CITY OF NEWTON

IN BOARD OF ALDERMEN

LONG RANGE PLANNING COMMITTEE REPORT

WEDNESDAY, JANUARY 31, 2007

Present from the Committee: Ald. Vance (Chair), Hess-Mahan, Johnson, Parker, Baker and Sangiolo. Also: Ald. Weisbuch, Linsky

Also present: Paul Levy, Chairman of the Blue Ribbon Commission on the Municipal Budget

City personnel: David Wilkinson (Comptroller), Sandy Pooler (Chief Administrative Officer)

Ald. Vance called the meeting to order at 7:50 pm. He introduced Mr. Levy, Chairman of the Blue Ribbon Commission on the Municipal Budget, a body that emanated from the Long Range Planning Committee's expressed desire to see the City's return to long range forecasting and planning. Ald. Vance explained that through work done by Ald. Baker and himself with Mr. Pooler, Mr. Wilkinson, Ms. Sandy Guryan of the School Department, and Bob Rubeis, a financial forecast of the City's operating budget of the next five years was developed. This was used as a base document to begin the work of the Blue Ribbon Commission, whose eleven talented members were appointed by the Mayor and Board of Aldermen. We are now at the brink of the release of their final report, the work for which was done in a very public and transparent manner. Its interim reports on the City website used the vehicle of blogging for people to provide input, and provided a model by which the City can do its work with a transparency that produces public confidence that the City wants to inform its citizens of what it is doing and why. Ald. Vance thanked Mr. Levy for his work and time and for coming this evening to give us a preview of the highlights of the Commission's final report.

Mr. Levy thanked the City employees with whom his committee worked on the commission report for their extraordinary help and expertise. In particular, he thanked David Olson for handling the logistics for the Commission. He also thanked the members of the Commission for their expert work and commented that if we had had to pay for their expertise the budget deficit would have been much larger. He commented that the process benefited from public participation and comment and remarked on the high degree of consensus that emerged from the disparate group of professionals on the Commission from the very beginning. The Commission examined the forecast document produced by the City and within an hour or two was coalescing around some themes that became clear from the document.

Mr. Levy pointed out, as the **first** theme, that expenses would be rising faster than revenues over the upcoming five-year period covered by the document. If one included

other items reasonable to include in the forecast, the gap would grow even larger. The City document did not, for example, include a provision for salary and wage increases. The Commission understood why that was the case, but chose to insert what the members considered a moderate number, making clear that it did not intend or expect that number to represent the final result of collective bargaining of union contracts. **Second**, the City document did not have the advantage of recent work done by the School Department in projecting increased enrollment, so even the forecast budget increases did not include the needed funds for additional teachers and administrators. The **third** item the Commission thought should be included in the forecast was an allowance for under spending on capital maintenance of City structures and infrastructure. In the Commission's view, the lack of adequate spending on maintenance is unsustainable for a city that wants to maintain its infrastructure properly.

After examining each line item in the City's forecast, Mr. Levy said that the Commission found the assumptions reasonable. Two other items were looked at: 1) the capital investment policy of the City and, 2) whether there are programmatic or other means to close what appears to be a structural budget gap.

Although unable to do a detailed management review of every City department to search for additional efficiencies, it was the Commission's impression that there are not a lot of additional savings to go after that undo much of a growing structural deficit, especially after years of budget cutting. A couple of items that the Commission thought would be helpful were: 1) greater energy efficiencies through investments that would probably not have paid off ten years ago but over the years ahead could produce savings of a couple of million dollars and, 2) better management of the City's pension fund assets.

Mr. Levy explained that there has been a consistent underperformance of the City's pension fund assets compared with the performance of funds managed by the State. Over the last ten years, he pointed out; this amounts to a thirty million dollar difference in the total return on the pension fund assets. The Commission feels that this is a matter of available expertise. The City pension fund is too small to afford the kind of investment management expertise that can get the best returns. The State does have this expertise, so the Commission sees absolutely no disadvantage to the City's pension fund joining the State fund, if permitted to do so. Mr. Levy also suggested that the City follow many non-profit organizations in creating an investment committee of knowledgeable people from the community who can help advise the pension board and determine asset allocations and the like.

