

CITY COUNCIL
CITY OF CAMBRIDGE
SUBMITTED MAY 2, 1983

INTRODUCED BY CITY MANAGER ROBERT W. HEALY

AN ORDER CONCERNING APPROPRIATIONS FOR THE FISCAL YEAR BEGINNING JULY 1, 1983

ORDER: That the following sums, designated as appropriations, are hereby appropriated in the General Fund of the City of Cambridge:

FUNCTION	DEPARTMENT	SALARIES & WAGES	OTHER ORDINARY MAINTENANCE	TRAINING & TRAVEL	EXTRA ORDINARY MAINTENANCE	CITY APPRO- PRIATIONS	STATE ASSESS- MENT	GRAND TOTAL
GENERAL GOVERNMENT								
	mayor	125 335	37 430	8 880		171 645		171 645
	executive	197 060	51 550	14 100		262 710		262 710
	city council	158 200	16 460	9 000		183 660		183 660
	city clerk	152 340	20 515	235		173 090		173 090
	law	94 135	167 215	151 500		412 850		412 850
	finance	1 216 035	1 025 980	5 655	9 200	2 256 870	7 160	2 264 030
	employee benefits	5 927 150	13 324 315	12 500		19 263 965	27 845	19 291 810
	general services	147 415	267 090			414 505		414 505
	elections	196 190	62 580	715		259 485		259 485
	public celebrations	29 030	16 615			45 645		45 645
	county tax						978 105	978 105
	reserve		40 000			40 000		40 000
	animal commission	44 485	22 650			67 135		67 135
	TOTAL	8 287 375	15 052 400	202 585	9 200	23 551 560	1 013 110	24 564 670
PUBLIC SAFETY								
	fire	7 876 940	432 295	36 035	25 000	8 370 270		8 370 270
	police	8 328 180	604 495	49 115	24 000	9 005 790		9 005 790
	traffic & parking	1 496 560	1 311 650	9 900	10 000	2 828 110		2 828 110
	building	402 420	95 305	900		498 625		498 625
	license	51 545	13 200			64 745		64 745
	weights & measures	70 100	2 815	10		72 925		72 925
	electrical	587 745	991 910	2 300		1 581 955		1 581 955
	civil defense	18 725	3 200			21 925		21 925
	TOTAL	18 832 215	3 454 870	98 260	59 000	22 444 345		22 444 345

FUNCTION	DEPARTMENT	SALARIES & WAGES	OTHER ORDINARY MAINTENANCE	TRAINING & TRAVEL	EXTRA ORDINARY MAINTENANCE	CITY APPRO- PRIATIONS	STATE ASSESS- MENT	GRAND TOTAL
COMMUNITY MAINTENANCE AND DEVELOPMENT								
	public works	5 045 045	2 565 095	41 050	160 000	7 811 190	1 642 245	9 453 435
	community development	709 550	344 070	5 000	144 000	1 202 620	16 185	1 218 805
	historical		46 875	125		47 000		47 000
	nuclear	12 670	3 885	200		16 755		16 755
	conservation		7 800	200		8 000		8 000
	rent control	514 740	160 650	1 100		676 490		676 490
	mbta						5 394 740	5 394 740
	cable t.v.	47 660	89 800	2 000		139 460		139 460
	debt service				4 847 265	4 847 265		4 847 265
	TOTAL	6 329 665	3 218 175	49 675	5 151 265	14 748 780	7 053 170	21 801 950
HUMAN RESOURCE AND DEVELOPMENT								
	library	1 018 315	271 615	1 250		1 291 180		1 291 180
	health	472 220	87 880			560 100	13 020	573 120
	human services	1 312 600	618 010	5 220		1 935 830		1 935 830
	mdc						1 069 550	1 069 550
	veterans	118 165	216 810	750		335 725		335 725
	women's commission	27 530	1 955	200		29 685		29 685
	TOTAL	2 948 830	1 196 270	7 420		4 152 520	1 082 570	5 235 090
	GRAND TOTAL	36 398 085	22 921 715	357 940	5 219 465	64 897 205	9 148 850	74 046 055
EDUCATION								
	public school	25 411 005	12 990 395	71 335	102 145	38 574 880	79 825	38 654 705
	GRAND TOTALS	61 809 090	35 912 110	429 275	5 321 610	103 472 085	9 228 675	112 700 760

