

CITY OF NEWTON

IN BOARD OF ALDERMEN

PROGRAMS & SERVICES COMMITTEE REPORT

WEDNESDAY, FEBRUARY 20, 2002

Present: Ald. Johnson (Chairman) Ald. Coletti, Lipsitt, Fischman

Other Aldermen Present: Ald. Bryson, Baker

Absent: Ald. Merrill, Gentile, Sangiolo, Parker

Also present later in the discussion were: Ald. Linsky, Mansfield, Lennon, Stewart, Salvucci, Schnipper, Yates

Also Present: Edward English, Mike Rourke, Peter Karg, Sandy Guryan, Jeff Young Verne Vance, Susie Heyman, Susan Albright, Anne Larner, Nancy Levine, Sandy Pooler, Jim Marini, Patty Kellogg, Dori Zaleznik, Anne Borg, Mayor Cohen

#44-02 ALD. LIPSITT on behalf of the Green Decade Coalition/Newton requesting the designation of March 2002 as ALTERNATIVE TO PESTICIDE MONTH.

ACTION: APPROVED 4-0

NOTE: Ellie Goldberg and Mae Ward joined the Committee for discussion of this item. Ms. Goldberg discussed the hazards of pesticides to children and the community as a whole. For the past six years, programs have been put on every March at the library as a kick off to a yearlong campaign to provide information to residents. (see flyer attached) Ald. Lipsitt said the Board has been very grateful for all the work done. The item was approved 4-0.

#75-02 HIS HONOR THE MAYOR appointing PETER KARG on January 29, 2002 as Executive Secretary of the Election Commission pursuant to Section 3-3 and Section 3-4 of the City Charter, effective February 20, 2002 (30-day board action date March 21, 2002)

ACTION: APPROVED 3-0-1 (Ald. Coletti abstaining)

NOTE: Michael Rourke introduced Peter Karg who is the recommended appointee for the Executive Secretary to the Election Commission. Mr. Karg has a broad background with the state in terms of a number of different positions in the executive branch and has a particular expertise in managing getting information out to the public regarding programs at the state level and to organize staff to work together to bring about results within the division that he worked in as Director of Information and

Resource Services. He also had worked as the Director of Legislative and Constituent Services in the Office of Elder Affairs. Mr. Karg has a broad background that is particularly sensitive to customer service and the elderly.

Mr. Karg said he has been looking into the training of poll workers and improving the electronic voting process on election night. He has been involved in developing a web site where constituents could go in and access information on programs and services across the entire Commonwealth by cities and towns.

Ald. Coletti questioned what type of search had taken place to find this was the most qualified candidate. Mr. Rourke said the Mayor and members of the Election Commission were very familiar with the background and experience of Mr. Karg. He was recruited and brought to this position through his past record and his experience with the state. Mr. Coletti questioned if he had experience conducting an election. He explained his background was in governmental administration. He has a Bachelor's Degree in Political Science and a Master's Degree with a concentration in Public Administration and American Government and Politics. He is a life-long resident of the City and knows Newton extremely well. Based on past experience in managerial positions, Mr. Karg feels he can fully handle this position. Ald. Coletti expressed concern regarding Mr. Karg's lack of experience in elections. Mr. Rourke said his major qualification was his past background.

President Lipsitt said during the brief tenure of Acting Director Karen Griffey, there clearly have been improvements in the operations of the Elections Office. Ms. Griffey had made some substantial changes that facilitated the operations of the office and hoped Mr. Karg would continue improvements. She asked how he was planning to deal with the possibility that this Board will request an override on the 30<sup>th</sup> of April, a special election on the 30<sup>th</sup> of April considering the Ward lines for those two elections are not the same. If the goal is to enhance customer service, how do we make sure that we make it easy for everyone to vote if they live in two wards. Mr. Karg responded that that was a difficult question and he has been thinking about it since he started to work. He did have Peter Koutoujian, the former Waltham City Clerk, in to discuss this issue. His advice on how to handle that is to have the approximate 195 voters who were in Ward 8, Precinct 1 and were moved to Ward 6, Precinct 2 return to Brown Jr. High to vote for this special election to fill the vacancy that exists. In essence those voters would vote in two different locations. They would vote for the override question in Ward 6 and then have to return to Ward 8 to vote for the successor to Ald. Lipof. This is a very

complicated issue and the question minimizing the inconvenience to the least amount of people. In a meeting with the Election Commissioners, the early thinking was that this was probably the best way to go.