On the capital investment issue, Mr. Levy commented that the long standing policy of the City, going back to Mayor Mann's administration, that debt service should not exceed three per cent of the annual budget is an arbitrary standard which has resulted in an under-leveraging of the City's assets in terms of the amount of debt issued over the years to fund the City's capital needs. The Commission feels that as long as we have that constraint in the budget, it will mean that the amount of funds available for capital

improvements is unduly limited. The Commission suggests that it is worthwhile to take another look at that standard.

With regard to the growing budget "gap", the Commission suggests two mechanisms for addressing it: 1) A general override to cover the difference between expenses and revenues. In that general override the Commission suggests the inclusion of a provision for an increased amount of annual spending on capital maintenance so that, on a sustained basis, the City is investing at a rate that would be appropriate, given the age of its buildings and streets. 2) Examination of debt exclusion for particular projects that can be identified. Mr. Levy suggested that this mechanism could be used as a catch-up for funding needed projects that have not been done to date or as a way to finance future needed projects, or both.

Mr. Levy said that the Commission makes no judgment as to the size or timing of any such override(s), leaving that decision to the executive branch. However, the Commission unanimously feels that it is an important step to take so as not to shortchange the residents of the City in terms of the quality of City services and assets over time, and that these things are worth paying for. Under the current State laws, the only way to pay for these items is by raising taxes over the current 2 ½ per cent limit either by paving the City with commercial buildings, which no one wishes to do, or by raising taxes through a general operating override or debt exclusion.

Within the Commission, there were differences of opinion on which of these vehicles is more appropriate. Mr. Levy explained that his personal view on the debt exclusion, as a property owner, voter and taxpayer, is to let the citizens make the choice. They must ultimately decide on what they want the City to look like and are sophisticated enough to make the choice. Mr. Levy said that he prefers the debt exclusion because the purpose is clearly stated and the funds are dedicated to that purpose. He feels that debt exclusion could be broadly constructed in such a way that virtually every ward and precinct would benefit from it. People could look at the proposal and see what they would be getting for their extra hundred or two hundred dollars per year.

Mr. Levy sees the general operating override as being harder in many ways to sell, but may be more useful, as it gives the City and the Mayor the discretion to decide on priorities in any given year. He sees both tools as useful and stated that the Commission's report does not support one over the other.

Mr. Levy emphasized that the Commission has no real ideology. It looked at the budget and concluded that what falls out of its numbers is that if the citizens want the kind of city that the eleven members of the Commission would like to have, we should be prepared to pay for it. Ultimately, the people in the City get to decide on it. What better test of the proposition, he surmised, than to let the people vote on it.

Ald. Vance thanked Mr. Levy for his very informative and succinct summary of the findings of the Blue Ribbon Commission. He then opened discussion to members of the Long Range Planning Committee.

President Baker thanked Mr. Levy and pointed out that we have a note from Moody's indicating that they anticipate that the City's long range planning initiative anchored by the Blue Ribbon Panel will address Newton's long term financial health, including the maintenance of appropriate levels of unrestricted reserves. Ald. Baker suggested that the Commission had already paid for itself in terms of helping maintain the City's Triple A bond rating. He opined that a couple of issues were worth illuminating. On the question of gap closing, he stated that the issue of overrides would generate a lot of commentary. He asked if the Commission members had a sense, in terms of closing the structural deficit, of the relative impact of each type of override. If we go for debt exclusion, he stated, and still cannot close the gap, we will not have responded to the concerns raised by Mr. Levy. Regarding the gap itself, he asked if the Commission had any sense of relative weight in closing the gap in terms of each of his suggestions.

Mr. Levy answered that the pension fund improvement would not kick in for many years. The first few years of enhanced returns would simply fund the unfunded liability of pensions more quickly. It would accelerate the day by which the City could have funds available for other things, and would arrive at this point in around 2012.

