

CITY OF NEWTON

BOARD OF ALDERMEN

PROGRAMS AND SERVICES COMMITTEE BUDGET REPORT

WEDNESDAY, MAY 18, 2005

Present: Ald. Johnson (Chair) Merrill, Fischman, Coletti, Sangiolo, Baker, Hess-Mahan, Parker
Other Aldermen Present: Ald. Linsky, Harney

Also Present: Kathy Glick-Weil (Library), Michael Rourke (Mayor's office) David Naparstek (Health), Jayne Colino (Senior Center) Beverly Droz (Human Services) Robert DeRubeis (Recreation) Fran Towle (Recreation) Gayle Smalley (Law Department) Dan Funk (Law Department) Sandy Pooler (Mayor's Office)

PUBLIC HEARING

#110-05(3) HIS HONOR THE MAYOR, pursuant to City Charter Section 6-2(a), submitting reorganization plan which includes abolishment of the Human Services Department, reorganization of the Health Department into a Department of Health and Human Services, and creation of a new Department of Senior Services.

Rationale for the Reorganization: Michael Rourke, David Naparstek and Jayne Colino were present for this discussion. Michael Rourke said that the opportunity to do this reorganization came about in a number of different ways, including the challenge to meet the budget targets. Ways of consolidating services were looked into when Ms. Stachowics announced her retirement as the Director of Human Services. Mr. Rourke explained that this plan was worked on to try to streamline some of the services as well as consolidate various pieces of Health, Human Services, and Senior Services. There would be a savings of approximately \$100,000 the first year. This would be accomplished by no longer having the Director of Human Services position at a department head level and the responsibilities in an organizational way would be placed under the Commissioner of Public Health. This plan would consolidate Outreach, Mental Health, and Social Services under the Health Commissioner. The Outreach Program has been staffed within the department up until two years ago. An outsourcing of that service and the outreach services to youth are now provided by Riverside.

Organization: Mr. Rourke said much thought had been given to what positions could be saved within the Health Department and the Human Services Department that did not have duplication. The Health and Human Services Department would be comprised of the following:

Linda Walsh, Associate Director, who will provide supervision and coordination of Adult and Youth Outreach and Counseling Services currently provided by our outside contractor, Riverside Health and Counseling Services.

Beverly Droz, Associate Director, will continue as Director of Volunteer Services and take on the new duties of Disability Director, liaison-support staff coordinator for the Mayor's

Committee for People with Disabilities, the Human Rights Commission, the Child Care Commission, and the Youth Commission.

Diana Patten has indicated she plans to retire in March FY06. Currently she is the community Social Worker. Commissioner Naparstek has spent a good deal of time with Ms. Patten to accomplish a positive transition. With her retirement, there will be a challenge to take her procedures and practices, integrate them into this new division, and find possible staff to maintain this level of service in the future. Jayne Colino added that an outreach worker has been in place for the last two years. Last year over 300 people received case management services.

Support services in both departments were studied with questions like how would payroll be handled, purchasing issues, and payment of bills being studied. Commissioner Naparstek said he was confident of the fact that five positions could be handled in three positions and be able to provide support services for the Health Department, Senior Services Department and the Human Services Department.

Creation of the new Department of Senior Services: Mr. Rourke felt the most important issue would be the conceptual change in the ability to reach seniors within the community, not just the ones who come to the Senior Center but those who are retiring in the next five years and those with different health care needs. A separate department of senior services is being proposed under the direction of Jayne Colino. The Mayor feels senior services deserve priority as a separate department. Ms. Colino said the statistical information showed that seniors need advocacy to the Mayor's Office and the Board of Aldermen and make sure that specific needs are being addressed as effectively as possible. The majority of communities in Massachusetts are structured where there is a Department of Senior Services typically called the Council on Aging or Department of Elder Services and Newton has been in a different position in terms of its ability to address local, state, and federal needs given the structure of senior services in the City.

The Consumer Affairs Division was under Human Services before and will now be under the Senior Service Director but still will be housed at City Hall. Two part-time custodians, funded by grants, will also be under the Senior Service Director.

Mr. Rourke reiterated that commitment as a team during this transition and thereafter will be ongoing with staff meetings, communication between Senior Center Director and the Health and Human Service Staff. Mr. Naparstek said the Health and Human Services Department will be providing the administrative services, clerical support, payroll, purchasing, monitoring and accounting. This would be part of the cost savings.