Ald. Johnson said, in her opinion, this was bothersome. The Ward Alderman spot has been vacant for approximately two months and will be four months before the election date. We know that those elections have a typically low turnout and should the override be scheduled on April 30<sup>th</sup>, this would be a major impact on the City. The inconvenience of residents who would have to go to two locations will mean that one election will suffer. In Ald. Johnson's opinion it would probably be the Ward 8 election as voters will go to where the 2 ½ question is as that will have a huge impact on their pocketbook. Ald. Johnson said that would be unfair to the candidates that have pulled papers. Ald. Lipsitt asked what other alternatives have been considered. Mr. Karg said the discussion has been in the preliminary stages without a conclusion. The only other way is to perhaps send everyone in Ward 6, Precinct 2 to Brown Middle School to vote. The legality of which would have to be checked out with the Secretary of State's Office. The problem with that might be that 2,000 voters could be asked to go to another voting place and may cause more confusion. Mr. Karg is open to suggestions. At this point, he doesn't have the answer to what would be the best solution. President Lipsitt agreed with Ald. Johnson that the Ward 8 election is likely to suffer. She does feel it will be a terrible burden to expect people to go to two locations in one day to vote. One thought is to send the 195 voters or everyone in Ward 8 a mail ballot. Mr. Karg said he would consult with the Secretary of State on this issue.

In response to a question from Ald. Fischman regarding the publicizing of elections, Mr. Karg suggested the following: more use of sandwich boards in the various squares in the City, inclusion of notices in the tax bills, cable and newspaper to publicize candidates and dates of the election.

Ald. Baker asked if there was any reason that polling places be the same as they always were. In order to get the maximum turnout with the least inconvenience, he asked if it would be feasible to use the old ward and precinct polling places. He went on to say Mr. Karg has knowledge of the city as well as governmental experience and felt they were assets in his behalf and was happy to support Mr. Karg and would like to see his nomination confirmed.

Ald. Bryson asked that the time frame be publicized and the fact that there is the availability of over the counter voting.

Ald. Coletti asked if there was a request to establish a Political Action Committee, was there anyone in the office currently able to handle this kind of procedure. Mr. Rourke said there are written guidelines to cover this.

Ald. Johnson noted that Election Commissioner Fay Cohen had called to express her strong support for Mr. Karg. The Committee voted to approve this docket item 3-0-1 (Ald. Coletti abstaining).

#59-02      HIS HONOR THE MAYOR requesting Board of Aldermen approval of the following levy limit override ballot question: “Shall the City of Newton be allowed to assess an additional \$11,500,000 in request in real estate and personal property taxes for the purpose of funding operating expenses for the Public Schools and the municipal Government for the fiscal year beginning July first, two thousand and two.”

ACTION:      APPROVED 4-0

NOTE:      Mayor Cohen said that an override is absolutely necessary and was present to answer any questions.

Chairman Johnson called upon His Honor the Mayor to present his request. Ald. Johnson made reference to a prior conversation with Ald. Gentile when he asked how the City over the last four years has gone from halcyon days to this financial crisis.

The Mayor responded that as he had pointed out in his detailed packet on this issue sent to the Board dated February 15, 2002. “What makes FY03 a more difficult year financially in the recent past and or near future?” He continues on with the following six facts: cuts in State aid; below average New Growth; increases in health care and pensions; the impact of three-year collective bargaining increases; restoration of chronic underfunding of certain School Department programs; and security initiatives.”

Sandy Pooler responded that the information prepared demonstrates what budgets would look like starting in FY02, where we are now, where we would be in FY03 if we did not have an over-ride and where we would be in FY03 if we did have an override. (attached) We do know health benefits will go up about 15% as well as energy and pension costs. At this point, the budget has not been published and what we have is a “snapshot” in time.

Ald. Coletti said the information received showed pension costs going up; yet looking at the charts, no matter if there is an over-ride or not, pensions are being level funded. Mr. Pooler responded that it does say “pensions or

others” and there are a number of things that are in that category, including pensions, the debt cost, state assessments and salary reserves. Mr. Pooler said increase in pension costs is anticipated to be approximately \$450,000. Ald. Coletti then asked about health insurance. Mr. Pooler said it was listed under benefits. “This year we are only funding a half-year of dental insurance, but next year we will have to fund a full year.” Ald. Coletti said that without an override, he notes that 11 of these department budgets, without an override go up, including police, fire and public works. Mr. Pooler said without an override, there is no doubt that there would be cuts to police, fire, and DPW, which represent 65% of the budget. The patrol officers have not settled their contract. Mr. Pooler said there would always be a salary reserve. It only makes fiscal sense.

