



## Programs & Services Committee Report

### City of Newton In City Council

**Wednesday, September 4, 2019**

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

Additional Councilors Present: Cote, Lipof and Noel

Also Present: Doug Cornelius, Carolyn Gabbay/Blue Ribbon Commission Members

City Staff: Marie Lawlor (Deputy City Solicitor), Maureen Lemieux (Chief Financial Officer), Donna Whitham (Committee Clerk).

#### **#208-19      Referred to Programs & Services and Finance Committees**

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 Committee Approved; Public Hearing Closed**

**208-19 (A)** Mayor Compensation \$155,000.00 **Approved 7-0**

**208-19 (B)** City Council Compensation \$15,500.00 **Approved 7-0**

**208-19 (C)** School Committee Compensation \$7,750.00 **Approved 7-0**

**Note:**      The Chair opened the meeting by defining protocol of the Charter, which states pay raises for City Councilors can only be approved from January 1-September 30 within an election year. Therefore, should the increase not move forward this year in 2019, it would then wait until the 2021 timeframe, however, discussions could still take place. The Vice Chair was asked to provide an overview of the last Program & Services meeting July 24, 2019. She recapped the recommendations of the Blue Ribbon Commission (BRC) and referenced comments made during the Public Hearing. She described that the Committee had a sound conversation about the salary increases excluding insurance benefits, as it was felt that portion was not within the Committee's purview. It was decided to limit the goal to what was within the power of the Committee and how the Committee felt about the BRC's recommendations. It was noted that suggestions made by the BRC basically equated to a standard cost of living adjustment.

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The Chair wanted to inform the Committee of his conversation with the Finance Chair. He explained if Programs & Services confirms a vote, Finance Chair intends to bypass and have it proceed directly to the Full Council in the interest of time. He also informed the Committee of his conversation with Mayor Fuller, who stated she would veto any amount over half of the BRC's proposed figures. Specifically, BRC recommended 14,000.00 annually for Councilors, an increase of 4,250.00. Mayor Fuller will only approve up to half at 2,125.00.

One Councilor mentioned the prospect of phasing in the salary increases, splitting within a 2 year span to fit within budget. He spoke with Mayor Fuller [prior to Her Honor becoming Mayor] about this possibility and later informed by the Law Department that it was not in compliance.

A Committee member indicated that although salary and insurance compensation are referenced together, they are severable entities and suggested a straw vote to concentrate only on the salary detaching from insurance benefits. He also stated if there is an opportunity and desire for health insurance compensation, folks should accept if they choose. Part of the goal is to incentivize future Councilor candidates who will be running for the position. He further recommended to segregate salaries of Mayor, City Council and School Committee into (A), (B), (C). Straw votes were taken:

- Focus exclusively on Salary, omit health insurance from the discussion-Approved 7-0
- Separate Mayor (A), City Council (B), School Committee (C)-Approved 7-0

A member of the Committee confirmed that even if members in these roles do not decide to accept health insurance during their tenure, they may still accept it from the City at retirement eligibility. School Committee salary would have to increase over 5,000.00 and mandatory years of service must be met. Ms. Lawlor emphasized creditable service must be over 5,000.00 annually. Ms. Lemieux spoke to what would be the total increases for each entity if BRC recommendation were followed: City Council 96,000.00, School Committee 20,000.00 and Mayoral 15,000.00 with a grand total of 131,000.00. She conveyed that Mayor Fuller would not be accepting the increase and has major concerns with the full proposed amount. Neither the Mayor, nor the budget can support that recommendation. Ms. Lemieux also stated Mayor Fuller was concerned that this issue was not discussed by Committee/Public Hearing until July 24<sup>th</sup> after the filing deadline was closed for Councilors intending to run for office. One Committee member asked Ms. Lemieux what sources of funding are available at present. She stated free cash was not yet declared and budget reserve [500,000.00] is something conserved especially when free cash is not definite. Budget reserve will fund security cameras for both Elliot/Crafts Street garages and is often used for extreme weather conditions and needs. Historically free cash consists of 5-6 million on the low side, this year's total is expected to be healthy nearing 12 million, which is practically accounted for with citywide operating costs.

A Committee Councilor mentioned a historical alignment between salaries of the 3 entities. They noted the Mayor's was 10 times the Councilor's and School Committee was half of Councilor's. This was the 10%/5% informal guideline that was altered during the last Mayoral increase. Councilors voted to increase Mayor, but were not increased themselves. Another Committee Councilor felt it was wise to stay within the realm of the BRC recommendation. Other members felt inclusion of Consumer Price Index (CPI) in addition to BRC proposal should be considered, this would be in the vicinity of 15,850.00.