Timeframe in which this Reorganization Must Be Addressed by the Board: Chairman Johnson questioned the timeframe of when the Board is required to act upon the reorganization. Ms. Smalley responded that there is not anything in the Charter that requires that it be done at the same time. It does have a 90-day time frame, running from the date the matter has been filed, after it has been received by the Board. The City Clerk's office date of filing was April 26 and shall become 90 days after that date unless the Board has voted prior to that date to deny. As a

practical matter, there does not seem to be money for a Director of Human Services on July 1. The second regular meeting (June 20th) of the Board of Aldermen following the Public Hearing is when the requirement would be to vote.

Performance Objectives David Naparstek presented some highlights of performance objectives that have been set for the upcoming fiscal year. Integration of staff and services into this department. Mr. Naparstek said they have been working with a consultant and will continue to try to facilitate this process. He stated that there will be monthly meetings to measure progress. Chairman Johnson requested results of those evaluations. The other objectives address the following:

- A graduate student in public health developed a set of data indicating the health status of the City of Newton. One of the objectives of this coming year is to get that information out to the public as well as other agencies and to try to make use of that data in developing programs, identifying needs as well as strengths.
- Enhancing our emergency response capacities - Mr. Naparstek indicated that we have an outstanding system, which he would like to continue to build on within the Health and Human Services Department.
- Clinical Services is supervised by Linda Walsh. The Youth Outreach Workers and School Nurses will work and meet together to facilitate coordination with a result of helping young people in our schools.
- Mr. Naparstek explained that there is on-going work on an electronic communicable investigation system with a database.
- He is also hoping to have electronic inspection systems developed where food inspections and housing inspections as well as other environmental inspections all are on tablet computers.
- A regional program for sale compliance checks of tobacco is ongoing.
- A volunteer job fair in the fall and Newton Serves Day are two large projects of Beverly Droz. One thing we need is an emergency corp of volunteers (physicians, nurses, dentists, as well as citizens) to help with an emergency. Mr. Naparstek said bringing these two functions under one roof will facilitate this process.

PUBLIC COMMENT:

Audrey Cooper was very positive about this possible change.

Peter Harrington has been involved with youth activities for over 40 years and would like to see some changes in the program. He said David Naparstek is probably the most capable of overseeing the changes that he would like to see accomplished. He has seen cuts in programs and services related to youth, and do not feel it is intentional but is an easy place to cut and feels strongly that it is necessary to have someone in this new department who would concentrate on organizing and putting together the various youth related activities. The Youth Commission cannot function without strong support. He concluded by saying we must find a way to concentrate energies on addressing some of the problems of youth.

Adele Hoffman, Chair of the Council on Aging for six years spoke in strong support of this reorganization.

ALDERMANIC COMMENTS/QUESTIONS/CONCERNS

Ald. Baker said he was puzzled regarding why this was not part of the reorganization of Health and Human Services. He could favorably support this if it included the Senior Center Services as a component. He felt all of these functions need to work together and making it a separate department would be counterproductive. President Baker still was not sure why that could not be under a larger department that could look after all of those needs. Ms. Colino felt that the more items on the plate for advocacy, the less effective the advocacy can be for any one particular area.

Ald. Parker felt it would be more positive to have the Youth Outreach function under the Senior or Intergenerational Department.

Ald. Sangiolo agreed with trying to bring up the Youth Services to a higher level. She had no problem with creating a separate department for Senior Services and would urge the administration to raise the level of Youth Services to the same level as Senior Services. She said she could **not** support this budget unless she has a commitment from the City that the Mayor would rehire someone for Diana Patten's position. Mr. Naparstek said the position is being looked at very carefully.

Ald. Johnson felt we are drifting away from the social side to the clinical side and believes that the youth are the most under-served population in the City. She agreed seniors need attention but we need to give equal attention to youth. This, in her opinion, should have been discussed to allow concerns to be raised when we are not under the gun. Mr. Naparstek agreed we must look at the Child Care Commission, Youth Commission, Mayor's Committee on the Handicapped and said all these committees will be studied to see if they are getting what they deserve.

Ald. Hess-Mahan would have preferred to have had discussion on this project prior to budget discussions.

