

# **SPECIAL COMMITTEE ON ALCOHOL, OTHER DRUGS & YOUTH SERVICES**

**May 5, 2026 at 5:00PM**

Chairman Thomas called the meeting to order.

The Clerk called the roll.

Present: Aldermen Thomas, Barry, O'Neil, Bonilla, Kantor

Messrs.: M. O'Malley, P. Richard

1. Discussion with Michelle O'Malley, Chief Executive Officer of Webster House Children's Home.

Michelle O'Malley, Chief Executive Office of Webster House Children's Home: For the past five years, I have served as CEO of Webster House Children's Home. Peter Richard, our board vice chair, and I are here at Alderman Thomas's invitation to tell you about Webster House, the young people we serve, and the role the City of Manchester can play in sustaining this work going forward. For many of the youth we serve, Webster House is the first place they have experienced stability, consistency and a sense of belonging. Webster House has been serving New Hampshire's most vulnerable youth since 1884. We were founded during the Amoskeag Manufacturing era, when families were coming to Manchester for work, but parents were often at the mills six days per week and needed a safe place for their children. Webster House was built to meet their need. The land our home sits on was donated to us by Amoskeag Industries. That gift is a reminder that Webster House has always been a Manchester institution, supported by this community from the very beginning. Webster House operates as a level two residential program licensed through the New Hampshire Department of Health and Human Services. We serve youth between the ages of 8 and 20, and we provide 24/7 care, supervision, guidance and the tools young people need to move forward successfully. The youth at Webster House are referred to us through the Division for Children, Youth and Families, often because of abuse, neglect, family instability, or significant behavioral and mental health challenges. In many cases, there is nowhere else for them to go. Without intervention, they are at very real risk of homelessness, continued trauma, or deeper involvement in the system. When they arrive at Webster House, they are entering a critical point of intervention in their lives. Life at Webster House is intentionally structured to build independence. Our youth attend school here every day. They come home, complete homework, share meals, and participate in daily routines. Beyond that, we are constantly preparing them for adulthood. We teach practical life skills like cooking, budgeting and time management. We help them find jobs here in the community, build resumes and learn what it means to show up and to be accountable. Our staff are deeply involved in their day to day lives, transporting them to school, work, court appointments, medical visits, and extracurricular activities. We are, in every sense of the word, their guardians. Every young person who comes to us has experienced trauma, and that trauma affects how they learn, how they behave, and how they trust others. That is why we provide in-house clinical services, including individual and group counseling. This matters more than people realize in the broader community. Waitlists for youth mental health services can run 9 to 12 months. At Webster House, our youth receive support immediately. That immediacy can be the difference between a young person escalating further and a young person beginning to heal. Webster House is also a homelessness prevention program.

Without us, many of the youth we serve would not have stable housing. We provide the support system they need to move forward safely, whether that means returning home, transitioning to a foster home, moving toward independent living, or pursuing education and employment. Despite the challenges they face, our youth achieve remarkable things. They graduate from high school. They enroll in college and trade programs. They secure jobs and independent lives. They volunteer and give back to their communities, to our community. And perhaps most importantly, they begin to see a future for themselves that once felt out of reach. These outcomes do not happen by accident. They happen because of consistency, support, and belief in each young person's potential. We also make it a priority that our youth experience joy and normalcy. They take part in theater, singing and guitar lessons. They go on outings, celebrate birthdays and holidays, and join in weekend programming. Healing happens through connection, creativity and positive experiences, not through services alone. For more than 140 years, Webster House has been part of this community safety net. That role is just as critical today as it has ever been. I would now like to direct your attention to a video we shared at our fifth annual Night of Giving fundraiser just last month. After the video, our board vice chair, Peter Richard, will speak briefly about the board's perspective and what we are asking of the committee tonight.

[Video presentation]

Peter Richard, Webster House Board of Directors Vice Chair: Thank you for watching that. My name is Peter Richard. By day, I'm the corporate controller at Amphenol Corporation, which is a global manufacturer with a business unit here in Manchester. I'm here tonight in my volunteer capacity as vice chair of the Webster House Board of Directors. You've heard from Michelle about the work and you have seen the video. I'd like to spend a few minutes telling you about the board behind that work, the operating reality we are navigating, and why we believe the city of Manchester has a role to play in what comes next. The Webster House board is not a ceremonial board. It is a working board made up of people from business, finance, law, health care, and the trades. We meet regularly. We review the financials. We ask hard questions about the model, about outcomes and how every dollar is being spent. And it matters that we are an independent, locally governed organization. Webster House is not a chapter or an affiliate of a national nonprofit. There is no parent organization and no corporate office setting our priorities. Decisions about Webster House are made in Manchester by people who live here, for children who live here. And that is the lens I'm speaking from tonight. Here is our operating reality. In 2018, Congress passed the Family First Prevention Services Act. The intent of that law is sound. It directs the child welfare system to keep children in their homes and with their families whenever it is safe to do so, and use residential care only when nothing else will work. We support that intent. No one at Webster House believes that a residential placement is the right first step for a child who can be safely served at home, but the execution of that policy has created a structural challenge for organizations like ours. The children who do reach Webster House are arriving with significantly more compounded trauma than they did a decade ago. They have been kept in difficult home situations longer, and by the time the system places them with us, the work to stabilize them takes more time, more clinical support, and more skilled staff than it used to. The economics of this work are also harder than most people realize. The state requires us to maintain full staffing at all times, even when our census is below capacity, so that we are ready to receive a child when the moment is needed. That is the right policy from a child welfare standpoint. A child in crisis cannot wait until we hire and train someone, but it means our

