



CITY OF CAMBRIDGE

CAMBRIDGE, MASSACHUSETTS 02139
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EXECUTIVE DEPARTMENT
JOHN H. CORCORAN
City Manager

October 30, 1972

To the Honorable, the City Council:

Contract negotiations with City employees have begun for salary and working arrangements in 1973 and 1974.

So that your Honorable Body and the rest of Cambridge may know now the intentions of the City Manager, I am taking this opportunity to review and restate my decision to hold firm against any expenditures which may benefit a few at a great burden to the majority of our citizens.

I have no intention of retreating from our long-standing policy of providing efficient civic services, but rather I am working towards the goal of providing even more efficient service from all those who are now receiving their salaries from our Cambridge taxpayers.

I am asking for your understanding and support, both of which I need if we are to realize this goal.

The greatest single budget item which the taxpayers must meet every year is the payroll. We have understood the plight of the City workers in these inflationary times and we have met their problem adequately, I believe, by providing a 41% increase in their salaries in the past four years.

An employee who in 1968 received \$10,000 annually, received \$11,000 in 1969; \$12,100 in 1970; \$13,068 in 1971, and will receive \$14,113.44 in 1972.

We all know that the City of Cambridge for the past decade has paid more than or equal to the pay scale for communities, even though, as I pointed out to you in a previous communication, that some branches of government pay full hospital insurance costs whereas Cambridge does not; but taken together as an entire package I believe that Cambridge fringe benefits are better than or equal to those in other communities.

I have already received proposals for pay increases for 1973 and 1974. This was not unexpected, but as I declared before, as I restate my position now to hold to the prudent policy of no salary increases in 1973 over and above those increases for which the City legally committed itself in previous years.

To the Honorable, the City Council (cont.)

October 30, 1972

The City's annual payroll is about \$35 million which accounts for \$108, 72½%, of the \$149 tax rate for 1972.

One proposal would have the City Council pass an ordinance granting an approximate 20% effective pay raise for the two years 1973 and 1974, plus other benefits.

I have mentioned many times that in 1972 Cambridge had to pay close to \$4½ million to meet the State deficit while most other communities shared in the State revenue and did not have to pay towards the deficit. While it is some good news to learn that the Federal government will pay to Cambridge in excess of \$2 million under the new share-the-revenue legislation, this does not cover our State deficit cost. Other communities which do not pay towards the deficit also are sharing in the revenue to communities made available by Congress.

Considering the City's overall financial plight and the lack of any significant increase in our tax base, I have no other alternative but to tighten the purse strings. I trust that you will consider all the facts and the increased burden upon our rent payers and our taxpayers should you be faced with a request to amend City ordinances to grant pay raises in the immediate future.

I shall also request the School Committee not to grant salary increases over and above the salaries for which the Committee is now legally committed to pay in 1973.

Respectfully submitted,

John H. Corcoran
City Manager

JHC/b



City of Cambridge

IN CITY COUNCIL

Agenda #1.

Comm. from City Manager stating that his decision is to hold firm against any expenditures which may benefit a few at a great burden to the majority of our citizens

In city council

October 30, 1972

Placed on file -