One Committee member asked if an automatic review process could be introduced to address Councilor compensation every so many years. The Chair and Ms. Lawlor stated that would require an ordinance change and should this be docketed it could go into effect by the 2021 timeframe. Further discussion took place with several options for City Council salaries: 19,000.00, 15,850.00, 15,000.00, all of which were not majority supported, until 15,500.00 was presented and unanimously agreed upon.

Discussion turned to the Mayoral salary increase with an opening proposal of 155,000.00; a straw vote reflected unanimous support at 7-0. Straw vote for School Committee increase also yielded a 7-0 unanimous vote at 7,750.00.

**Public Hearing comments:**

Marcia Johnson, 39 Bemis Street, voiced her personal opinion that if this was the private sector, the Mayoral would fall between 250,000.00-275,000.00 annually. She mentioned with the size of the budget and duties this is a more adequate level.

Jane Frantz, 12 Glastonbury Oval, said she anticipated the straw votes would have been at a much higher level and feels all 3 entities work very hard. However, there are 17 unions currently working without a contract and if this is pushed it would be walking into a PR problem within the community. Although Ms. Frantz supports the idea that increases are long overdue, she wonders if this is the most appropriate time to address it.

Doug Cornelius, 12 Lockwood Street, a member of the Blue Ribbon Commission wished to highlight additional data. He described the manner in which the Commission arrived at their figures was comparable to the Councilors method of the evening; straw votes, process of elimination until a consensus was met. On a personal level Mr. Cornelius mentioned peer communities in the final report were more affordable. Given that the Newton Mayor must reside in the community, it warrants a higher salary to afford the housing costs.

Sue Flicop, 145 Florence Street, does not personally believe more money creates more incentive in the diversity sphere and feels the Councilors have the ability to change the scope of the job structure, but they do not. She stated if they truly wish to motivate others, they should restructure the duties and hours of the position. Another 5,000.00 is not going to entice an array of new people to run for Council. She believes Committee is fooling themselves and to the people who are listening. Ms. Flicop did not appreciate salary figures spoken about like magical numbers and mentioned the possibility of gauging salary comparisons to other union positions across the City. She believes Committee is looking through a bubble and wonders what tradeoffs the Councilors anticipate if increases go into effect.

Carolyn Gabbay, 11 Doris Circle, stated she was personally offended when it was mentioned that BRC did not engage a thoughtful process in their discoveries and conclusions. She hopes that description of the BRC is not repeated. She compared the method of the Councilors was exactly the process that the Commission used during the decision making process. She explained the BRC was very thoughtful

and worked for 6 months researching data to arrive at a conclusion they felt appropriate. She further explained the striking disparity in those who accept the family plan vs. those who do not and that the 5,000.00 is to be separate from the 14,000.00 salary. The BRC felt it was reasonable to compensate and incent the Commission to look at more cost effective and creative ways of balance. Ms. Gabbay views these public service roles as elected honorary positions though unfortunately, they are classified as City employees. She notes that there have been numerous economic raises for Councilors; 400% throughout the past 20 years. Her concern is the billion and a half unfunded liabilities for which the City currently has and she advises to follow the BRC's recommendations and not exceed it.

Don Siegal, Paulson Road, also a member of the BRC personally feels Councilors are dedicated and hard working. He feels salary increases are long overdue. **Public Hearing closed.**

Committee continued discussion and the Chair posed if salary increases are funded, what financial impact might they expect. A Committee member felt there is never a good time to discuss increases, as there will never be extra money. They realize there are always tradeoffs, but have faith in the Mayor's financial staff. It was noted by a Committee member that there are areas when new revenue is introduced into the City budget, for example the Short Term Rental (STR) and snow removal ordinances that recently passed in Full Council.

Mayoral salary was compared to other political positions. It was acknowledged that larger department heads in Newton, Police/Fire, Mass. Governor, Senate, Justices were in the realm of 150-160,000.00. Additional straw votes were taken to increase the Mayoral salary:

- 175,000.00 failed 1-6
- 160,000.00 failed 4-3

Decisions were made to confirm the earlier straw votes at the 10% and 5% informal guideline between various levels. Councilor Baker motioned the following, which were unanimously approved:

**208-19 (A) Mayor Compensation \$155,000.00**

**208-19 (B) City Council Compensation \$15,500.00**

**208-19 (C) School Committee Compensation \$7,750.00**

Meeting adjourned 9:45pm

**Respectfully Submitted,**

**John B. Rice, Chair**

