

May 12, 1975

Mr. Mayor and Members of the City Council:

I welcome this occasion to break my year of formal silence and thank the Mayor for the courtesy extended to me at this time.

Due to the limits of time and to the importance of a complete and candid consideration of the 1975-76 Fiscal Budget I have decided to limit my comments to issues relative to the budgetary process and the document submitted by the City Manager and waive discussion on other relevant and important issues until a later date.

I must first say that I am pleased that the Sullivan Administration has continued the work efforts of our administration in improving the Financial and Management Information System capacity of the city and has sought to produce a Program-Performance-Budget System beginning in this fiscal year. I am disappointed, however, that while the format of this budget appears to be based on that of the City of Hartford, and not an original design, it does not consist of all the inherent components of a PPB system.

A complete and comprehensive program and performance budgeting system affords to management and the policy formulating body, the City Council, a unique opportunity to establish the goals and objectives of the city government for the fiscal year and to descriptively outline to the citizens how it intends to provide services and exactly what the provisions of those services will cost each tax and rent payer. There is a danger, however, in adopting a PPBS in that if the City Council fails to closely monitor and evaluate from a policy formulation basis the actual conduct and implementation of the budget during the course of the fiscal year, and if management itself fails to conduct an even more intense review than the system will fail to produce and perform to the best interests of the citizens. I am distressed that I do not find in the budget narrative any reference to the need of a strong monitoring and evaluation process by both management and the City Council. In the

budget submission of 1974-75 the Corcoran Administration using funds provided through the Model Cities program established a Research and Evaluation capacity in the Budget-Personnel Department. As you will recall the first result of this team effort was the development of a comprehensive report on the delivery of Recreation and Leisure Services in the city and the implementation of the recommendation of that report in the formation of the COLSARP effort; we transferred the maintenance function of the Recreation Department to the Department of Public Works at a net savings to the taxpayers and brought the major department heads together for the purpose of developing joint programming to increase the level and scope of services to the citizens and to eliminate duplication of effort. I am happy that the Assistant City Manager for Administration has been assigned the responsibility to continue this effort and provide executive leadership. I am distressed, however, that I find no reference to any joint programming activity in the Program Performance Budget by the human service agencies involved,; and that while executive leadership continues to be provided in this area it appears that the Research and Evaluation capacity has been eliminated from the management structure. In my opinion, the elimination of this capacity will eliminate any chance for the development of a viable and productive Program-Performance Budgeting System and of increasing the level of performance and productivity in the delivery of city services.

I will not pretend that I agree, or that I believe that the current level of expenditure by the city, or the proposed budget funding level is acceptable or within the ability of the citizens to pay. There is definitely a difference in approach, style and management between myself and the Sullivan Administration. I believe that both the city budget and the tax rate is inexcusably and unnecessarily high and ought to be trimmed back to the 1974-75 level. I believe that all positions created since April 15, 1975 and proposed in this budget ought to be eliminated; that all current vacancies, where feasible, be eliminated; that all potential vacancies created through retirement or attrition be calculated and that appropriated sum be deducted from the budget; that all funds, other than those determined to be vital, currently allocated for the hiring of temporary employees be deducted and eliminated; that all funds for overtime be eliminated;

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and that all reasonable outages ought to be calculated in light of current levels of expenditure and be projected and deducted from each departments personnel appropriation. It has always been my belief that all federal program funds available ought to be applied to the greatest extent possible to the reduction of the amount of funds to be raised by the Property Tax/. With that premise in mind I would recommend that the City Council direct the City Manager to utilize all federal manpower funds (CETA) currently allocated to the general government (\$3 million) and all reasonably anticipated funds during the next fiscal year to be applied to the greatest extent possible to reduce the tax burden by using those funds to maintain reasonable manpower capacity reduced by the appropriation reductions outlined above.

It does not seem reasonable to me that the city use CETA funds to increase the manpower capacity of various departments. The assumption has long been made that the city at the present time does not fully utilize its personnel in the most productive and efficient manner. This is a question of management and organization and must be addressed in the most professional manner through careful measurement of current levels of performance by current manpower in each program element. We began last year to introduce Middle Management Training, in cooperation with Bunker Hill Community College, for Civil Service and Working Foreman in the Public Works Department. For the first time these key individuals were brought into the management team and trained to develop work assignment and manpower plans in their area of responsibility. The emphasis was on training those middle management personnel to exercise responsibility and authority over their work components. Success depends on their support from higher management, their ability to relate to their workers and mold them into an efficient work force geared to performance and productivity. It appears unreasonable to me to expect these middle managers to perform to the best of their ability, and for top management to evaluate and measure success if we impact and increase the number of personnel in the unit and department. We ought not to increase manpower until we have measured the capacity of existing resources to perform; once we have proven that we need more personnel to achieve a goal and objective of a certain program than the creation

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new positions, the reclassification and promotion of certain existing personnel, the elimination of certain program assignments will then be proven to be essential and on that basis acceptable to the tired and weary tax and rent payer of this city.

