

CITY OF NEWTON

IN BOARD OF ALDERMEN

PROGRAMS & SERVICES AND FINANCE COMMITTEE REPORT
SPECIAL JOINT MEETING

THURSDAY, MAY 10, 2001

Present from Programs and Services: Ald. Parker, (Chairman) Ald. Merrill, Johnson, Sangiolo, Coletti, Baker

Absent: Ald. Gentile, Tattenbaum

Present from Finance: Ald. Coletti, (Chair) Ald. Baker Schnipper Gerst, Parker, Bryson

Absent from Finance: Ald. Ciccone, Bullwinkle, R. Lipof

Also: Ald. Samuelson

PUBLIC SCHOOLS BUDGET REVIEW

REFERRED TO FINANCE AND APPROPRIATE COMMITTEES

#113-01 BUDGET ITEM

ACTION: APPROVED 6-0 IN PROGSERV
NO VOTE IN FINANCE

NOTE: Verne Vance, Chair of the School Committee made the initial presentation. He said the School Department was endeavoring to do more realistic budgeting this year than they had last year because they understand that this new budget for FY2002 will not be getting any additional funds in the City and they need to build in contingency funds. There will be no substantial bailout next year. Also, Chairman Vance said even at the budget level of 6.5 million more than last year, which is recommended by the School Committee, it would be a tight budget. The Mayor has offered just over four million dollars of increase which is almost 2 ½ million less than the School Department requested and there may need to be a further cut. There will need to be further cuts if that money is not available and he pointed out that even a \$500,000 cut would be about ten teachers so, of course, 2 ½ million would be about 50 teachers and he said that class sizes would have to go up next year. The Assistant Superintendent, James Marini, made the next presentation. He provided the details of the School Department.

Ald. Baker asked Mr. Marini to clarify whether his presentation of cuts reflected the Mayor's recommended level or the School Committee's requested level. Assistant Superintendent Marini replied that his presentation reflected the School Committee's requested level and that additional cuts would be necessary if the Mayor did not make up the gap. He provided the School Committee with a number of documents including a time line in which he showed that the School Committee had increased the budget by over \$700,000 in an attempt to be more realistic in budgeting but then had made reductions in a number of accounts that created a net effect of a \$900,000 reduction on the School Department budget. Ald. Baker moved approval of the School Department budget with resolution requesting that the gap of about 2 ½ million dollars be closed with additional appropriation.

Ald. Johnson asked about staff development and training. Ald. Parker asked about why step increases need to be budgeted to such a large extent since presumably the average step of all the teachers and the average education level would remain the same. Sandy Guryan, Budget Director for the School Department and Susan Heyman, of the School Committee explained that, in fact, while the average level of experience of teachers in the system isn't going up according to Assistant Superintendent Guryan, there are a large number of teachers in the system who are not at the top step so there are increases each year according to School Committee Chair Heyman. It wasn't clearly explained why the net effect wouldn't be neutral of the step increases. One of the points that was made was that there was a number of maxed out teachers in the top step in the early 90's and around eight years ago, most of them were replaced with younger teachers that are having step increases each year and in response to that, Ald. Johnson asked with so many less experienced teachers, she suggested that the cuts to staff development and training are even more worrisome than they ordinarily would be given the need to train less experienced staff.

Ald. Coletti expressed concern for what he termed the average student who said he was not the beneficiary of special education funds or of the advanced challenged programs, he expressed concern that the aides that help average students are being cut while special education aides are being increased. Most of the budget increases were salary adjustments and special education. School Committee member Heyman said that the reason for the cuts in the aides at the elementary level is the school committee felt it was important to control class size at the elementary level and, therefore, wanted to keep the teachers and cut the aides. School Committee Chair Verne Vance added that they intend to use the special education aides to support regular classroom operation when they have free time where they

are not directly helping special education students with whom they are charged.

Ald. Parker spoke on the resolution stating his support for making up the gap but expressing the concern that the total level of increase that is necessary to fund the school department budget, the kinds of increases we have seen in the recent years averaging over 7% percent per year are not sustainable in the long term as long as we are constrained by Prop. 2 ½ and that, in fact, in 9 years the School Department budget will be about \$210,000,000 at the current rate of increase and only a few years after that, it will be the entire City budget which, of course, is not feasible.

Ald. Parker expressed his concern that the twin mandates of Prop 2 ½ and special education are not mutually consistent with the way we fund education.

Ald. Coletti asked that additional revenue growth be applied to the School Budget as part of the resolution. He cited additional state aid, building permits, free cash, property tax growth over what is budgeted and additional excise taxes.

The Committee decided that these potential sources of funding will be noted in the committee report but would not be part of the resolution that the Committee was voting on. The Committee voted on a resolution asking the Mayor to close the gap without specifically citing a source.

Ald. Baker's motion to approve a resolution to close the gap and to approve the Mayor's recommended school budget was approved 6-0 on a straw vote.

#142-01 HIS HONOR THE MAYOR requesting that the sum of \$36,744.67 be appropriated from the E-rate receipts reserved account for the purpose of purchasing telephone and computer technology equipment at various schools.
ACTION: APPROVED 6-0 IN PROGSERV
 APPROVED 4-0 IN FINANCE (Gerst not voting)

NOTE: The next item the Committee took up was #142-01. This is an appropriation from e-rate reimbursement in the sum of \$36,744.67 to purchase telephone and computer technology at various schools. Ald. Merrill moved approval. It became clear in the course of discussion that the funds would be used to close the school department gap and the telephone and computer technology equipment had already been purchased and, in fact, budgeted for and it was simply being double

budgeted now using the e-rate funds as a way of helping to close the deficit.

The motion to approve prevailed in Programs and Services by a 6-0 vote. Ald. Schnipper moved approval in the Finance Committee, which prevailed 4 in favor – 0 opposed with Ald. Gerst not voting.

#143-01 HIS HONOR THE MAYOR requesting that the sum of \$26,966.66 be appropriated from Additional Lottery Receipts for the purpose of paying for a replacement van purchased by the School Dept.

ACTION: APPROVED 6-0 IN PROGSERV
 APPROVED 4-0 IN FINANCE

NOTE: The next item taken up was #143-01 which was presented by Chief Budget Officer Sandy Pooler who explained that these funds were to reimburse the School Department for their so-called “pony van” that distributes documents throughout the City. They had asked whether it could be funded as part of the capital budget when they purchased it and the Mayor said that if the funds became available, they would be appropriate for that purpose.

Ald. Coletti asked what the source was, whether it was lottery seeds or part of the capital plan. Ald. Baker moved approval. Chief Budget Officer Pooler explained that it was from lottery receipts, but in fact it was also a capital expenditure since there is no segregated source of funds for capital expenditures and a budget appropriation is categorized on what it is being spent on, not on what the source of funds are. It is called a capital expenditure because a van is a capital item. Since this item is also a way of making up some of the gap in the School Department Budget since these funds had already been spent. The motion to approve prevailed 6 in favor, 0 opposed.

Ald. Schnipper moved approval in Finance which passed 4 in favor, 0 opposed with Ald. Gerst not voting.

#96-01(2) PROGRAMS AND SERVICES COMMITTEE requesting discussion of the budget deficit in the School Department.

ACTION: HELD 6-0 IN PROG/SERV
 HELD 4-0 IN FINANCE (Gerst not voting)

NOTE: The Committee then briefly discussed #96-01(2) the discussion of the budget deficit in the School Department but because the Mayor is going to make an announcement on that subject matter on Tuesday, both Committees held the item unanimously.

Respectfully submitted,

Ken Parker, Chair