



## **BLUE RIBBON COMMISSION**

### **Report**

**Thursday, January 3, 2019**

Present: Co-Chair Claudia Dumond-Henderson, Co-Chair James Simons, Karen Carroll Bennett, Sharon Chan, Doug Cornelius, Sue Flicop, Carolyn Gabbay, Timothy Moran, Greg Reibman, John Stewart, Kathy Sun, Donald Siegel (phone participation), Andrea Steenstrup (phone participation) and Committee Clerk, Danielle Delaney

Also Present: Council President Laredo, Council Vice President Kalis, Councilors Baker and Krintzman

Councilor Laredo thanked all Blue Ribbon Commission members for their anticipated work. He reviewed the mission of the Commission's work. He stated that the City Council approved in October 2018, a Resolution requesting the formation of a Blue Ribbon Commission to review and make recommendations of elected officials compensation including the Mayor, City Councilors and School Committee members as well as the timing to review or make future adjustments. The Blue Ribbon Commission will examine the compensation the Newton elected officials receive for their service and to make recommendations for possible future changes to their salaries and benefits. The last time the city released a study about their pay was in 2005. In 2005, a recommendation was made to increase the Mayor, City Council and School Committee members salaries. The Council adopted an increase in the Mayor's salary but did not approve a salary increase for the City Councilors or School Committee members.

The compensation review will include salaries, benefits and perquisites. The review will make comparisons to jobs of similar responsibilities and scope, held in cities or towns with characteristics deemed important by the Commission. The Commission intends to present its findings and recommendations to the Council by June 2019. The City Council will review the final recommendations. City Council may adopt all, some or none of the recommendations made. The recommendations may not be enacted until the next term. The Mayor may veto any measure. This Commission will not discuss the number of City Councilors or term limits of School Committee members.

Councilor Laredo suggested the Commission review compensations of elected officials from other cities and towns or perhaps elsewhere in the Country. Factors shall include if it is an enticement or barrier to run for public office.

Councilor Laredo explained the open meeting law requirements. Meeting agendas will be posted online and at City Hall. Emails and communications are public knowledge. The public may attend meetings and speak at the Co-Chairs discretion. Meetings will be held at City Hall. The Blue Ribbon

Commission consists of thirteen members. A quorum must constitute seven members. Councilor Baker stated that during the voting process, phone participation is not allowed.

#### Questions and Answers:

- Why hasn't compensation been reviewed more recently? Councilor Laredo answered that elected officials are loathe to examine raises or compensation levels due to a possible backlash. He then stated that he does not feel City Councilor or School Committee members run for the money. Councilor Baker stated that a voted pay raise may not be effective during the term.
- What is an appropriate use of using the City Clerk office for assistance and can they assist with surveys? Councilor Laredo answered that the City Clerk's office will facilitate meetings, prepare agendas and reports. The City Clerk's office may assist but please do not over burden.

Co-Chair Simons provided a PowerPoint presentation, attached to this report summarizing the historical review on data from 2005. In the previous study, 150 communities were reviewed reflecting fifteen towns or cities in the final 2005 report. Newton was compared to other towns or cities of similar population, median household income, median house value, proximity to Newton, town or cities budget, salaries/stipends, mechanism for annual or periodic increases, part-time or full-time position, responsibilities of Mayor, School Committee members and City Councilors, number of members of the legislative branch and school enrollment.

