

Bureau Update

Boston Municipal Research Bureau, Inc

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July/August 2002

NEWS & NOTES

Mark Your Calendar

For the
2002 Henry L. Shattuck Public
Service Awards

DATE: October 17, 2002

TIME: 6:00 P.M.

LOCATION: John Hancock Hall

Honorees will be announced in September.

Mark Your Calendar

For the
Research Bureau's 71st Annual
Meeting of Members and
Directors

February 25, 2003 ~ Noon
Seaport Hotel Boston

For more information on either event
call Diane Smith at 617-227-1900

LOCAL AID LOWER IN '03

Boston's FY03 operating budget is out of balance by \$13.2M as a result of the local aid cuts approved in the final state budget. Not considered here are any changes in state grants. With a city budget of \$1.8B and 10½ months remaining in the fiscal year, Boston can manage this net reduction of state aid without affecting the delivery of basic city services. This revenue cut will require the City to continue to control spending and be more diligent in reducing its work force numbers. These steps are also necessary to prepare for FY04 when local aid is expected to be reduced again as a consequence of the Commonwealth's current financial situation.

Boston's FY03 state aid of \$512.7M is \$26.2M or 4.9% less than the net amount actually received for FY02. The largest cuts in state aid for FY03 from the City's adopted budget were made in the Additional Assistance and Charter School reimbursement accounts, totaling a combined \$24.1M. Boston was particularly affected by the cut in Additional Assistance since its distribution was based on a needs-based formula that favored urban areas, resulting in 43% of the statewide total being allocated to Boston. The cut in this account totaled \$13.4M. The Charter School reimbursement was eliminated entirely, resulting in a \$10.6M reduction for Boston. The City and BPS will share in addressing this cut. State reimbursements in excess of conservative city budget estimates helped offset part of the local aid cuts in the above accounts. State reimbursements for teacher pensions increased by \$6.8M, for school construction by \$2.1M and for the Quinn Bill by \$1.8M, for an increase of \$10.7M over city budget estimates.

CITY APPROVES WASHINGTON STREET BID

The City Council approved a revised home rule petition creating a Washington Street Business Improvement District (BID) on August 14th. The Mayor will sign the petition shortly. The petition then must be approved by the Legislature and Governor, after which businesses in the district must vote to support the BID before it becomes operational. (See April/May 2002 *Bureau Update*) The BID will provide additional services beyond those now provided by the City, such as ambassador services, litter removal, coordinated marketing, programming and homeless assistance. The BID also will provide professional management services to the district and represent the area in the public policy process. The BID will be funded by

special assessments structured so that the largest buildings occupying the most land in the District will pay the highest amounts. A BID Board of at least 11 members primarily representing various owner interests will manage the BID. The BID budget is tentatively set at \$3.6M. A critical part of the plan is the cooperation agreement between the City and BID to establish a baseline of city services for the area. A strict sunset provision limits the operation of the BID to five years with a new approval process required to extend it further.

STUDENT ASSIGNMENT

The opening of the 3 new schools in 2003 is the impetus that could lead to a new system-wide assignment plan in Boston. The School Committee is slated to create a Student Assignment Task Force before Labor Day to deal with the issue. The task force will initiate a dialogue with the public through 5 public hearings. After a comprehensive review of public input, the data and alternative assignment models, a report will be presented to the Committee in October. Before finalizing a plan, the School Committee will also hold a hearing in October.

Questions that will need to be answered include:

- How should students be assigned to the 3 new schools that will open in September 2003 and to other existing schools starting in 2004?
- What is the right balance between access to neighborhood schools and school choice?
- What should be the trade offs between more diversity or greater homogeneity tied to assignments?
- How would a new plan impact school transportation costs? The BPS transportation budget in FY03 is \$55.9M, of which \$23.8M is for controlled choice and \$24.0M is for special education transportation.

The School Committee would be expected to approve any assignment policy changes for the 3 new schools in November 2002. Roll out of any further system-wide modifications to the student assignment plan would have to be introduced in March 2003 in order to be incorporated into the planning for the FY04 school budget.

URBAN REGIONALISM

The prospect of cuts in local aid may have brought them together initially almost two years ago but the chief executives of nine Boston area cities have joined together to develop collaborative strategies and programs that can provide efficiencies and cost savings. Boston is a member of the Metropolitan Mayors Coalition that consists of the nine cities of Boston, Cambridge, Chelsea, Everett, Malden, Melrose, Medford, Revere and Somerville. Among other goals, the Coalition promotes cost control and savings by exploring and implementing collaborative service arrangements on administrative and operational issues. For example, on the issue of group health insurance services for municipal employees, the Coalition is working to create a combined program to control cost increases through greater economies of scale. Urban regionalism has been elusive in the Boston metropolitan area in the past. However, in these economic times and with the staff assistance from the Metropolitan Area Planning Council, regional collaboration should prove beneficial and worth pursuing.

COUNCIL REDISTRICTING

Five of Boston's nine electoral districts must be redrawn this year to comply with federal law that stipulates that no district may deviate by more than 5% of the average district population. Based on the 2000 federal Census, that average is 65,389. Since the five districts are not all contiguous, precinct changes will likely occur in most districts. The Council's Committee on Census and Redistricting held a hearing on July 24th to discuss various redistricting options. Discussion centered on the desire to preserve traditional neighborhoods, the requirements for creating a fourth minority majority district and the preference to not place two incumbent Councilors in competition for the same seat. Additional neighborhood hearings will be held during August and September. Testimony from the hearings will be considered in the development of a final redistricting plan that will be presented to the City Council for a vote in September.

POLICE ON THE STREET

The Boston Police Department (BPD) will transfer approximately 40 experienced sworn officers "on the street" in direct service positions from administrative or clerical positions this fiscal year. The benefit is to increase police presence at less cost than a new class. This transfer is the first in a series of moves that are expected to occur over the next few years as the BPD works to assign more sworn personnel to direct service positions and hire civilians to perform their administrative and clerical duties. In July 2002, the Police Commissioner released an operations review and position utilization analysis of the BPD prepared by Management Partners, Inc. That report presented a plan by which 163 sworn officers could be returned to direct police service. The Commissioner has indicated that not all the recommendations will be implemented for organizational or legal reasons.

THE REPORT:

- Identified 235 positions in the department that were being filled by sworn officers that did not require the use of police powers or police training for effective performance.
- 40 positions were identified that could be eliminated by the application of technology and system redesign, making the BPD more efficient.
- Of the total sworn officers of 2,194 at the time of the review, 1,788 or 81.5% were in direct service positions and 406 or 18.5% were in support positions.
- The BPD ranked low in the use of civilians in support services in the report's benchmarking survey of Boston and other comparable police departments.

The Commissioner has stated that no employees will lose their job as a result of implementing recommendations based on this report.