Chairman Johnson suggested Mr. Rourke return with information around ideas and thoughts on how to be sure there is a focal point on youth. **The Committee voted 8-0 to hold on the Reorganization.**

LIBRARY BUDGET

Cathy Glick-Weil, Sandy Butzel, and Joan Harrington were present. Ms. Glick-Weil made some administrative cuts and increased staffing and circulation. The budget is quite similar to this year's budget. A new web site has been developed which has proved to be very popular. Ms. Glick-Weil noted they are trying to be more efficient about discharging materials. On-line resources will be developed. There is an organization, "Discovering what's Next" that has a different way of looking at retirement, not based on a Senior Center model. The library has been working with them for approximately three years. They have wonderful programs on things to do in later years. They have fitness programs, movie programs, and transition talks. The library will provide a space but the program will be run by volunteers.

Chairman Johnson asked about programs for youths and Ms. Glick-Weil responded that there is a large collection of young adult materials as well as various programs. There was a two-week program on cartooning with an attendance of about 25 kids.

The only position eliminated is Ms. Glick-Weil's secretary. This position had been replaced with a part-time employee. Some hours have been cut but no further positions.

Ms. Glick-Weil thought adding information to the tax bill would be helpful in letting people know what is available. Ald. Parker complimented the library web site.

Ald. Parker moved an amendment to deleting the word **technology** and just say LSTA Grant authorizing \$15,000. **A straw vote was approved for the library 6-0**

PARKS AND RECREATION BUDGET

Fran Towle, Carol Stapleton, Judy Dore, Andrew Stern, Marc Welch, Bob DeRubeis and Fran Rice were all present for this discussion. A power-point presentation was given.

The Recreation Department mission statement is to provide traditional and innovative recreation, leisure and cultural activities in a quality environment to all residents of Newton.

Chairman Johnson asked if seed money that was cut had any negative impact. Ms. Towle explained that fortunately youth soccer has been very helpful in donating money.

A comprehensive tree manual has been worked on with Marc Welch and the Tree Commission. .

Ald. Fischman asked how many street trees had been planted and Mr. Welch responded approximately 125 to 150 trees.

Ms. Towle said that Cultural Affairs will have reductions in custodians for Arts in the Parks. One of the ways to handle this will be relocation of programs and doing some fund raising. Ms. Towle submitted a handout of the Newton Parks and Recreation budget report.

Mr. Pooler was asked for information on what was authorized for FY05 to be available before Monday night.

There was a motion to approve and the straw vote was approval 5-0.

CITY SOLICITOR BUDGET

Department and Funding Challenges: Dan Funk noted that the loss of a full-time attorney coupled with all of the CPA work has been difficult. The possibility of CPA funding to help with the 8th lawyer in the department was received well by the CPC. It was more a matter of how much money would they be able to afford for us and how would they have it distributed to us.

After discussions and presentations, the CPC came back with a proposal. \$30,000 would be taken from the CPA fund and would apply that to the Law Department's work done on behalf of the CPC and the Board of Aldermen work done prior to the final vote of the Board. In addition, up to \$40,000 would be accepted for the work done on the projects once those projects are approved. That money will be requested up front and it will be put in project costs.

There is \$70,000 and that would allow the full time position to be funded, but Mr. Funk was given the instruction that it would be more desirable to have part-timers and so he plans to keep Catherine Farrell on part-time and look for a second attorney part-time. Basically, this has turned out to be a creative "think outside the box" approach.

What the Committee should be aware of is that there is precedent for this. CD has been billed for the last 25 years in the approximate amount of \$25,000 a year. In the past, we billed the Housing Authority. Cable TV money is justified by the work done on cable matters and received back in kind money from the cable funds that are available. These funds are meant to be used and not out of the regular budget. Mr. Funk has asked that funding for legal services be included in the costs. There is precedent there, as a number of projects have gone through that had as part of the costs funding for outside attorneys, appraisers, surveyors, and consultants. By having the City Law Department handle this work, it is considerably less expensive for the CPC to have the work done by the City Law Department. Without the eighth attorney, there is considerable delay in completing work.

He reiterated that \$30,000 is not on a billable basis. It will come from the administrative account, going right into the Law Department budget once they are billed on July 1. That would take care of two days a week for Catherine Farrell. What Mr. Funk is requesting is to have the project costs approved when they come before the Board of Aldermen. For the most part, they will be in small bits and pieces. This should keep the Law Department at least at 80%.