The Commission, Mr. Levy said, felt uncomfortable saying how large a general override should be, because it depends heavily on what actually happens regarding, for example, wage increase amounts and school enrollment figures year by year. The Commission did not discuss whether to do one big override now or smaller ones every year or so. Nor did the Commission look at the size of a debt exclusion, which would depend on what capital projects the City wished to proceed with and when.

In calculating the gap, he explained, there is a million dollars or so per year related to bonding the increase in capital maintenance expenditures that the Commission thinks corresponds to the age of the City properties. This is a rough estimate based on the useful lives of assets. The extra million dollars is debt service assumed for that purpose. (The gap is considerably larger than a million dollars). The Commission only included the debt service on the capital maintenance expenditure.

Alderman Baker clarified his question by asking whether, if you exclude the debt service on the additional capital expenditures that would close the gap. Mr. Levy's answer was no.

Alderman Johnson complimented the Commission for its superb work. She commented to Mr. Pooler that she hopes the City will adopt some of the recommendations of the Commission. She asked if the Commission had discussed the possibility of the City taking advantage of State programs.

Mr. Levy answered that there are two things that the State government has available that the City does not: 1) group insurance representing a huge number of subscribers, which gives the State the ability to negotiate very attractive insurance plans with Tufts, Harvard Pilgrim and Blue Cross. This purchasing power on the part of the State has been able to

force changes in the way insurance companies do business. The City does not have the ability to join that plan today, although there are legislative proposals to allow it, which initiatives Mr. Levy feels we should support. If hundreds of cities and towns were to join the State plan, that would, Mr. Levy commented, add even more bargaining power to that group. This could result over time in reduction in costs and improvements in quality of care as well. 2) The State has the ability to change the health plans that employees have without collective bargaining each time. The City does not have that ability. Even assuming that we are able to reach an agreement on a new plan for the next contract period, we are always behind, as we must wait until that negotiation takes place. This is a rapidly changing field, so there are things the City may want to do in terms of benefits, co-pays, deductibles, flexible spending accounts and the like, that cannot be changed except in the course of collective bargaining. Mr. Levy stated that this would be a good thing to change and for the Mass. Municipal Association to work on. He was certain that the municipal unions would strongly oppose the second item but would hope they would support the first initiative, as it is certainly in their interest.

Absent the above changes, Mr. Levy commented, we are following the market, not leading it. As someone who runs one of the big health-care providers, he stated that they would love for the City not to have so much negotiating power because the providers do better now, but from the point of view of the City government, it is a good thing.

Alderman Baker asked, as a point of clarification, if by joining the State system a municipality becomes part of a group, whereas at the moment Newton is self insured. He asked if that would not be an issue that would have to be bargained for, as opposed to the ability to change the plan.

Mr. Levy answered that if, for instance, you are part of the Group Insurance Commission plan and you buy a policy from Tufts Health Plan, you buy that plan's design. That comes with whatever benefits are in the plan, in terms of coverage, etc. It would still remain to the City to decide the allocation of the premium between the employee and the City. The question of self-insuring or being insured as part of a group, he said, is an interesting one. He could not recall whether the State is self-insured or not. If the plan we ultimately join is a self-insurance plan, there are still design issues of what it would look like. Traditionally, what is done with a self-insuring plan is to hire a plan administrator who happens to be Tufts, Harvard Pilgrim or Blue Cross, who will help you with the design of the plan, given your risk pool just as if it were your insurance company because it understands the actuarial issues. Such administrators can bring to bear that expertise and because the risk pool is bigger you can end up with a better product, even a self-insured product if you want to think about yourself as an insurance company.

The other point, Mr. Levy added, is that when you hire a plan administrator to administer your plan, there is a very important negotiation that takes place as to what the fee is that they charge you to administer the plan. With a bigger group, you will get a lower cost per subscriber per month for administration. Even if they are not selling you an insurance product, but rather just transactions, you will get a lower transaction cost. The Beth Israel Hospital shops around regarding its administrative fees.