A comparison of the number of positions requested in the 1974/75 city budget by Manager Corcoran with the number of positions listed for each department by Mr. Sullivan indicates that since April 15, 1974 approximately 370 new positions have been created, with approximately 201 having been requested in the current budget. This increase in new positions represents a 17% increase in the city personnel capacity.

In addition 265 CETA positions have been assigned to various departments representing a 12.2% increase in the work force since April 15, 1975. Combined the city has added to its manpower capacity by approximately 30% without any apparent increase in the level of performance or productivity. In fact, it is reasonable to assume, and discussions with veteran employees will confirm this assumption, that this large and dynamic impact of departmental manpower has and will continue to result in a decrease in both performance and productivity and adversely affect the morale of those employees who have traditionally contributed to the city governments stability. I believe that the City Council, prior to adopting this budget, ought to look very carefully at the manpower requests and above all eliminate the 201 new jobs requested by the administration.

As the City Council reviews the question of personnel costs, and in particular the issues of outages and actual personnel costs required it should be noted that since July 1, 1974 to this very evening the City Manager has recommended and the City Council has approved the transfer of over \$1,335,436 or the equivalent of \$4.07 of last years \$33 tax increase in the personnel codes.

The absolute need to control the costs of personnel in terms of manpower allocation and capacity cannot be emphasized enough. Many members of the City Council have correctly noted that the key element to fiscal stability lies in controlling the cost of personnel. It is with this in mind that I find it difficult to reconcile this recognized fact and the goal of establishing fiscal stability with the repeated authorization by the City Council of

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In 1968 the City of Cambridge General Government, excluding Schools and the Water Department had a total manpower force of 1980; by the adoption of the 1970 city budget this figure increased to an unprecedented 2236 , an increase of 13%. Between 1970 and 1974 the Corcoran Administration reduced this manpower staffing to the 1968 level and for the fiscal year beginning in July 1974 had recommended a work force of 2070 for a net increase over 1968 of 4.5%. The budget narrative for FY75-76 indicates a total workforce exclusive of CETA, School and Water Departments of 2535 or 28% increase over the 1968 level. Clearly, this increase is unjustified and when combined with the CETA positions the increase represents a 41.4% increase in the total manpower capacity of the city without any measured increase in either the quantity or quality of service delivery.

I believe that the City Council ought to take immediate action to reduce the city budget request by eliminating over \$2.1 million in new positions requested in the budget, the approximately \$1.2 million requested for temporary employees, and as much of the approximately \$700,000 in overtime allocations as possible. This action alone would result in a net savings of \$4 million dollars or the equivalent of \$12.20 off the tax rate.

On the issue of the total funded indebtedness of the City I find it disturbing that the administration has recommended increases in the authorized level which in effect would double the current level.

As is widely known and accepted in the bonding and financial management sectors a common indicator of fiscal prudence is a debt maximum of 10% of actual assessed valuation. Another measure of financial responsibility is that total payments for debt service should not exceed 10% of Total Municipal Appropriations. Cambridge has long enjoyed a high credit rating due to the fact that it historically has adhered to this fundamental rule. In 1966 the total funded indebtedness was \$ 10.3 million or 4% of the actual assessed valuation and the amount of payments made represented only 2.6% of total appropriations. This indebtedness increased gradually to \$14.4 million in 1968 representing 4.7% of valuation and the payments increased to \$1.3 million or 4% of total appropriations. This level

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of indebtedness increased dramatically to a level of \$26.1 million in 1970 representing 8.2% of total assessed valuation and the payments increased to \$2.4 million or 6% of total appropriations. As noted in the budget narrative the current level of indebtedness level is at \$27.88 million or 8.5% of valuation with payments for the fiscal year 1974-75 of \$3.7 million representing 5.9% of total appropriations . The current budget request new bond funding at the level of \$28,868,000 more than doubling the current level of debt financing authorization and increasing the ratio of indebtedness to valuation to 17.3% or 7.3% above the level universally accepted as the measure of fiscal responsibility. In my opinion, prior to adopting any resolution increasing the bond authorization for the City of Cambridge, the City Council ought to request detailed financial information relative to financing costs for the full life of the bonds authorized. A considerable amount of time and rehtoric has been applied to the effort to float a \$20.3 million bond issue for a new High School complex with the main carrot being the receipt of up to 65% in reimbursable funding from the Department of Education. The key word, of course, is reimbursable; the city must commit and expend funds for school construction before it is eligible to receive funds.

Additionally, the history of the shool construction reimbursement, and of the School Aid Fund, indicates that the Legislature does not fully fund the programs and that therefore communities who have increased indebtedness have not been the receipients of promised assistance at the appropriate level. Indeed, the City of Cambridge this year has been notified that it will receive \$ 528,282.70 representing \$1.60 off the tax rate while the cost of funding for the schools was \$ 2,055,400 or \$ 6.28 on the 1974-75 tax rate of \$185.30. This represents a reimbursement of 25.7%. The City Council, prior to making a purely political consideration, ought to demand full and detailed cost estimates and funding level requirements and commitments prior to voting any increase in the funded indebtedness of the city. A concern for the taxpayer and rentpayer and for the establishment of fiscal stability demands nothing less.