BE IT FURTHER ORDERED: That the city appropriations and state assessments in the General Fund are to be financed by estimated revenues drawn from the following sources:

FUNCTION	DEPARTMENTS	TAXES	LICENSES & PERMITS	FINES & FORFEITS	CHARGES FOR SERVICE	INTER GOVERN- MENTAL REVENUE	MISCELLA- NEOUS REVENUE	TOTAL
	mayor	139 645				32 000		171 645
	executive	184 830				77 880		262 710
	city council	183 660						183 660
	city clerk	85 130	9 730		78 230			173 090
	law	360 350	2 500			50 000		412 850
	finance	(300 490)		500	179 000	685 020	1 700 000	2 264 030
	employee benefits	8 588 615		800 000		8 803 195	1 100 000	19 291 810
	general services	383 055		4 000	27 450			414 505
	elections	214 985			1 500	43 000		259 485
	public celebrations	28 645				17 000		45 645
	county tax	978 105						978 105
	reserve	40 000						40 000
	animal	(20 000)	37 035	47 000			3 100	67 135
	Total General Government	10 866 530	49 265	851 500	286 180	9 708 095	2 803 100	24 564 670
	fire	7 069 200	3 000		61 000	1 235 070	2 000	8 370 270
	police	5 071 360	3 975	1 819 005	191 185	1 870 920	49 345	9 005 790
	traffic			2 309 410	388 700		130 000	2 828 110
	building	(766 375)	1 238 900		20 600		5 500	498 625
	license	(884 650)	941 840		3 055		4 500	64 745
	weight & measures	43 000			12 000	17 925		72 925
	electrical	1 376 090			40 000	157 865	8 000	1 581 955
	civil defense	(10 680)				32 605		21 925
	Total Public Safety	11 897 945	2 187 715	4 128 415	716 540	3 314 385	199 345	22 444 345

FUNCTION	DEPARTMENTS	TAXES	LICENSES & PERMITS	FINES & FORFEITS	CHARGES FOR SERVICE	INTER GOVERN- MENTAL REVENUE	MISCELLA- NEOUS REVENUE	TOTAL
	public works	4 465 930	18 000		2 712 705	1 961 490	295 310	9 453 435
	community development	83 525				1 045 280	90 000	1 218 805
	historical	37 500				7 500	2 000	47 000
	nuclear						16 755	16 755
	conservation	5 000			2 700		300	8 000
	rent control				101 490	575 000		676 490
	mbta	5 394 740						5 394 740
	cable t.v.	139 460						139 460
	debt service	2 638 895			1 523 640	530 000	154 730	4 847 265
	Total Community Maintenance and Development	12 765 050	18 000		4 340 535	4 119 270	559 095	21 801 950
	library	865 840		42 000	2 950	377 650	2 740	1 291 180
	health	51 185	55 185		51 895	414 855		573 120
	human services	195 020			239 700	1 499 985	1 125	1 935 830
	mdc	1 069 550						1 069 550
	veterans	191 360				144 365		335 725
	women's commission	23 685				5 000	1 000	29 685
	Total Human Resource Dev.	2 396 640	55 185	42 000	294 545	2 441 855	4 865	5 235 090
	City Total	37 926 165	2 310 165	5 021 915	5 637 800	19 583 605	3 566 405	74 046 055
EDUCATION								
	public schools	26 585 000				12 069 705		38 654 705
	GRAND TOTALS	64 511 165	2 310 165	5 021 915	5 637 800	31 653 310	3 566 405	112 700 760

CITY COUNCIL
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INTRODUCED BY CITY MANAGER ROBERT W. HEALY

AN ORDER CONCERNING APPROPRIATIONS FOR THE FISCAL YEAR BEGINNING JULY 1, 1983

ORDERED: That the following sums, designated as appropriations, are hereby appropriated in the Water Fund of the City of Cambridge:

FUNCTION	DEPARTMENT	SALARIES & WAGES	OTHER ORDINARY MAINTENANCE	TRAINING & TRAVEL	EXTRA ORDINARY MAINTENANCE	CITY APPRO- PRIATIONS	STATE ASSESS- MENT	GRAND TOTAL
COMMUNITY MAINTENANCE DEVELOPMENT	water	1 567 210	1 930 700	18 500	575 000	4 091 410	54 680	4 146 090

BE IT FURTHER ORDERED: That the city appropriations and state assessments in the Water Fund are to be financed by estimated revenues drawn from the following sources:

FUNCTION	DEPARTMENTS	TAXES	LICENSES & PERMITS	FINES & FORFEITS	CHARGES FOR SERVICE	INTER GOVERN- MENTAL REVENUE	MISCELLA- NEOUS REVENUE	GRAND TOTAL
COMMUNITY MAINTENANCE DEVELOPMENT	water				4 146 090			4 146 090

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AN ORDER CONCERNING APPROPRIATIONS FOR THE FISCAL YEAR BEGINNING JULY 1, 1983

ORDERED: That the following sums, designated as appropriations, are hereby appropriated in the Hospital and Ambulatory Care Fund of the City of Cambridge:

FUNCTION	DEPARTMENT	SALARIES & WAGES	OTHER ORDINARY MAINTENANCE	TRAINING & TRAVEL	EXTRA ORDINARY MAINTENANCE	CITY APPRO- PRIATIONS	STATE ASSESS- MENT	GRAND TOTAL
HUMAN RESOURCE DEVELOPMENT	hospital and ambulatory care	16 312 260	9 697 450	99 650	263 190	26 372 550		26 372 550

BE IT FURTHER ORDERED: That the city appropriations and state assessments in the Hospital and Ambulatory Care Fund are to be financed by estimated revenues drawn from the following sources:

FUNCTION	DEPARTMENTS	TAXES	LICENSES & PERMITS	FINES & FORFEITS	CHARGES FOR SERVICE	INTER GOVERN- MENTAL REVENUE	MISCELLA- NEOUS REVENUE	GRAND TOTAL
HUMAN RESOURCE DEVELOPMENT	hospital and ambulatory care	475 000			25 313 295	82 655	501 600	26 372 550

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INTRODUCED BY CITY MANAGER ROBERT W. HEALY

AN ORDER CONCERNING APPROPRIATIONS FOR THE FISCAL YEAR BEGINNING JULY 1, 1983

ORDERED: That the following sums, designated as appropriations, are hereby appropriated in the Neville Manor Fund of the City of Cambridge:

FUNCTION	DEPARTMENT	SALARIES & WAGES	OTHER ORDINARY MAINTENANCE	TRAINING & TRAVEL	EXTRA ORDINARY MAINTENANCE	CITY APPRO- PRIATIONS	STATE ASSESS- MENT	GRAND TOTAL
HUMAN RESOURCE DEVELOPMENT	neville manor	2 728 200	1 080 800	21 000	20 000	3 850 000		3 850 000

BE IT FURTHER ORDERED: That the city appropriations and state assessments in the Neville Manor Fund are to be financed by estimated revenues drawn from the following sources:

FUNCTION	DEPARTMENTS	TAXES	LICENSES & PERMITS	FINES & FORFEITS	CHARGES FOR SERVICE	INTER GOVERN- MENTAL REVENUE	MISCELLA- NEOUS REVENUE	GRAND TOTAL
HUMAN RESOURCE DEVELOPMENT	neville manor				3 850 000			3 850 000

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AN ORDER CONCERNING APPROPRIATIONS FOR THE FISCAL YEAR BEGINNING JULY 1, 1983

ORDERED: That the following sums, designated as appropriations, are hereby appropriated in the Stabilization Fund of the City of Cambridge:

FUNCTION	DEPARTMENT	SALARIES & WAGES	OTHER ORDINARY MAINTENANCE	TRAINING & TRAVEL	EXTRA ORDINARY MAINTENANCE	CITY APPROPRIATIONS	STATE ASSESSMENT	GRAND TOTAL
EDUCATION	public schools		1 566 290			1 566 290		1 566 290