Alderman Sangiolo asked if the Commission had looked at user fees as another source of increased revenue for the City. Mr. Levy responded that in its quick look at such fees, the Commission determined that even if the fees were raised substantially, they would not make a big difference closing the gap in the total budget. The Commission looked at recycling, and considered whether the City might want to have a program whereby if someone saw recyclable trash in someone else's trash can, the City would not pick up that trash because it would be in violation of the City's recycling law. Or a warning sticker could be placed on the trash can directing the owner to place the offending items in the recycle bin the next time. Worcester has a program whereby one buys bags for a fee per bag. There are many options.

Ald. Hess-Mahan stated that in looking over the long range forecast done by Mr. Pooler and Mr. Wilkinson last fall, he saw that in terms of the gap, yearly expenses were not 2 ½ per cent plus the amount of new growth, but rather 2 ½ per cent plus a larger number. He asked Mr. Levy what number Commission had come up with. Mr. Levy responded that there was chart at the end of the report that clarifies that amount. He stated that he thinks everyone knew when Proposition 2 ½ was approved in 1980 that the purpose of it was to constrain property tax growth.

As a result, there are two options for the Commonwealth as a whole; let communities slowly starve or increase State aid. The safety valve is to go back to the voters and say that you as voters can exceed the 2 ½ limit. Since those early years, some communities, as the Commission stated in its report, have used the override many times. The record goes to Weston, which has passed more than seventy debt exclusions. Every time Weston proposes to buy a fire truck, it does a debt exclusion. Weston's government has done an interesting thing. It has trained the population of Weston to expect that, if they want more fire trucks, they will have to pass a debt exclusion to fund them. That is Weston's approach. Other cities and towns have done it differently. Newton has tried a debt exclusion only once. The debt exclusion for the new main library in the 1980s failed.

The fundamental problem in Newton is that the cost curve is steeper than the revenue curve, which will happen just due to the limited amount of land available for new development in the City and the appreciation of property values.

Mr. Levy mentioned the idea of increased local revenue options, pointing out that in Boston, Mayor Menino often asks the State for such increased local options, which cost the State nothing.

The Commission also looked at PILOT (Payment in Lieu of Taxes) programs. They suggested that the City try to negotiate with the larger institutions in the City for increased, or at least some, payments for the City's services. The Commission is not suggesting a similar approach for the churches, synagogues or for Newton Wellesley Hospital. The five mentioned were Boston College, Lasell, Newton College, Newton Andover Theological, and Mount Ida. Extrapolating from their appraised value what

they would pay if taxable, and then taking a quarter of that, the Commission estimated that such PILOTs could generate several million dollars a year.

Alderman Weisbuch asked about altering zoning laws so as to generate increased revenues. Mr. Levy answered that there was a short section in the report on this topic. He said that the Commission understood there has been considerable debate about zoning law and the permitting process. The Commission felt there is some potential in this area for increased levels of commercial development in the City, compared to what occurs now. If there were changes in zoning and if the process for aldermanic approval of large projects were streamlined or put in front of a smaller body, the Commission thought that both these things could be done in a manner consistent with the vision people have for the City. However, Mr. Levy said that the Commission also recognized that the chance of the land-use ordinance and permitting procedures changing significantly any time soon is small, and even if it did change the Commission did not feel comfortable making an assessment of any dollar amount it might add to city revenues. The group as a whole nevertheless felt it was worth looking at.

Mr. Levy said he had done some personal research on this issue by talking with developers who work in Newton and developers who do not. The ones who don't work in Newton basically said "We won't", because the approval process is so cumbersome. Mr. Levy added a developer who does work in Newton commented that although developers do not like the process, they have learned to work with the City and the aldermen to come up with projects that do get permitted. Mr. Levy feels that if there are people choosing not to work here because of the structure we have, which indicates that there is the potential to do more.

He added that although the number of new sites available for development is small, if you look at current sites where existing structures might be torn down and redone over the next thirty years, it might enhance the ability to redo the current configuration even in existing commercial areas and come up with things to increase current revenue over time.