Ald. Baker questioned what sense it makes to have the Inspectional Services Department go down if we have an override, rather than up. The basic question Ald. Baker asked was what would personnel loss translate into in terms of the quality of city and school services. Ald. Baker said we need to know what personnel cuts will mean in terms of translating into programmatic impacts on the citizens. He further urged to have examples that would be easier to relate to. He noted that a one or two page summary on this impact would provide more clarity – better to comprehend.

President Lipsitt said she had spent a fair amount of time on all of these numbers and is absolutely convinced that we have to have an override to avoid the types of personnel cuts that the Mayor and others are talking about. She is concerned that we not ask for one penny more than we have to. In her opinion, an override can be requested for less than \$11,500,000 and at the same time maintain the level of services that the City enjoys. (Attached is hand out of her proposed possible reductions to override request). The Mayor has said that he has reduced the contribution of free cash to the operating budget by \$500,000 a year each of the years that he has been in office and that is something that Ald. Lipsitt as well as others have admired. She feels that this year we could level fund the contribution from free cash to the operating budget which would save \$500,000. President Lipsitt went on to say that Newton has one of the best, if not the best, assessment staffs in the state. She feels we could reduce the amount we put into our overlay account or essentially the amount by which we reduce our income to account for overlays by \$400,000. In addition to what we put in, we have 1.6 million dollars for overlay surprises. She noted textbooks are out of date and need to be updated as quickly as possible. In the past, funding of books was done out of non-operating revenues. We have done that out of special appropriations and if school text books are

needed for next September, she said they should be funded out of free cash right now so that they can be ordered and in the classrooms next year. That would take \$325,000 out of next year's budget. The School Committee talked about the need to bring technology to a desirable standard. This might need to be funded by public and private resources. The superintendent said, in his proposed budget, that we need a million dollars for technology. President Lipsitt said that this money does not need to be taken out of next year's budget. President Lipsitt said her understanding was by the end of this fiscal year, there will be about \$100,000 that could be used for that. Either private funds could be raised to help reach the million dollars or maybe spread the technology budget out over an extra year. Computers are bought in small dollar increments and while it is important to enhance our technology, President Lipsitt does not think it has to be done at once. Many school employees are paid under a revolving fund but this does not pay for health care, life insurance and Medicare payroll taxes for those employees. Those monies could come out of the revolving fund and that would take \$325,000 out of the operating budget. The health insurance for employees covered in this revolving account is \$304,000 a year. This demonstrates the Mayor and Mr. Pooler's comments about increased pressure on the budget because of health care. President Lipsitt felt this could be funded in another way. Ultimately she would like to be able to be very sure that every dollar she will ask her constituents to vote for is a dollar that cannot be dealt with in another way.

Ald. Coletti said that he sees her proposal as saving the taxpayer with a \$500,000 home, \$50.00 on the override. He felt President Lipsitt suggestions were a great way to start, but do not go far enough. The Comptroller's office has prepared (attached) a memo regarding forecasting. Ald. Coletti very strongly stated that there is an absolute necessity for a forecast. He feels the middle ground is to stay a consistent course that we have done the last four years; 8.4, 8.4, 8.4 and 8.5 next year and 6½ to the school side, 2 to the cityside; 4 million dollars more than the Mayor's plan. He also feels that new growth is being understated by the Mayor's office. State aid is not being cut but level funded. He feels there is no reason we can't provide a reasonable budget.

However, Mayor Cohen said that 2003 is a unique year. We are in a recession; the state in the past has increased revenues and aid by an average two million dollars. Health insurance is going up 15%. Cutting the budget the School Committee has passed by 5.5 million dollars will have a tremendous impact. Cutting two million dollars on the city side means huge cuts including 16 firefighters and 10 to 14 police. It has been calculated that we need to do maintenance of effort on the cityside that is approximately 4.4 million dollars. The budget that Ald. Coletti suggests

will be shorting that by 2.4 million dollars that will not allow us to do the very important public safety initiative that we have discussed. In addition, the revenue numbers suggested by Ald. Coletti depend on what the Mayor considers optimistic revenue estimates that have been put in writing and the Mayor requested that Ald. Coletti would do the same if they are to be taken seriously. He again said this is a unique year. If an override is passed this year, Mayor Cohen said he would not be asking for an override next year. The Chair of the School Department, Anne Larner, has been working with Mayor Cohen and was invited to comment on her efforts to make sure that the budget is within livable limits. The Mayor said the 15 million dollars in reserve funds could only be used in a very limited way. For 2004, we are projecting a \$2,700,000 deficit. That includes a very conservative amount of money for revenues. The Mayor said President Lipsitt had made some very thoughtful suggestions. It was the first time he had seen them and was not ready to discuss them. President Lipsitt said in order to meet his timetable of a proposed April 30<sup>th</sup> election, these items need to be acted on quickly. She felt it was possible to cut the total override amount.