I am convinced that even with the adoption of the budget as proposed by Mr. Sullivan the Tax Rate for the next fiscal year shall be reduced from the \$185.30 established last year to at least \$ 172.00. But I believe also that the tax rate last year could have been reasonable stabilized at the \$152.30 level and that that tax rate could be maintained through the next fiscal year by the exercise of strong and disciplined financial auditing, accounting and control measures. I have always been pleased with the fact that in January 1973 the Corcoran Administration reduced the tax rate of the General Government from \$103.84 to \$101.35 for the period January 1, 1973 to December 31., 1973 and to a level of \$100.91 for the last six months of the eighteen month fiscal year ending June 30, 1974; an effort which brought to tax rate level down to \$8 away from the 1971 General Government Tax Rate .

The School Tax Rate which has grown from \$19.67 per thousand of valuation in 1967 to \$ 60.22 for the current year (an increase of 206%) will probably be reduced to the level of \$ 53 due primarily to grants for Special Education. The City Council ought to act to reduce this impact further by returning the budget to the School Committee with the directive of either eliminating all requests for new positions or submitting a detailed report and explanation outlining why each position is essential to the educational and cultural enrichment of the school age children of the city.

With the goal of reducing the Tax Rate to a level of \$153.20 the City Council ought to seek reductions which would result in the raising of Property Taxes in the amount not exceeding \$50.3 million; with amount attributable to the General Government not exceeding \$32.8 million. I believe that the elimination of all new positions, vacancies, allocations for temporary personnel, reallocation of manpower funds and other grants and the calculation of all reasonable outage factors will result in an appropriation authorization at that level and will bring the Tax Rate back down to the more reasonable limit of \$ 152.30.

Thank you Mr. Mayor and Members of the City Council.

License Fund

City of Cambridge

MASSACHUSETTS

In City Council May 12 1975

L. Duchay moved Adoption of the Order -

	YEA	NAY	ABSENT	PRESENT
Mrs. Ackermann	✓			
Mr. Clinton		✓		
Mr. Danehy		✓		
Mr. Duchay	✓			
Mrs. Graham	✓			
Mr. Russell	✓			
Mr. Vellucci	✓			
Mr. Wylie	✓			
Mayor Sullivan	✓			
	7	2	0	

License Fund - \$1,018,375

*CDSR
RF
A
835/PM*

AN ORDER CONCERNING APPROPRIATIONS FOR THE FISCAL YEAR BEGINNING JULY 1, 1975

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

FUNCTION	DEPARTMENT OR PROGRAM	SALARIES & WAGES	TRAINING & TRAVEL	OTHER ORDINARY MAINTENANCE	EXTRAORDINARY EXPENDITURES	APPROPRIATIONS
GENERAL GOVERNMENT	city council	59 500	9 500	12 200		81 200
	mayor	99 290	11 250	19 400		129 940
	city clerk	92 045	300	9 150		101 495
	elections	181 200	10	34 785	3 410	219 405
	city manager	168 645	5 300	10 830	1 800	186 575
	law	125 655	1 500	282 100	1 500	410 755
	finance	771 070	10 535	278 535	2 600	1 062 740*
	employee benefits	115 410		7 068 700	800	7 184 910*
	county tax			[?]*		[?]*
	public celebrations			67 340		67 340
	general services	97 405		138 990	6 065	242 460
	reserve				200 000	200 000
PUBLIC SAFETY	fire	5 078 875	7 080	248 990	29 000	5 363 945
	police	5 488 175	4 900	290 425	119 000	5 902 500
	building inspection	230 145	620	11 095		241 770
	civil defense	28 595	400	8 850		37 845
	licenses	36 830		4 250	1 150	42 230
	weights & measures	48 850	700	1 605		51 155
	traffic & parking	482 920	770	331 130	11 000	825 820
	electrical	414 050	545	808 740	32 000	1 255 335
	criminal justice program	63 535	600	9 600		73 735
COMMUNITY MAINTENANCE AND DEVELOPMENT	public works	5 068 540	300	2 649 235	305 000	8 023 075*
	community development	565 445	3 100	91 195	705 620	1 365 360*
	mbta			[?]*		[?]*
	conservation commission	3 750	120	3 265		7 135
	historical commission	42 125	450	19 135		61 710
	rent control	204 565		87 585		292 150
debt service			4 153 965		4 153 965	

FUNCTION	DEPARTMENT OR PROGRAM	SALARIES & WAGES	TRAINING & TRAVEL	OTHER ORDINARY MAINTENANCE	EXTRAORDINARY EXPENDITURES	APPROPRIATIONS
HUMAN RESOURCE DEVELOPMENT	health & hospital services	10 643 845	32 540	4 305 795	180 600	15 162 780*
	colsarb		2 545	15 955		18 500
	library	753 420	800	267 875		1 022 095
	recreation	567 440	1 250	122 455	9 000	700 145
	youth resources	205 925	4 525	155 645		366 095
	community schools	457 375		90 145		547 520
	veterans benefits/services	112 685	550	717 050	1 500	831 785
	civic unity	24 980	750	9 000	100	34 830
	council on aging	24 075	400	3 600		28 075
	federal manpower programs	210 065	32 700	2 756 735	500	3 000 000
	somerville/cambridge home care			35 000		35 000
EDUCATION	school committee	18 107 772	111 465	3 311 863	155 900	21 687 000
						<u>81 018 375</u>