#### Questions, Answers and Suggestions:

- A commission member stated that many communities do not have a Mayor and suggested using the term CEO.
- Some cities and towns reflected in the 2005 report are much smaller than Newton.
- How are the health insurance and pension benefits determined in the 2005 report? Co-Chair answered that health insurance and how it is subsidized is reflected in the 2005 report.
- Are CEO's eligible for the state pension plan?
- Are the health insurance and pension benefits provided to the part-time School Committee members and the City Council?
- Will elected officials receive a pension and Medicare?
- Is it necessary to provide health insurance?
- The Mayor, City Council and School Committee members benefits and salaries should be reviewed separately.
- Please verify that City Councilors and the Mayor are employees of the City.
- Are City Councilors reimbursed for certain expenses?
- Why are City Councilors and School Committee members compensated? Is it due to recognize their service?
- Does the City Charter explain other benefits for the Mayor, School Committee members and City Councilors?
- Perhaps create a standard mechanism for periodic reviews.
- It was suggested that the Blue Ribbon Commission report on the Municipal Budget dated February 1, 2007 may be helpful.

- Should a Councilor-at-Large be paid more than a Ward Councilor?
- Should the President and Vice President of the City Council be paid more than a Committee Chair or Councilor?
- It was asked what are the perquisites to run for Mayor, City Council and School Committee members?
- What current benefits are offered to the Mayor, City Council and School Committee members?
- A suggestion was made to create two detailed survey/questionnaires for elected and non-elected officials to determine if the salary and benefits are a deterrent or a benefit to run for elected office.
- Would a survey/questionnaire be allowed by an anonymous person?
- It is important to gather data and input from elected officials.
- Can data be obtained on the costs of running for elected official positions?
- Should the percentage ratio as provided in the PowerPoint be eliminated from the Mayor, City Council or School Committee members?
- Are written progress reports accepted? Please provide written progress reports to the Committee Clerk who will attach them to the following report.
- A suggestion was made to have one additional meeting before assigning sub-committees.
- A suggestion was made to contact the City Solicitor requesting what benefits are required

Co-Chair Dumond-Henderson and Co-Chair Simons introduced the potential framework for the Commission to determine appropriate focus areas and sub-committees. Co-Chair Dumond-Henderson suggested creating three sub-committees to review the Mayor, City Council and School Committee members salaries, costs and what information is necessary. Co-Chair Simons suggested the sub-committees create a list of questions, a list of important issues and to create survey/questionnaire questions. Co-Chair Dumond-Henderson will provide Commission members with a chart of research items.

Co-Chair Dumond-Henderson suggested holding monthly meetings to April. The three sub-committees may have to meet more often.

The next meeting of the Commission is scheduled for Wednesday, January 16, 2019 in City Hall.

The Commission adjourned at 9:50 p.m.

An email was created for the public to contact the Blue Ribbon Commission members. The email address is [BRC@newtonma.gov](mailto:BRC@newtonma.gov)

**Respectfully submitted,**

**Claudia Dumond-Henderson, Co-Chair**  
**James Simons, Co-Chair**

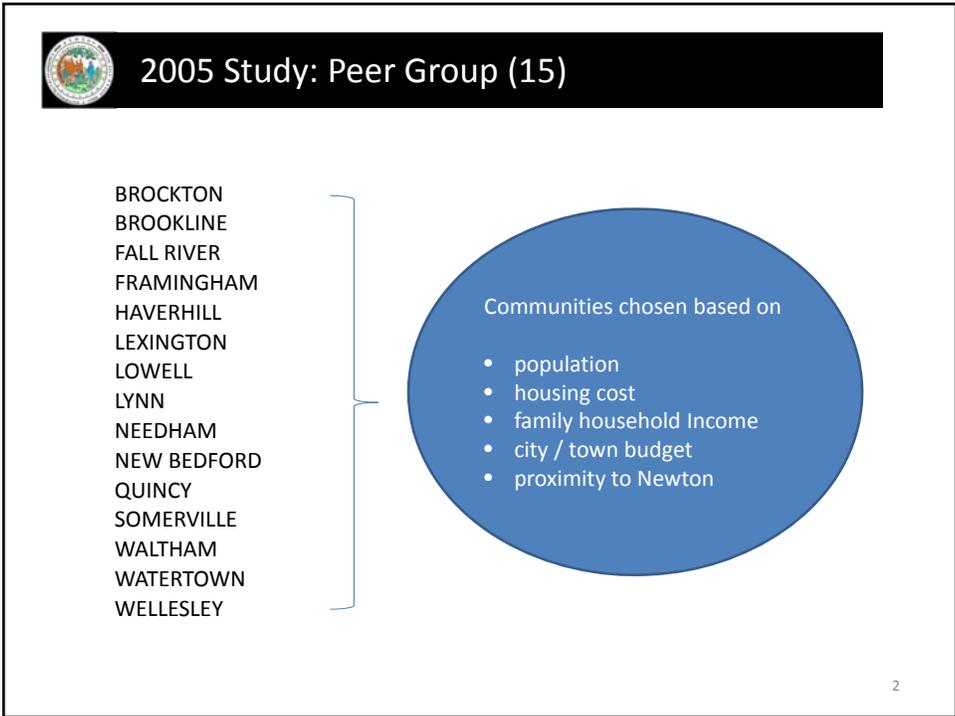
**Commission to Review  
City of Newton Elected Officials Salaries**