Ald. Baker shared the Mayor's misgivings about using the reserves for this purpose. He feels we can work along the edges. The magnitude of the proposal is colossal and the Mayor needs to reduce all this to fewer pages and a more clear-cut, simple presentation. Ald. Johnson agreed with Ald. Baker and would like to see a document that would consolidate the key messages from the Executive Department on the Mayor's request.

Ann Larner, School Committee Chair and Supt. Young joined the Committee for this discussion. Ms. Larner explained that the money for text books also include supplies, materials, and equipment and a fund that has been under-funded for a long period of time that is a recurring expense. Ald. Johnson said that she has received many phone calls from parents who would rather see technology cut and not personnel. Supt. Young said that by state standards there are five students to a computer.

Ald. Coletti requested that Supt. Young supply information prior to his Finance Committee meeting scheduled for Monday, February 25<sup>th</sup>: (1) hard-line figure on salary and contract obligations (2) collective bargaining settlements and generally what is the Superintendent's final number if he intends to hold the line for FY04 and FY05. The Chairman stated that the related financial picture would be more closely addressed at Ald. Coletti's Finance meeting once this information is gathered.

School Committee Chair Ann Larner felt strongly that we can hold an increase in a subsequent year from FY04 to the vicinity of 5 ½ million dollars and we are committed to that.

Supt. Young said if we go with the so-called allocation budget, there would be 5.2 million dollars in reductions to existing programs. If we go with the keeping pace budget, not only does it maintain effort, but it also makes those improvements which are not “pie in the sky” improvements, but improvements that are tied to widely recognized and accepted standards of excellence in public schools.

Ald. Baker said we should ask for an override that is going to make sense for the City in terms of maintaining these levels of excellence.

School Committee Chair Lerner said that a good piece of what is being termed improvements is really a return to a level that we have declined from. In terms of maintenance and security, we are at the lowest budget since 1989 and we now have two more buildings than we had at that point in time.

Ald. Fischman said when he is ready to vote, it will be for the least possible number.

Ald. Lennon has been meeting with many of his constituents over the course of the last few weeks. He commented that some voters are just categorically against any increase; some others are concerned about the long-range picture. Another point that has come up is concern that the money is not going to the school pupils. Many constituents have told him that April 30<sup>th</sup> is much too soon to vote on this.

Ald. Coletti explained it has been uncomfortable for him. He feels he must be able to feel informed. He said he has always been consistent and to attempt to explain to the public that he is doing his job as Chairman of Finance to make sure that they understand what is being done. He said he feels forced to spend time putting together his own budget forecast. He will not tell his constituents to vote for this override until he gets a forecast from the Mayor’s office. Ald. Schnipper said that in the 16 years she has worked with Ald. Coletti, he has always fought for the schools. She also feels strongly that April should be the date or we will sustain the loss of many good teachers and it will be countless years before we would be able to gain them back. Ald. Johnson said she would like one last look before going to the voters. Everyone who supports this must be able to feel that this has been fully scrutinized. Ald. Bryson said the clarifications heard from the Superintendent of Schools, Jeff Young, have been very valuable. However, she would like clarification on why the date must be the April 30<sup>th</sup> date. She understands why but feels the public thinks we are rushing to put this on the ballot. Ald. Bryson would like more clarification



regarding the impact on special needs children and would like to know what reimbursement will be. She feels we need a more simplistic expectation for what taxpayers will be paying, not only now but also in the next few years. She has heard from many constituents who have expressed concern that they would not be able to remain in Newton any longer.

Ald. Lipsitt said it is clear we need an override. She appreciates the support from her colleagues who are urging the Mayor to adopt either some of the ideas she has proposed or some others in order to reduce the total amount requested to the smallest possible amount. She recognized the attractiveness of a larger figure so that we would not have to go out for an override 3, 4 or 5 years from now. She wants to be able to justify every penny we are requesting. Her fear is that if we cannot justify every cent as a need we face this year, the answer the voters will give us is "no". She would rather win on an override that is a little smaller than the ideal than lose on the perfect one. She urged that the numbers could be revised downward. The Committee voted 4-0 in favor of docket item #59-02.

#45-02      HIS HONOR THE MAYOR requesting that the Board of Aldermen call a special election to present the levy limit override ballot question to the voters and set a date of April 30, 2002 for such an election.

ACTION:      APPROVED 4-0

NOTE:        The committee voted this item 4-0 with little or no debate to recommend the date of April 30, 2002 for the special election.

Respectfully submitted,

Marcia Johnson, Chair