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

FINANCING PLAN	REVENUES
community general revenue sharing	2 709 175
community development block grant	1 732 485
community federal manpower grants	3 000 000
miscellaneous grants	533 738
"cherry sheet" receipts	[?]
parking fund transfers	1 131 470
miscellaneous revenues	15 135 184
water fund transfer	120 335
free cash	1 000 000
property taxes	55 655 988
	<u>81 018 375</u>

* In the case of appropriations, any figure marked with an asterisk does not reflect assessments against Cambridge for the support of State or regional programs. These expenditures will not be known until the State's annual "cherry sheet" is received.

CITY COUNCIL
CITY OF CAMBRIDGE
SUBMITTED APRIL 4, 1975
AMENDED MAY 5, 1975

AN ORDER CONCERNING APPROPRIATIONS FOR THE FISCAL YEAR BEGINNING JULY 1, 1975

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

FUNCTION	DEPARTMENT OR PROGRAM	SALARIES & WAGES	TRAINING & TRAVEL	OTHER ORDINARY MAINTENANCE	EXTRAORDINARY EXPENDITURES	APPROPRIATIONS
GENERAL GOVERNMENT	city council	59 500	9 500	12 200		81 200
	mayor	99 290	11 250	19 400		129 940
	city clerk	92 045	300	9 150		101 495
	elections	181 200	10	34 785	3 410	219 405
	city manager	168 645	5 300	10 830	1 800	186 575
	law	125 655	1 500	282 100	1 500	410 755
	finance	771 070	10 535	278 535	2 600	1 062 740*
	employee benefits	115 410		7 068,700	800	7 184 910*
	county tax			[?]*		[?]*
	public celebrations			67 340		67 340
	general services	97 405		138 990	6 065	242 460
reserve				200 000	200 000	
PUBLIC SAFETY	fire	5 078 875	7 080	248 990	29 000	5 363 945
	police	5 488 175	4 900	290 425	119 000	5 902 500
	building inspection	230 145	620	11 005		241 770
	civil defense	28 595	400	8 850		37 845
	licenses	36 830		4 250	1 150	42 230
	weights & measures	48 850	700	1 605		51 155
	traffic & parking	482 920	770	331 130	11 000	825 820
	electrical	414 050	545	808 740	32 000	1 255 335
	criminal justice program	63 535	600	9 600		73 735
	COMMUNITY MAINTENANCE AND DEVELOPMENT	public works	5 068 540	300	2 649 235	305 000
community development		565 445	3 100	91 195	705 620	1 365 360*
mbta				[?]*		[?]*
conservation commission		3 750	120	3 265		7 135
historical commission		42 125	450	19 135		61 710
rent control		204 565		87 585		292 150
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	colson		2 545	15 955		18 500
	library	753 420	800	267 875		1 022 095
	recreation	567 440	1 250	122 455	9 000	700 145
	youth resources	205 925	4 525	155 645		366 095
	community schools	457 375		90 145		547 520
	veterans benefits/services	112 685	550	717 050	1 500	831 785
	civic unity	24 980	750	9 000	100	34 830
	council on aging	24 075	400	3 600		28 075
	federal manpower programs	210 065	32 700	2 756 735	500	3 000 000
	somerville/cambridge home care			35 000		35 000
EDUCATION	school committee	18 107 772	111 465	3 311 863	155 900	21 687 000
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parking fund transfers	1 131 470
miscellaneous revenues	15 135 184
water fund transfer	120 335
free cash	1 000 000
property taxes	55 655 988
	81 018 375

* In the case of appropriations, any figure marked with an asterisk does not reflect assessments against Cambridge for the support of State or regional programs. These expenditures will not be known until the State's annual "cherry sheet" is received.

AN ORDER CONCERNING APPROPRIATIONS FOR THE FISCAL YEAR BEGINNING JULY 1, 1975

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

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	council on aging	24 075	400	3 600		28 075
	federal manpower programs	210 065	32 700	2 756 735	500	3 000 000
	somerville/cambridge home care			35 000		35 000
EDUCATION	school committee	18 107 772	111 465	3 311 863	155 900	21 687 000
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In City Council May 5, 1975
 Adopted by yes and no Vote
 Yes 7 Nays 2 Absent 0

PAUL E. HEALY
 CITY CLERK OF CAMBRIDGE

INTRODUCED BY CITY MANAGER JAMES L. SULLIVAN

AN ORDER CONCERNING APPROPRIATIONS FOR THE FISCAL YEAR BEGINNING JULY 1, 1975

ORDERED: That, in addition to sums previously appropriated by the City Council on May 5, 1975, the following sums are hereby appropriated in the General Fund of the City of Cambridge:

