this plays a role in attracting sound qualified people to serve the community. Stated by a Councilor was that Newton needs to be cognizant of attracting a diverse socioeconomic array of people for future serving and that compensation is the means to make the appeal to enhance

the desire. Also feels the 2-tier system of salaries based on insurance vs. no insurance is not a path that should be followed, but perhaps a staggered increase over terms could be discussed.

Some Councilors felt the average annual salary of a Councilor member in comparable communities across the Commonwealth was averaged at 19,000.00 which seems fair and that Newton should follow. Carolyn Gabbay wanted to make known that the 19,000.00 as a target salary was a mathematical result of the equity payment and merely coincidental with the State-wide average. The BRC proposal was actually \$14K for Councilor compensation. They felt the quantity/size of the Newton City Council in comparison to other communities impacted their final judgement for salary recommendation. A question was asked pertaining to the potential cost-of-living increase and . Doug Cornelius and Claudia Dumond-Henderson stated estimated cost-of-living index dating back from 2005-2018. For Mayoral level the figure projected at \$162K, City Council \$15K and School Committee \$7,500. A Councilor expressed that it should not be up to the Council to arrive at a salary figure, more appropriate for the Council to approve or deny the proposal presented. Using an independent commission is more likely to be objective and feels inclined to follow the BRC. Councilors felt the BRC recommendations were fair and to use simplicity during this process for the sake of the constituents.

Respectfully Submitted,

Barbara Brousal-Glaser, Acting Chair (Vice Chair)

**on behalf of
John B. Rice, (Chair)**