-----

**Review Results of 2005 Study and  
Initial Discussion Items for 2019**

Commission to review elected officials salaries 1-3-19

1



 **2005 Study: Peer Group (15)**

BROCKTON  
BROOKLINE  
FALL RIVER  
FRAMINGHAM  
HAVERHILL  
LEXINGTON  
LOWELL  
LYNN  
NEEDHAM  
NEW BEDFORD  
QUINCY  
SOMERVILLE  
WALTHAM  
WATERTOWN  
WELLESLEY

Communities chosen based on

- population
- housing cost
- family household income
- city / town budget
- proximity to Newton

2



## 2005 Study: Peer Group Budget

By Budget, Newton was #1

<u>Community</u>	<u>Budget</u>	<u>Ratio to Newton</u>
1 NEWTON	\$284,263,989	100%
2 BROCKTON	280,111,686	99%
3 LOWELL	272,507,119	96%
4 NEW BEDFORD	252,606,640	89%
5 QUINCY	226,260,037	80%
6 LYNN	221,970,914	78%
7 FALL RIVER	208,256,666	73%
8 FRAMINGHAM	196,421,166	69%
9 BROOKLINE	190,006,170	67%
10 WALTHAM	168,831,183	59%
11 SOMERVILLE	166,358,777	59%
12 HAVERHILL	133,286,837	47%
13 LEXINGTON	117,562,736	41%
14 NEEDHAM	96,649,090	34%
15 WELLESLEY	95,987,511	34%
16 WATERTOWN	86,597,453	30%

3

3



## 2005 Study: Peer Group Population

By Population, Newton was #7

<u>Community</u>	<u>Population</u>	<u>Ratio to Newton</u>
1 LOWELL	105,167	125%
2 BROCKTON	94,304	112%
3 NEW BEDFORD	93,768	112%
4 FALL RIVER	91,938	110%
5 LYNN	89,050	106%
6 QUINCY	88,026	105%
7 NEWTON	83,829	100%
8 SOMERVILLE	77,478	92%
9 FRAMINGHAM	66,910	80%
10 WALTHAM	59,226	71%
11 HAVERHILL	58,969	70%
12 BROOKLINE	57,107	68%
13 WATERTOWN	32,986	39%
14 LEXINGTON	30,355	36%
15 NEEDHAM	28,911	34%
16 WELLESLEY	26,613	32%

4

4



## 2005 Study: Peer Group Median House Value

By median housing price Newton was #2

	<u>Community</u>	<u>Median House Value</u>	<u>Ratio to Newton</u>
1	WELLESLEY	\$839,450	134%
2	NEWTON	\$625,000	100%
3	LEXINGTON	\$610,000	98%
4	NEEDHAM	\$599,900	96%
5	BROOKLINE	\$480,000	77%
6	WATERTOWN	\$410,000	66%
7	SOMERVILLE	\$399,500	64%
8	WALTHAM	\$395,000	63%
9	FRAMINGHAM	\$345,000	55%
10	QUINCY	\$335,000	54%
11	LYNN	\$275,000	44%
12	BROCKTON	\$260,000	42%
13	HAVERHILL	\$255,000	41%
14	FALL RIVER	\$240,000	38%
15	LOWELL	\$237,000	38%
16	NEW BEDFORD	\$229,000	37%