FUNCTION	DEPARTMENT OR PROGRAM	SALARIES & WAGES	TRAINING & TRAVEL	OTHER ORDINARY MAINTENANCE	EXTRAORDINARY EXPENDITURES	APPROPRIATIONS
PUBLIC SAFETY	police	340,670		30,780	66,926	438,376

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

in City Council June 16, 1975
 Adopted by you and may Vote
 Yeas 8 Nays 0 Absent 0 Present
Paul E. J. [Signature]
 CITY CLERK City Clerk

FINANCING PLAN	REVENUE
general revenue sharing	241,910
miscellaneous revenues	196,466
	<u>438,376</u>

INTRODUCED BY CITY MANAGER JAMES L. SULLIVAN

AN ORDER CONCERNING AN APPROPRIATION FOR THE FISCAL YEAR BEGINNING JULY 1, 1975

ORDERED: That, in addition to sums previously appropriated by the City Council on May 5, 1975, the following sum is hereby appropriated in the General Fund of the City of Cambridge:

FUNCTION	DEPARTMENT OR PROGRAM	SALARIES & WAGES	TRAINING & TRAVEL	OTHER ORDINARY MAINTENANCE	EXTRAORDINARY EXPENDITURES	APPROPRIATION
GENERAL GOVERNMENT	employee benefits			100,000		100,000

BE IT FURTHER ORDERED: That the above additional appropriation in the General Fund is to be financed by an estimated revenue drawn from the following source:

FINANCING PLAN	REVENUES
property taxes	100,000

in City Council June 16, 1975
 Adopted by yea and nay Vote
 Yeas 8 Nays 0 Absent 1
Paul E. [Signature]
 CITY CLERK City Clerk

INTRODUCED BY CITY MANAGER JAMES L. SULLIVAN

AN ORDER CONCERNING APPROPRIATIONS FOR THE FISCAL YEAR BEGINNING JULY 1, 1975

ORDERED: That, in addition to sums previously appropriated by the City Council on May 5, 1975, the following sums are hereby appropriated in the General Fund of the City of Cambridge:

FUNCTION	DEPARTMENT OR PROGRAM	SALARIES & WAGES	TRAINING & TRAVEL	OTHER ORDINARY MAINTENANCE	EXTRAORDINARY EXPENDITURES	APPROPRIATIONS
HUMAN RESOURCE DEVELOPMENT	elderly services	3,020		123,380		126,400

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

FINANCING PLAN	REVENUE
miscellaneous revenues	26,400
property taxes	100,000

BE IT FURTHER ORDERED: That the sums previously appropriated in the General Fund of the City of Cambridge in the total of \$ 28 075 under the title, "Council on Aging", on May 5, 1975 be retitled as "elderly services" and these sums be added to this additional appropriation hereby adopted to make a consolidated appropriation for elderly services for the 1975-76 fiscal year as follows:

FUNCTION	DEPARTMENT OR PROGRAM	SALARIES & WAGES	TRAINING & TRAVEL	OTHER ORDINARY MAINTENANCE	EXTRAORDINARY EXPENDITURES	APPROPRIATIONS
HUMAN RESOURCE DEVELOPMENT	elderly services	27,095	400	126,980		154,475

City Council June 16, 1975
Adopted by 8 yeas and 0 nays
Yeas 8 Nays 0 Absent 1

Paul E. Leahy
CITY CLERK

AN ORDER CONCERNING APPROPRIATIONS FOR THE FISCAL YEAR BEGINNING JULY 1, 1975

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

FUNCTION	DEPARTMENT OR PROGRAM	SALARIES & WAGES	TRAINING & TRAVEL	OTHER ORDINARY MAINTENANCE	EXTRAORDINARY EXPENDITURES	APPROPRIATIONS
GENERAL GOVERNMENT	city council	59 500	9 500	12 200		81 200
	mayor	99 290	11 250	19 400		129 940
	city clerk	92 045	300	9 150		101 495
	elections	181 200	10	34 785	3 410	219 405
	city manager	168 645	5 300	10 830	1 800	186 575
	law	125 655	1 500	282 100	1 500	410 755
	finance	771 070	10 535	278 535	2 600	1 062 740*
	employee benefits	115 410		7 068 700	800	7 184 910*
	county tax			[?]*		[?]*
	public celebrations			67 340		67 340
	general services	97 405		138 990	6 065	242 460
	reserve				200 000	200 000
	PUBLIC SAFETY	fire	5 078 875	7 080	248 990	29 000
police		5 488 175	4 900	290 425	119 000	5 902 500
building inspection		230 145	620	11 005		241 770
civil defense		28 595	400	8 850		37 845
licenses		36 830		4 250	1 150	42 230
weights & measures		48 850	700	1 605		51 155
traffic & parking		482 920	770	331 130	11 000	825 820
electrical		414 050	545	808 740	32 000	1 255 335
criminal justice program		63 535	600	9 600		73 735
COMMUNITY MAINTENANCE AND DEVELOPMENT		public works	5 068 540	300	2 649 235	305 000
	community development	565 445	3 100	91 195	705 620	1 365 360*
	mbta			[?]*		[?]*
	conservation commission	3 750	120	3 265		7 135
	historical commission	42 125	450	19 135		61 710
	rent control	204 565		87 585		292 150
debt service			4 153 965		4 153 965	