largest cost, our people, is essentially fixed, while our revenue, which is tied to the number of children placed with us, can fluctuate week to week. When the state's per diem rates do not keep pace with the actual cost of the work, the impact shows up immediately on our bottom line. Every residential provider in New Hampshire is navigating the same reality. Some of you may have seen reporting earlier today that referenced a surplus at Webster House for 2024. I'd like to address that directly. That number came from our annual report, which we published for our donor community. It includes operating revenue, investment returns on our endowment, and restricted gifts and grants, including funds dedicated to capital projects. That is the right way to report to donors, but it is not the same as our operating results. The majority of what was reported as surplus is restricted, meaning it cannot be used to keep the lights on, pay our staff, or care for the children in our home. The operating reality is the one that I have just laid out for you. I would like to be clear about something else because narratives travel and not all of them are accurate. Webster House is a 140-year-old institution with real challenges, and we are treating those challenges with the seriousness they deserve. But Webster House is stable. We have audited financials. We have a working board. We have a CEO and a staff who show up every day for these kids. We have a plan and we are executing it. Webster House is not in crisis, and we are not here tonight asking for the city to rescue us. We are here now while we have the time and the runway to have this conversation. I expect that some of you are thinking this sounds like a state funding issue, and in many respects it is. We are doing the work at that level. We have engaged with Executive Councilor Stephen, with Governor Ayotte, and we are working alongside other children's homes across New Hampshire to make the case collectively. We are committed to that work and we will continue it, but we are realistic about the pace of change at the state level, and sustaining this work in the near term is going to take partnership on multiple fronts. That is what brings us to the city today. The children at Webster House are Manchester's young people. They go to Manchester schools and most of them stay in the city when they age out. The alternative to Webster House for a child who needs this level of care is not a less expensive version of Webster House. It is emergency rooms. It is shelters, justice, juvenile involvement and in too many cases, homelessness. The city pays for those outcomes one way or another. Webster House is one of the most cost-effective interventions available, and it has been part of Manchester's safety net since 1884. We are asking that Webster House be considered for city funding in the upcoming budget, and we would welcome the opportunity to work with this committee and the mayor's office on an appropriate amount and mechanism. We recognize the budget cycle is moving and decisions are being made now. The state conversation will continue, but the need in Manchester exists today. Webster House has been here for 140 years, because generations of people in this city decided it was worth keeping. We believe it is still worth keeping, and we believe the work ahead is best done in partnership with the city these children call home.

Alderman Barry: I'm very familiar with Webster House. I was on the board for 13 years, part of it as chairman. It means a lot to me. I'm glad you guys are here, because I think it brings a perspective to a lot of other people that don't realize what Webster House is all about. I have one quick question. Is Curt Schilling still doing the Christmas presents?

M. O'Malley: He's not involved anymore, but we still have the mural, the Fenway mural.

Alderman Barry: That was pretty cool. There is one story I have to tell. It was a success story. It was a young lady that was there in the years that I was there. And out of the blue, she contacted me a few years ago and thanked me for helping her and pretty much helping her in the right direction, I guess you could say. But she's now very successful. She's living on Nantucket. She's married, she has two kids, and she's obviously a success. So, you guys are doing a great job, and I certainly appreciate everything you do and whatever we can do as a city, and I see Senator Long in our audience. You certainly have a good backing by him.

M. O'Malley: Thank you for sharing your story. I'd love to hear about your experience at another time as a board member.

Chairman Thomas: I also wanted to say I support your mission, your agency, and all of you, all the work that you do. Very thankful for it. These are youth that didn't ask for this to be done to them. And although the state is saying, I want to keep children in their homes as long as they can, you did touch on that a lot of trauma unfolds that will be harder to undo after kids can be homeless. If we don't have Webster House in Manchester, the Manchester kids, where are they going to go? I liked how you invited me for a tour there. I loved it. I saw the cooking going on and things like that. And I really do think that it speaks volumes when you have a kiddo that goes through Webster House and then in the end, they're working there. So, your mission works and I appreciate all you do.

Alderman Barry: I just thought of something. In our audience today, we have people that are running SNHU arena down the road a little way. Quick story, back when the Manchester Monarchs were in town, I was able to reach out to the actual players. When I was working with the sheriff's office, we donated a huge hockey game and the Monarchs would go down there and play with the kids. So, you guys that are listening out there in the audience remember that because this is a great group and let's see if we can work together with them.

Alderman O'Neil: Peter, you mentioned a little bit about funding and support. Was there a specific request that was made that didn't get included in the budget?

P. Richard: In the city's budget no, not that I'm aware of.

M. O'Malley: You're all welcome to come and tour if you're interested.

Alderman Barry: I would love to.

*There being no further business, on motion of **Alderman Barry**, duly seconded by **Alderman Bonilla**, it was voted to adjourn.*

A True Record. Attest.

A handwritten signature in black ink, appearing to read "Matthew Normand". The signature is written in a cursive style with a long, sweeping underline.

Clerk of Committee

*Meeting Start Time: 5:00PM  
Meeting End Time: 5:20PM  
Minutes Prepared By: Michael Intranuovo*