Ald. Baker commented that a reason why current zoning law has a twenty thousand square foot threshold for development by special permit is that the Atrium Mall was developed as of right, and people wondered how that could have happened. It was in response to that, among other things, that got us to where we are.

Chairman Vance referred to the "Village Study", done a number of years ago. The most significant thing that came out of it, he said, was a list of all the additional commercial development that could be done as of right. It startled the City, which then clamped down on as of right development in the late 1980's.

Ald. Linsky asked whether there would be any recommendation as to a follow-up group. Mr. Levy said that the Commission wished to leave to the City the decision as to whether the report and its findings were of sufficient use to warrant further steps or investigation. The problem with a group like this one, he added, is that if it becomes more permanent, you are setting yourself up to be second-guessed all the time. His recommendation is that

if the City wants outside assistance, it should be brought in occasionally, when needed. The exception to that is that there should be an investment advisory committee to the Pension Board, where continuity is advisable. Other issues are the job of the Mayor and City staff.

Chairman Vance asked Mr. Levy about a reference in the report to the need for a more in-depth study of the condition of the City's municipal buildings. He mentioned that the Town of Weston established a building monitoring committee to monitor building needs. As a result of the work of this Commission, we know that Mr. Parnell and City personnel are stretched to the limits. Alderman Vance asked Mr. Levy whether an outside body of citizens might be useful for this function.

Mr. Levy answered that although the Commission did not discuss this issue, his personal view is that it is not needed for the expertise, but for the purpose of creating a built-in constituency to keep pressure on the City to make sure the work gets done,. To that end the City should establish that kind of committee. Those people will be in every year urging the City to stay on target. Building committees are established by non-profits such as hospitals for the purpose of creating a constituency for facilities improvements with the hope that those same people will then donate the money to do the work (laughter).

Mr. Levy continued that one pet peeve of his, indicative of the kinds of problems that arise when you have a limitation on the amount of money available for capital improvements, is that when a street is going to be repaved, residents on that street are asked if they want to have a granite curb put along their house, which will then get added to their property tax and be paid off over ten or so years. The result is a hodge-podge of some properties with granite curbs and some without. Aesthetics aside, the DPW will tell you that a street without curbs deteriorates faster than one with curbs. It is, therefore, to everyone's advantage to put curbs down the whole length of the street. But because the City does not have the money to finance those curbs, you wind up undermining the very investment you have just made in paving the street. Here is an example where the limited revenue capacity of the City translates into the actual deterioration of an asset, which ends up costing more to fix than if curbs been installed along the entire street in the beginning.

He added that this happens also on athletic playing fields in the City. Several years ago, the boys' and girls' soccer programs raised the fees to play soccer and gave that money to the City to renovate Weeks Field, Brown, Forte, Warren and others. It was many hundreds of thousands of dollars to do something that otherwise would not have happened. The fields had become so compact that when it rained, they puddled and when children fell, they cut themselves on rocks. When you have to make overly hard budget choices because you have limited yourself on revenue, ultimately you pay for it in another way.

Chairman Vance asked if Sandy Pooler, Dave Wilkinson or any of the City people involved in supporting this process would like to comment on the work that the Commission had done.

Mr. Pooler and Mr. Wilkinson said that they wished to say that the Commission was a great group of people to work with and that they thoroughly enjoyed working with them. It was one of the most focused groups that they had ever had the pleasure of working with.

Chairman Vance commented that the Commission had provided the City with a base for understanding the nature of the City's problems and, hence, a way to address them. All municipalities have the same kinds of structural problems of a deficit between their revenue opportunities and their increasing costs. He added that what surprised him was that it took so long for Newton to get to this point, feeling that it would have come much sooner after the advent of Proposition 2 and ½ in 1980. What staved off the crisis, he surmised, was the initial level of State support. An initial goal of Prop. 2 ½ was to move the burden off of the local property tax and onto the state income tax, which seemed a fair way to do it. Previous Newton administrations stated that they would concentrate on the day-to-day operating needs of the City and get around to the facilities maintenance needs at a later time – hopefully in someone else's administration. We have deferred that day longer than we should, which has created the dire capital situation of today.