FUNCTION	DEPARTMENT OR PROGRAM	SALARIES & WAGES	TRAINING & TRAVEL	OTHER ORDINARY MAINTENANCE	EXTRAORDINARY EXPENDITURES	APPROPRIATIONS
HUMAN RESOURCE DEVELOPMENT	health & hospital services	10 643 845	32 540	4 305 795	180 600	15 162 780*
	colsarb		2 545	15 955		18 500
	library	753 420	800	267 875		1 022 095
	recreation	567 440	1 250	122 455	9 000	700 145
	youth resources	205 925	4 525	155 645		366 095
	community schools	457 375		90 145		547 520
	veterans benefits/services	112 685	550	717 050	1 500	831 785
	civic unity	24 980	750	9 000	100	34 830
	council on aging	24 075	400	3 600		28 075
	federal manpower programs	210 065	32 700	2 756 735	500	3 000 000
	somerville/cambridge home care			35 000		35 000
	EDUCATION	school committee	18 107 772	111 465	3 311 863	155 900
						<u>81 018 375</u>

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

FINANCING PLAN	REVENUES
community general revenue sharing	2 709 175
community development block grant	1 732 485
community federal manpower grants	3 000 000
miscellaneous grants	533 738
"cherry sheet" receipts	[?]
parking fund transfers	1 131 470
miscellaneous revenues	15 135 184
water fund transfer	120 335
free cash	1 000 000
property taxes	55 655 988
	<u>81 018 375</u>

* In the case of appropriations, any figure marked with an asterisk does not reflect assessments against Cambridge for the support of State or regional programs. These expenditures will not be known until the State's annual "cherry sheet" is received.

AN ORDER INTRODUCED BY: *Councillor Duehay*

DATE *5/12/75*

THE ORDER SUBMITTED BY THE CITY MANAGER CONCERNING APPROPRIATIONS IN THE
General FUND APRIL 7, 1975 IS HEREBY AMENDED BY THE FOLLOWING
ACTION(S)

PROGRAM DESCRIPTION	STATUTORY CATEGORY	FROM	TO
<i>Public Works</i>	<i>Salaries + Wages</i>	<i>5,068,540</i>	<i>4,551,715</i>
	<i>Other Ordinary Maintenance</i>	<i>2,649,235</i>	<i>2,544,280</i>

REASON(S)

<i>Salary and Wages Reduction</i>	<i>516,825</i>
<i>Other Ordinary Maintenance</i>	<i>104,955</i>
<i>TOTAL</i>	<i>621,780</i> ✓

<u>VOTE</u>	<u>YES</u>	<u>NO</u>
WALTER J. SULLIVAN	[]	[]
BARBARA ACKERMAN	[]	[]
DANIEL J. CLINTON	[]	[]
THOMAS W. DANEHY	[]	[]
FRANCIS H. DUEHAY	[]	[]
SAUNDRA GRAHAM	[]	[]
LEONARD J. RUSSELL	[]	[]
ALFRED E. VELLUCCI	[]	[]
DAVID A. WYLIE	[]	[]

5,068,540 Salary and Wages
- 4,551,715

516,825 Difference

2649,235 Other Auditing Matter
- 2544,280

- 104,955 Difference

- 516,825

621,780 TOTAL DIFFERENCE



CITY OF CAMBRIDGE

CAMBRIDGE, MASSACHUSETTS 02139
Tel. 876-6800

EXECUTIVE DEPARTMENT
JAMES L. SULLIVAN
City Manager

May 5, 1975

To the Honorable, the City Council:

Transmitted herewith are corrected appropriation orders for the fiscal year beginning July 1, 1975. These are refinements of the original orders, dated April 7, 1975, submitted as part of my budget document.

For your information, I have listed below the changes between the original orders and the attached, plus a brief explanation of each. The figures are only those which have been changed.

I. Appropriations: General Fund

<u>General Government</u>	<u>Original</u>	<u>Revised</u>
Elections:		
Salaries & Wages	180 900	181 200
Travel & Training	2 160	10
Ordinary Maintenance	32 935	34 785

This revision reflects a more accurate estimate of expenditure plans, correcting a calculating error in the submitted budget request.

Employee Benefits:

Ordinary Maintenance	6 968 700	7 068 700
Appropriation	7 084 910	7 184 910

This change provides for the \$100 000 estimated cost of allowing payment of the cost-of-living increase in non-contributory pensions.

To: The City Council (cont.)

May 5, 1975

	<u>Original</u>	<u>Revised</u>
<u>Community Maintenance and Development</u>		
Community Development		
Extraordinary Expenditures	1 090 135	705 620
Appropriation	1 749 875	1 365 360

It is anticipated that \$384 515 of the Block Grant will be expended in the current fiscal year for the preparation and administration of the block grant, thereby reducing the appropriation for next year by this amount.