5

5



## 2005 Study: Peer Group Median Family Income

By median income Newton was #4

	<u>Community</u>	<u>Median Income</u>	<u>Ratio to Newton</u>
1	WELLESLEY	\$134,769	128%
2	LEXINGTON	\$111,899	106%
3	NEEDHAM	\$107,570	102%
4	NEWTON	\$105,289	100%
5	BROOKLINE	\$92,993	88%
6	FRAMINGHAM	\$67,420	64%
7	WATERTOWN	\$67,411	64%
8	WALTHAM	\$64,595	61%
9	HAVERHILL	\$59,772	57%
10	QUINCY	\$59,735	57%
11	SOMERVILLE	\$51,243	49%
12	BROCKTON	\$46,235	44%
13	LOWELL	\$45,901	44%
14	LYNN	\$45,295	43%
15	FALL RIVER	\$37,671	36%
16	NEW BEDFORD	\$35,708	34%

6

6

## 2005 Study: Data Collection Criteria

Criteria

- City budget
- School budget
- Median housing price
- Population
- Median family Income
- # Council members
- # School committee members
- # Schools
- School enrollment

Norms / Administration

- Current pay
- Pay ratios to budget or city employees
- Pay change frequency

7

7

## 2005 Study: Deliverables (cont'd)

Spreadsheet of pay by city or town

City	Mayor	Council	School Committee
BROCKTON	\$113,856	\$10,000	\$3,500
BROOKLINE	\$136,500	\$2,500	
FALL RIVER	\$104,915	\$14,223	\$7,197
FRAMINGHAM	\$129,840		
HAVERHILL	\$60,000	\$8,000	
LEXINGTON	\$93,409		
LOWELL	\$125,000	\$19,000	\$6,000
LYNN	\$89,713	\$13,064	
NEEDHAM	\$109,307	\$1,500	
NEW BEDFORD	\$77,636	\$14,652	
QUINCY	\$101,175	\$17,500	\$7,200
SOMERVILLE	\$85,000	\$16,750	\$7,700
WALTHAM	\$100,347	\$13,506	\$8,373
WATERTOWN	\$115,356	\$5,000	
WELLESLEY	\$147,319		
<b>Avg. (excl. \$0)</b>	<b>\$105,958</b>	<b>\$11,308</b>	<b>\$6,662</b>
<b>50<sup>th</sup> pctile . (excl. \$0)</b>	<b>\$104,915</b>	<b>\$13,285</b>	<b>\$7,198</b>
NEWTON	\$97,500	\$9,750	\$4,875

8

8



## 2005 Study: Deliverables

### Report to the Council

#### Mayor's Salary Criteria

- 'Salary should support him or herself and sufficient for residents of modest means and assets to run and serve in that office.'
- Housing cost should be a factor
- Of municipalities ...[chosen] based on population, housing cost, income, budget size, and proximity to Newton" (all were not weighted equally in recommendation)

#### Mayor's Salary Recommendation

Took into account:

- **Consumer price Index** since prior adjustment
- Ratio of salary to other city employees
- Ratio of salary to selected peer group
- Committee recommended increase in salary from \$97,500 to \$125,000

9

9



## 2005 Study: Deliverables (cont'd)

### Council and School Committee Members Stipend Criteria and Recommendation

- Committee supports stipend equal to 10% of mayor's salary and 5% for school committee members (\$12,500 and \$6,250 respectively)
- Stipend will be adjusted annually

10

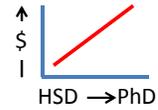
10



## Do Pay & Criteria Highly Correlate?

Correlation: A way to explain strength of relationship between at least two variables.  
 Example: pay and highest degree earned, diet and weight loss, etc.