We also postponed maintenance, Mr. Levy added, in the late '70's and early '80's, when we sold off school buildings because enrollment appeared to be declining. He described reading the forecasts of long term expected declining enrollment in the schools at a time when many were starting families. The sale of these properties may have been the correct financial decision at the time in terms of the present value of what you could get out of them, but ultimately it became part of the cause of what we are seeing now.

Chairman Vance thanked Mr. Levy for briefing the Committee in anticipation of the formal release of the final report tomorrow.

Alderman Baker also thanked Mr. Levy and reminded the Committee of the importance of following up on the report in a productive way and not only digesting its recommendations, but absorbing them as well into the fabric of future planning and devising strategies to close the 'gap'. He pointed out that the City has met and balanced its budget every year, and has done so through tight constraints. Part of the value of this process, he added, is to have a body look at the City's overall finances and remind the City of the importance of maintaining its quality of life as a function of the public services and schools we have, and that we cannot continue to under-invest in these items and expect to maintain that quality over time.

Mr. Levy added the positive note that there can be something inspirational and gratifying to a community when it chooses to invest in the things that are important to the citizens. He said that to the extent that the aldermen and the Mayor can create a sense of purpose and excitement about these kinds of investments, the people in the City will derive pride

from it and the longstanding neglect of capital improvements can potentially be turned around.

Chairman Vance then turned the discussion to the CityStat program, instituted in other cities, including Somerville and more recently in Amesbury. He mentioned that he had attended a workshop at the Mass. Municipal Association meeting on the CityStat program. He distributed to the Committee the document distributed by the Somerville presenters, outlining how the program works there. Managers of all departments are brought together and work toward developing statistical ways of measuring how effectively they perform their services in relation to the amount of money they spend for those services. They do not specifically weigh the results of their services against externally developed benchmarks, but are hopeful that more and more communities will adopt similar kinds of programs so that they will become part of a network of communities that can share and compare the results of their managerial programs as a tool for assessing how effectively they are meeting the needs of their residents.

Chairman Vance pointed to a reference to how the SomerStat program relates to other efforts, including their 311phone system. They hired a manager for the system who came with many years of experience in running a customer service telephone system. The system operates twenty four hours a day, seven days a week, and reports say that the system is excellent. One can readily get information about anything going on in Somerville under this system. The operator does not get off the phone until it is established that the caller is in contact with the right person to deal with his or her problem.

Chairman Vance added that he recognizes that the responsibility for managing the executive and administrative sides off the City does not rest with this Board, yet it is important for us to understand the various aspects of City management so that when it comes to our responsibilities, particularly in assessing the budget, we have the best possible tools we can find to assist the administration in meeting its responsibilities effectively.

The Board has in the past been impressed with certain statistical presentations made to it, for example, by the Police and Parks and Recreation Departments, and we have seen a marked improvement in the caliber of materials presented to us for assessing the work of those departments in relation to the budgets we are asked to assess for them.

Chairman Vance explained that his limited purpose this evening was to present to the Committee the Somerville version of this program and to ask Sandy to give us a brief report on the extent to which Newton has familiarized itself with this idea and how the City is trying to develop more sophisticated statistically based management tools within our own departments.

Mr. Pooler expressed familiarity with CityStat-type programs, having attended a presentation some time ago by Baltimore at the Kennedy School. Since then, he said that the City has adopted various statistical measures to assist in performance assessment. He

classified City departments into the broad categories of those that use the CityStat model internally (DPW, Parks and Recreation and the Police Department), and those that do not. Chief Cordero brought CityStat to Newton from New York and believed in it. It was a major culture change for the Police Department and as change will often do, it created some friction. Next is DPW and its success is a testament to a strong department head. It is also the kind of department that does a lot of things that lend itself to statistical measurement. Parks and Rec. also fits that category. Bob DeRubeis provides excellent back-up in this department because he has the skills and interest to undertake this program. Each of those departments uses CityStat within its own internal management.