Human Resource Development

COLSARP		
Salaries	12 500	-
Ordinary Maintenance	3 455	15 955

This shift of \$12 500 between statutory categories reflects revised information (staff assistance on contract basis rather than provided by City employee)

Youth Resources		
Salaries	192 990	205 925
Appropriation	353 160	366 095

Inclusion of position formerly in Miscellaneous budget

Community Schools		
Salaries	464 275	457 375
Ordinary Maintenance	83 245	90 145

This shift of \$6 900 between statutory categories reflects a more accurate estimated expenditure plan than was available at the time of submission.

Education

School Committee		
Salaries	-	18 107 772
Training	-	111 465
Ordinary Maintenance	-	3 311 863
Extraordinary Maintenance	-	155 900
Appropriation		21 687 000

Final budget request was unavailable at time of submission to City Council.

To: City Council (cont.)

May 5, 1975

	<u>Original</u>	<u>Revised</u>
<u>Total of Appropriations</u>	59 602 955	81 018 375

The net effect of all of the above changes is an increase of \$21 415 420. Changes exclusive of Schools represent a decrease of \$271 580 from my budget as submitted on April 4, 1975.

Financing Plan

Community Development Block Grant ¹	2 117 000	1 732 485
Miscellaneous Revenues ²	14 893 560	15 135 184
Water Fund Transfer ³		120 335
Free Cash ⁴		1 000 000
Property Taxes ⁵	35 218 012	55 655 988
Total Revenues	59 602 955	81 018 375

- 1 Block Grant revenues are reduced to match appropriation (see note above).
- 2 Miscellaneous Revenues reflects an increase of \$241 624 from Housing Authority and Redevelopment Authority as their share of Employee Benefits - Pensions
- 3 Water Fund Transfer is an increase in revenues of \$120 335 for department share of Employee Benefits - Pensions.
- 4 Pursuant Ch. 43 of the Acts of 1975 we are now able to apply our Free Cash balance as of March 31 of this year as an offset against appropriations for the fiscal year beginning July 1, 1975. As of March 31 collections of real estate and personal property taxes and redemption of tax titles for 1974 and prior years exceeded our certified cash deficit by \$1 000 000, making this amount of "free cash" available.
- 5 Property taxes are increased due to the effect of the School Budget not included in my April 4 submission. However, this increase is lessened by \$977 444 of additional net revenues as explained above (or roughly equivalent to \$3.00 on the Cambridge tax rate).

II. Appropriations: Water Fund

<u>Water Supply</u>	<u>Original</u>	<u>Revised</u>
Ordinary Maintenance	651 250	681 585
Appropriation	2 532 090	2 562 425

Increase of \$30 335 as revised cost of department's share of Employee Benefits - Pensions.

To: City Council (cont.)

May 5, 1975

Financing Plan

Original

Revised

Metered Rates

2 487 140

2 517 475

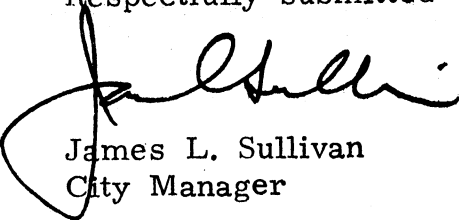
Total Revenues

2 532 090

2 562 425

Revised cost as noted above to be raised through metered rates.

Respectfully submitted



James L. Sullivan
City Manager

JLS/b

City of Cambridge

MASSACHUSETTS

Agenda # 6 Refinements of the budget. In City Council May 5, 1975 19

	YEA	NAY	ABSENT	PRESENT
Mrs. Ackermann	✓			
Mr. Clinton		✓		
Mr. Danehy		✓		
Mr. Duehay	✓			
Mrs. Graham	✓			
Mr. Russell	✓			
Mr. Vellucci	✓			
Mr. Wylie	✓			
Mayor Sullivan	✓			
	7	2	0	



CITY OF CAMBRIDGE
INTEROFFICE CORRESPONDENCE

To Councillor Duchay

Date April 25, 1975

From James Sullivan

Reference

Subject

Pursuant to your request at the budget hearing Tuesday, April 22, the following information has been assembled and forwarded to me by Leo Clark, of the Budget-Personnel staff.

1.) The display on page V-3 of the budget illustrates the current financial status of nine capital investments already approved by the City Council and for which new allotments are not requested. These projects include a) sewer/surface drainage improvements b) green-franklin parking facility c) green-franklin elderly housing d) open space programs 1972 and 1973 e) city infirmary modernization f) green-franklin library g) two neighborhood facilities h) and the elementary school construction.

2.) In addition to these nine projects, six more have had limited seed money for planning purposes and are now in need of full council appropriation. These projects include a) the east Cambridge fire station b) historic site improvements c.) city dump temporary parking facility d) nutting road parking facility e) play area improvements f) high school modernization.