If the correlation is high, it can be relied on as a predictor



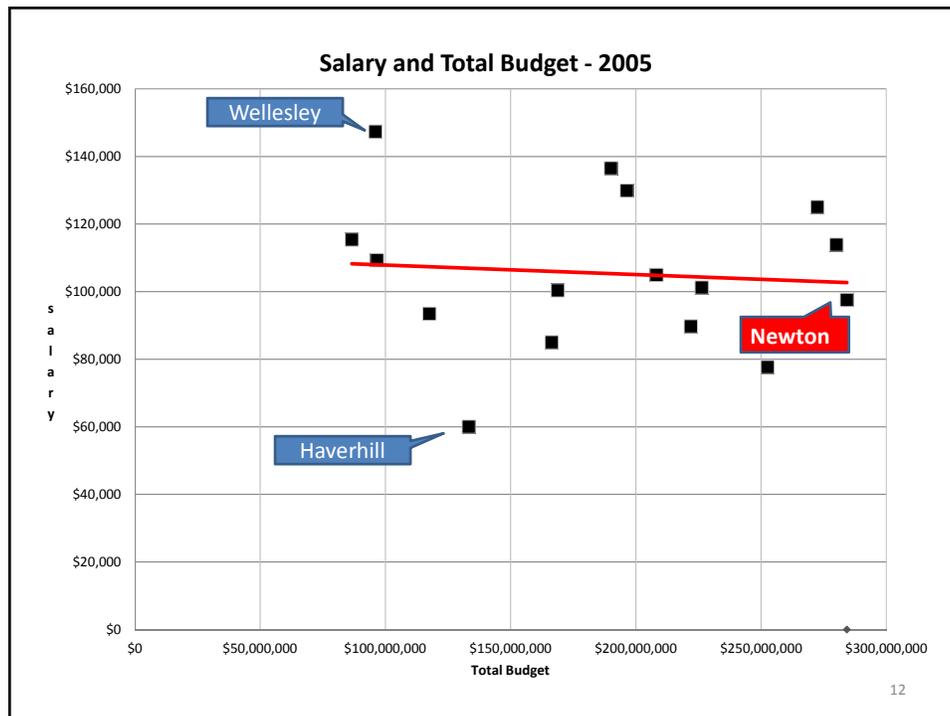
Of the 2005 study, was there a high correlation pay and size?

Answer: No

	<u>Correlation</u>
Salary and total budget	Low
Salary as percent of budget	Low Moderate
Salary and population	Low
Salary and median housing price	Low
Salary and tax revenue per resident	Low

11

11



12

12



## 2005 In Summary

- Peer comparisons were of limited use. Newton pay alone was in the “ball park” but hard to direct what or how much to change by peer data alone
- Absent a leading indicator, the city took a safe and reasonable course to adjust pay by what was known: cost of living and ratios

### Comment

It may benefit the committee and the city to again survey peers but re-examine which communities to include

13

13



## Committee Charter 2019

- “...review elected officials salaries and recommend a cycle for review of those salaries”: mayor, council and school committee members
- Review to include:
  - Compensation (base or other cash remuneration)
  - Benefits
  - Perquisites

14

14



## 2019 study – For Initial Discussion

- Data Collection
  - Public domain information readily available? Formal survey needed?
- Peers: Same or revised from 2005?
  - Consider larger communities to round out grouping
- Pay criteria: Factors for study inclusion
  - Are all compelling? Size matters!
- Benefits: simple list or further detail?
  - May be time consuming to assess richness of benefits. Alternatively, list which are subsidized or not
- Finding and recommendation: Weighted or unweighted
  - Weighting brings precision but Committee may want flexibility

15