Mr. Pooler explained that the Newton model is different than the Somerville model, where each department meets monthly with the Mayor, budget director, HR director, head of the law department, etc, and each department does a presentation. This model fits the management style of their Mayor. In Newton, we tend to keep it at the department level and from time to time they do presentations. On a lower level, are IT, Public Health, the Library and Public Buildings, who do occasional statistically driven presentations.

Mr. Pooler pointed out that the Baltimore model of CityStat is meant to measure things rapidly and repeatedly so that allocations can be changed. If you see clusters of crime, for example, you respond immediately and redeploy resources. That, he explained, is a separate issue from trying to get departments to be more number conscious. Last year, with the goals and objectives in the Budget, we discussed whether they should be numbers driven or more narrative. We decided on a more narrative approach in the Budget and feel that so far it has worked out quite well. Departments are learning, however, to be more numbers driven in looking at their performance. Mr. Pooler commented that the Fire Department is working toward a more statistics driven form of analysis.

Mr. Pooler emphasized the importance of getting departments to buy into these systems rather than imposing such systems on them. He added that he has been to Somerville a couple of times to sit in on CityStat meetings and to visit the 311 center. Mr. Pooler, who lives in Somerville, commented that he had been unable to find trash pickup information on Somerville, but able to find the same information on Newton, so we should not sell ourselves short as we continue to strive to be better. There are many things that we do well.

Chairman Vance informed the Committee that the Mayor and CityStat director of Somerville have invited anyone who wishes to visit them and attend their presentations to do so. It is good to know, he added, that this resource is available.

Ald. Baker asked Mr. Pooler when the 311 call line would be available. Mr. Pooler could not give a definite date, but added that the administration is working with our Call Center to help them answer more questions that might be posed by the citizens who call in. He spoke of the science of customer service and the importance of increasing the training level of our personnel who answer calls from the public.

Ald. Johnson mentioned hearing of more and more cities and towns who have reached the brink of financial trouble due to continued fiscal constraints. This situation may force communities to cooperate more and thus achieve economies of scale. She commented that if there are any opportunities for Newton to work with surrounding communities in this manner to achieve shared services, we should look to do so.

Ald. Vance recalled the topic of regionalization at a workshop at the Rappaport Institute. It was pointed out that as an adjunct to going for an override, a community would have to show the voters that it had done everything it could to bring costs under control. One way of doing this is to share resources regionally instead of insisting on maintaining all services on a local basis. There are largely untapped models for achieving cost containment.

Mr. Pooler pointed out that, regarding the Fire Department, we really do have regionalization because of mutual aid with neighboring communities. He said that his view of mutualization is that everyone talks about it but very little of it happens because there are some real barriers. The way to get into it is to find the little things that work and build the relationships. Bob Rooney has been talking with other communities about sharing expensive pieces of equipment and we have done some of this already.

Ald. Baker commented that in Mr. Levy's report it was pointed out that there are some things we need to do because they are wise, but they are not necessarily going to close gaps.

Chairman Vance gave a brief overview of the responses he received from the aldermanic survey regarding feelings on the part of respondents regarding relative productiveness of time spent on various aldermanic duties. On the issue of whether respondents felt that we could work as effectively with committees of smaller than eight members, there was an even split. On special permits being granted by a non-aldermanic board, six agreed this would be a good idea, four disagreed. The survey does not tell us anything really definitive, he commented, except that it would be useful to unload some of the bits and pieces we have acquired and kept over the years.

Alderman Baker reminded the Committee that we have more work to do with Mr. Levy's report and that we must make certain that this important work is given the attention it deserves and is ultimately acted upon in the appropriate manner.

Chairman Vance adjourned the meeting at 10:00 pm.

Respectfully submitted,

Verne Vance, Chair
Victoria Danberg, Vice Chair