BE IT FURTHER ORDERED: That the city appropriations and state assessments in the Stabilization Fund are to be financed by estimated revenues drawn from the following sources:

FUNCTION	DEPARTMENT	TAXES	LICENSES & PERMITS	FINES & FORFEITS	CHARGES FOR SERVICE	INTER GOVERNMENTAL REVENUE	MISCELLANEOUS REVENUE	GRAND TOTAL
EDUCATION	public schools	1 566 290						1 566 290

CITY COUNCIL
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SUBMITTED MAY 2, 1983

AN ORDER CONCERNING APPROPRIATIONS FOR CAPITAL IMPROVEMENTS PROJECTS

ORDERED: That the following sums are hereby appropriated in the Public Investment Fund of the City of Cambridge:

FUNCTION	PROJECT	APPROPRIATIONS
COMMUNITY MAINTENANCE AND DEVELOPMENT		
	housing rehabilitation conservation	\$ 870 500
	housing development	400 000
	east cambridge neighborhood stabilization	250 000
	north cambridge neighborhood stabilization	250 000
	streets/sidewalks/trees	300 000
HUMAN RESOURCE DEVELOPMENT		
	play area improvements	57 000
		2 127 500

BE IT FURTHER ORDERED: That the above appropriations are to be financed from the following sources:

FINANCE PLAN CLASSIFICATION	REVENUE
	community development block grant
	2 127 500



CITY OF CAMBRIDGE

CAMBRIDGE, MASSACHUSETTS 02139
Tel. 498-9011

EXECUTIVE DEPARTMENT
ROBERT W. HEALY
City Manager

May 2, 1983

To the Honorable, the City Council:

I transmit herewith for your consideration the 1983-1984 Budget for the City of Cambridge. The preparation of this document has been complicated by the uncertainty of the property tax levy limit for the City of Cambridge for this year. The budget submitted assumes an allowable property tax levy of 67.9 million dollars, the same amount of taxes levied in Fiscal Year 1983. For this amount of taxes to be raised, and timely tax bills mailed, the revaluation process must be certified by the Department of Revenue during the month of September. This is consistent with the schedule submitted to and approved by the Department of Revenue. It is my best judgment that this is the most judicious approach to take with this Budget.

The process of the past several years of preparing "worst case" budgets has been counterproductive, divisive, and demoralizing. This is a "best case" budget.

In the extreme situation, if pending legislation becomes law, the City Council by a two-thirds vote could spread the potential 3rd year Proposition 2½ cut of 10.1 million dollars over two years, thus making the required reduction 5.05 million dollars. That same pending legislative package contains additional State aid for Cambridge of 3.1 million dollars. The combination of these two factors would result in a maximum required reduction from the submitted budget at 2.0 million dollars.

For these reasons, the submitted budget contains no allocation of the proposed increase in State aid. Additionally, the cherry sheet charges have not been received at this time, and it is possible to be faced with increased Middlesex County, MBTA and MDC charges, so the City must wait to see what the "net" State aid increase is.

In order to submit a level-funded budget, all departments, including Schools, have been required to submit departmental budgets with the same amount of revenue sources for property tax and State aid as credited to their budgets in Fiscal 1983. In so doing, the departments have had to absorb the full cost of the first year's (FY1983) contract settlement. The funding to support the 5.5 cost of the second year of the contract settlement is provided in the Employee Benefits account.

While the School Committee has submitted to me a budget of \$44,690,336, my submitted "bottom line" budget for the School Department is \$40,220,995, the same amount as Fiscal 1983. In addition to this figure, \$1,230,000 is available for the School Department in the Employee Benefits

budget. Should the School Committee vote to utilize this sum to increase its operating budget, rather than utilize the funds for salary increases, they must consider that there are presently no funds available for salary increases.

The Hospital budget potentially faces a major reduction, since its revenue projection includes \$600,000 in general relief reimbursement which is included in the Governor's proposed State budget, the outcome of which is uncertain at this time. The Hospital has been instructed to have a contingency plan to take effect on July 1, 1983, if this revenue is not available. Such a \$600,000 reduction would require major service delivery cuts in the Health and Hospitals budget.