ALDERMANIC COMMENTS/QUESTIONS/CONCERNS

Ald. Linsky said that the Committee would have to consider whether or not this is the direction for the use of the CPA. It is not just the Law Department involved but other departments as well. He did say that outside personnel for the Law Department would be many times the cost that we can do in-house.

Ald. Hess-Mahan said it was impossible to ignore the fact that it imposes additional responsibilities on every department involved. Ald. Hess-Mahan has drafted a **resolution** to replace the full time position.

Ald. Coletti said every department has had to cut and agreed with the requirement to provide these departments with money from sources, which are outside of the routine work done for the City. Ald. Coletti would like to see if the Law Department could get by with the two half positions. Ald. Hess-Mahan felt the project side would take longer and he would not like to see that happen. Ald. Sangiolo felt one issue is are we going to have a dedicated staff person?

Mr. Funk noted that Planning is applying funds to numbers of staff persons who do some amount of CPA work. As a department head, Mr. Funk tries to use his staff as efficiently as possible. If CPA projects lead us to handle different types of work, Mr. Funk wants the right attorney to handle the right part of the project. There has been much more Land Use litigation this year than usual. Mr. Funk concluded that he be allowed to bill, allowed to receive the funds and allowed to hire that other part-time person.

There was a motion for a straw vote of 5-1 (Sangiolo abstaining)

#120-05 ALD. HESS-MAHAN, JOHNSON, LINSKY, DANBERG, HARNEY, SANGIOLO requesting a discussion with the Superintendent of Schools regarding examination of expenditures for administrative functions in the proposed FY06 budget in light of current fiscal constraints.

Chairman Johnson said some issues in the above docket item were not addressed in the response from Superintendent Young. In her opinion, if things have to be cut, the central staff should be looked at as opposed to other areas. Ald. Hess-Mahan said, as one of the original docketors of the item, that he would like to get the message across that it is not just the feeling that there is a sufficient commitment to keeping class size small but many people feel that is not sustainable to keep things going the way they are. He emphasized that before asking for an over-ride, we must show that everything possible has been done to maximize what we have. In his opinion, we will not get the same level of aid we had in the 90's.

Anne Larner repeated that the School Committee was taking two paths (worst case, best-case scenario). On one hand, we asked the Superintendent to be prepared to recommend cuts of approximately \$900,000. and directed him to look in places other than classroom teachers and librarians. On the other extreme, even if the gap were bridged, Ms. Larner said the Superintendent had been asked to go back to see if there were places to look for other spots where there could be changes and cuts to free up more resources to add back more teachers than the 16 that had been identified in the pot of money. Ms. Larner said a June 6th date had been set to have a special meeting to discuss the final resolution when more information is available on the final money amount.

The Superintendent noted that everyone has the same problem with state aid. He said part of the ongoing practice is to find efficiencies. He felt the difference from running the system we want and what we can reasonably expect from state and local money creates a discrepancy that is great enough that mere efficiencies will not do it and there would have to be some fairly radical restructuring of the system including the possibility of closing a school down. He said that the system that you want will not be accomplished by tinkering around the edges. Part of the difficulty is that on one hand, there is a cry to be creative and "think out of the box" and then when it is done, the response is that is not what we want.

Compensation Concerns: Ald. Hess-Mahan pointed out that you see salary increases for management positions in schools an average of 5% and then see that on the city side 3% or less. There may be good reasons for that but then when you look at successors coming in for those

who have retired or move on to other positions; they start out at a higher salary than the person they are replacing. People on the City side feel demoralized by that. Ald. Hess-Mahan felt he had to ask why do you see bigger salary increases for executive positions on the school side than on the city side and how can he explain this to both constituents and to the people on the city side. Superintendent Young said he did not know how you could explain the city raises. What he could say is that the spreadsheets that were from the comptroller do not necessarily represent actual contracted raises that people get in their salary because often they incorporate retro pay that came at a different time during the fiscal year. The reality is when you look at people's contracts, holding retros aside, what they are actually contracted to be paid, the central staff raises vary 3% in some years, 4% in some years and then one year it was 5.2% The reasons that it goes to 5.2% sometimes has to do with turnover. The answer is the marketplace.