While this budget has been carefully crafted to minimize layoffs, the City will operate during the months of July, August and September under a cost control program which includes a hiring freeze and the purchase of only essential items so as to not exacerbate the problem of reducing two million additional dollars, if required, in September.

In the area of Public Safety, the Police budget contains funding for 20 replacement officers who will begin the Police Academy on approximately May 23rd. This was achieved through increased revenue from parking fund collections, increased fines from aggressive enforcement of moving violations, and the allocation of State aid. The Fire budget contains sufficient funds for the 22 replacement firefighters sworn in on April 15, 1983. This was accomplished by utilizing the interest income on the last several years of general revenue sharing funds. Thus, I believe I have complied with the City Council policy of minimizing impacts on Health and Public Safety areas, but it has taken every available source of funds to accomplish this.

One major disappointment to my long-range fiscal planning goals is the unavailability of sufficient funds to increase the stabilization fund created last year. This fiscally sound action by the City has been well received by the financial community, and it will be my recommendation that, if increased State aid is available for appropriation, that some portion be used to increase the stabilization fund. Increased pensions and health insurance costs have made appropriation to this fund unachievable at this time.

In addition to submitting a minimal layoff budget, it is worthy of note that this budget contains no increases in either the water or sewer service charges, although some State aid, if available, may be required for the debt service account, depending on the actual collection in the sewer account at the close of books on Fiscal 1983.

The demands for any available increases in State aid far exceed the potential sum available. Public buildings and rolling stock are in dire need of repair or replacements. Public Safety personnel, despite new appointments, are still below their late 1970 levels. Public Works personnel are 35% below their mid-1970 level, yet service demands continue to increase. Public employees must strive to do more with less, but this is the price they must pay for the City maintaining their jobs and paying them

a decent wage. Efficiencies of operation must be devised and implemented. While the Governor and State Legislators have devised a timely and reasonable State aid package, the long-sought-for tax reform plan to provide fiscal stability to cities and towns has yet to be found. The continued reliance on increased State aid while partially solving the immediate problem caused by Proposition 2½ also creates the concern that, should the Commonwealth revenue picture change drastically, such aid cannot continue to be relied on in the absence of permanent tax reform.

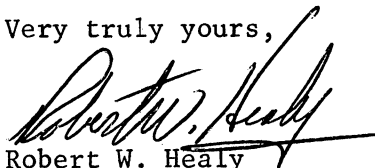
The growth restraints of Proposition 2½ probably affect Cambridge, undergoing a development boom unseen in recent history, more so than any community in the Commonwealth. More reasonable provisions for the City to benefit from the revenue that the development should produce must be permitted to provide the increased service demands caused by growth. This is a budget for the mid-1980's, but the unrealistic constraints of tax reduction laws of 1980 do not keep pace with the service demands of these times.

All of our citizens know that the City has gone through difficult financial times since the beginning of 1980. However, it is my opinion that with the completion of revaluation and the continued economic development in the City, as well as the overall attention being paid to the financial management of the City, I feel that one year from now we will be in a position to say the City has truly turned the corner and will be in the most positive financial position that it has been in in several years.

The Department of Revenue today approved the 1982-1983 tax rate at \$198.00, a decrease of \$1.80. This is the largest tax rate decrease, save year one of Proposition 2½, since 1975-76. This translates into a total \$617,884 in savings City-wide to the taxpayers, and the City was still able, both in the City budget and the School budget, to establish debt service stabilization funds.

I thank the City Council and all of the City employees who have kept the City functioning during these difficult times.

Very truly yours,



Robert W. Healy
City Manager

RWH/mbf

F-119

Re: enclosing for consideration of the City Council the 1983-1984 Budget for the City of Cambridge.

*Copy sent to the Chairman of the
Committee on Finance 5/2/83 mh*

In City Council,

May 2, 1983

*5/2/1983 -
Referred to the
COMMITTEE ON FINANCE
FOR
Hearing*