Chairman Johnson mentioned that Newton was higher than anywhere else and Superintendent Young responded that Newton was bigger. As an example, Dr. Young said Lexington is paying \$98,000 to an Assistant Superintendent of Curriculum Program. Education Week is a national weekly and the main marketplace for jobs. This week Lexington is running an ad for the Deputy Superintendent for Curriculum and Instruction for \$118,000 (the person left at \$98,000). The question is "why?" Are they overly generous or just have money to spare. He said of course not, it is the marketplace. A second rate person can be hired or Dr. Young can find the right person paying an extra \$5,000 and in the end saving more due to the quality of the person and strengthen the organization. The reality here is what we need to pay to get the person we want.

Understanding of Central Administration: Ald. Johnson stated that she felt there is a perceived lack of transparency and people don't have information, they make it up. What we are dealing with is perception versus reality. Ald. Johnson said she was able to learn a great deal from Superintendent Young's letter.

The budget book is delivered to the School Committee and if they requested more information, Superintendent Young would have no problem with that. It is a question of what is the most useful information needed in order to make an informed policy decision regarding the budget.

Chairman Johnson explained that well-meaning people have explained to her that they do not feel they know what is going on and it is not as transparent to them. Chairman Lerner stated that when there is high anxiety because there are changes that are perceived as having negative impact on programs and children at different levels, there is a rise in intensity of the need for more information. It is very clear that if we are going into a period of sustained difficulty financially that we have to think in terms of the added type of information that is necessary to get to the community. The School Committee must describe more clearly and convincingly the decision making process, such as what the value is on parts of the educational system that are not the front line, how important they are to the system as a whole, the role of the system as a whole, how decisions are made and the parameters on salary setting. Ald. Johnson stated that it is important to help people understand what the roles of the central staff are and how those roles affect every student. Earlier this year the School Committee had some intense learning experiences in which there was a series of briefings with central staff to understand what the

roles are and how important some of the administrative functions are. Unfortunately, translating what the School Committee learned from these briefings to the public did not occur.

Ald. Hess-Mahan stated that there is some real anxiety out there because people are aware of the local aid situation and they understand the spiraling health care costs and special education costs. They are not ignorant and to some extent, the School Committee needs to go further than making the process transparent. Everybody in the room knows that running a school is not like running a business but it does not mean schools cannot be run a little more like a business. One of the suggestions contained in the memo was to lend credibility to decisions that are made by using the kind of objective criteria that the Hay Group uses for job leveling and analyzing competitions.

Ald. Hess-Mahan said in business, when the operating revenue isn't there, you don't get raises and continued to note what he has heard from residents that there are just exorbitant raises in the School Department. It goes beyond transparency – it is an equity issue and a fairness issue. This does give people reasons to be angry. Superintendent Young said 2% is in the budget but the contracts have not been signed.

Ald. Merrill said he would not accept another over-ride in the City and felt the School Department should give an extra effort. The Superintendent said this is all about balance. There is a certain amount of work in an organization with 22 sites; 11,250 children, and 2600 employees. The Superintendent added that given the choice of doing it well or poorly, we found a way in this reorg to do it well and more efficiently than ever before.

The Superintendent said he had made a call to consult with the Hay Group regarding their guidelines. He received a response a week after his call, and he was given the name of another contact and will meet at a later date. He believes an outside study will show there is sense and reason to what the School Department is doing.

Ald. Coletti feels that the past Mayor and this Mayor have given as much as three million dollars to make up the shortfall in the school budget. Ald. Coletti said he and the Superintendent have always agreed that there is a need for a minimum of six million dollars every year just to keep pace with the regular program. They did not get that and they are not going to get any from the state. This is the year we will not see the kind of growth needed just to keep pace with even salaries. This process does not end until December when the tax rate is set.

Ald. Linsky noted that we are trying to build the biggest building in the system and people have to have the confidence level to support it. Jeff Young agreed that is the really hard work – that is the leadership task.

Chairman Johnson hoped we could keep a better dialogue between the School Committee and the Board of Aldermen as it presently seems very compartmentalized.

Ald. Hess-Mahan moved to NAN this item and the Committee voted 5-0.

Respectfully submitted,
Marcia Johnson, Chair