3.) These six projects, as well as twelve entirely new projects, have been scheduled for new allotments in 1975-76. On the next page, the 18 projects have been grouped into seven categories based on the sources of funding available for each of them. These funding sources include

APR-26 1975
Received by City Clerk

property taxes, parking fund, general revenue sharing, community development block grant, bonds (property tax supported), bonds (user-fee supported) and external (state, federal and private) sources.

cc: All Councillors

REVENUE SOURCES (in thousands)	Property Taxes	Parking Fund	GENERAL REVENUE SHARING	Community Development Block Grant	Bonds (TAX-SUPPORTED)	BONDS (USER-FEES)	EXTERNAL
E. Cambridge Fire Station				430	700		
Cambridge Common	90						90
William Dawes Memorial			25				
Historic Site Improvements				41			41
Public Housing Modernization				198			
Housing Rehabilitation - Casseation				550			
Urban Renewal Close-out				619			
Land Acquisition					1000		2000
CHAPTER 76							176
City Dump Parking						425	
Nutting Road Parking						6268	
E. Cambridge Parking		60					
Inman Square Parking						475	
Treadway Inn Parking		32					
Play Area Improvements				35			
Multi-Service Center				45			45
Neighborhood Facility	190						380
High School Modernization					20000		



CITY OF CAMBRIDGE
INTEROFFICE CORRESPONDENCE

To Councillor Duehay

Date April 25, 1975

From James Sullivan

Reference

Subject

Pursuant to your request at the budget hearing Tuesday, April 22, the following information has been assembled and forwarded to me by Leo Clark, of the Budget-Personnel staff.

1.) The display on page V-3 of the budget illustrates the current financial status of nine capital investments already approved by the City Council and for which new allotments are not requested. These projects include a) sewer/surface drainage improvements b) green-franklin parking facility c) green-franklin elderly housing d) open space programs 1972 and 1973 e) city infirmary modernization f) green-franklin library g) two neighborhood facilities h) and the elementary school construction.

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property taxes, parking fund, general revenue sharing, community development block grant, bonds (property tax supported), bonds (user-fee supported) and external (state, federal and private) sources.

cc: All Councillors

REVENUE SOURCE (in thousands)	Property Taxes	Federal Fund	General Revenue Fund	Community Development Block Grant	Funds	Bonds (Capital Outlay)	EXTRAORDINARY
E. Cambridge Fire Station				430	700		
Cambridge Common	90						90
William Dawes Memorial			25				
Historic Site Improvements				41			41
Public Housing Modernization				198			
Housing Rehabilitation Conservation				550			
Urban Renewal Close-out				619			
Land Acquisition					1000		2000
Chapter 76							176
City Dump Parking						425	
Nutting Road Parking						6268	
E. Cambridge Parking		60					
Inman Square Parking						475	
Treadway Inn Parking		32					
Play Area Improvements				35			
Multi-Senior Center				45			45
Technical Center Facility	190						330
E. Cambridge School Modernization							



City of Cambridge

IN CITY COUNCIL

WHEREAS:

The Committee on Finance has duly considered a communication from the City Manager, dated April 7, 1975, transmitting budget requests and recommendations for the financial year beginning July 1, 1975 and ending June 30, 1976, and has held public hearings concerned with said requests and recommendations;

Therefore, said Committee recommends that the attached order concerning appropriations in the General Fund, together with the associated financing plan, in the total of \$ 81,018,375, be approved for the fiscal period, July 1, 1975 to June 30, 1976.



CITY OF CAMBRIDGE
MASSACHUSETTS
BUDGET AND PERSONNEL DEPARTMENT
876-6800

DONALD P. HAWKES
Director

March 21, 1975

Arthur F. Libitz
City Auditor

Dear Mr. Libitz:

Attached herewith are corrections to the budget for the fiscal year 1974-75 which occurred as a result of typographical errors. Accordingly, will you please take the necessary administrative steps so that these changes are reflected in official budget documents.

I am transmitting a copy of this letter and the attached corrections to each city department so that all corrections may be noted where appropriate.

Thank you for your cooperation in this matter.

Very truly yours,

Donald P. Hawkes, Director

BUDGET-PERSONNEL DEPARTMENT

DPH:vrk

Attachment: Budget Corrections

CORRECTIONS TO THE BUDGET BOOK FOR FISCAL YEAR 1974-75

<u>DEPARTMENT</u>	<u>PAGE</u>	<u>CODE</u>	<u>PRINTED FIGURE</u>	<u>CHANGE TO</u>
CITY CLERK	2	A-1	\$ 84,146.92	\$ 84,146.90
BUILDING	7	A-1	170,161.24	170,161.74
	7	A-Total	170,161.24	170,161.74
ELECTION COMMISSION	9	B-1	4,000.00	1,400.00
ELECTRICAL- WIRE	10	A-1	251,901.64	251,801.64
	10	A-Total	271,901.64	271,801.64
	11	Summary A	271,901.64	271,801.64
	11	Total for Dept	324,501.64	324,401.64
FIRE	14	D-Total	66,500.00	66,550.00
HOSPITAL	16	B-Total	940,060.00	940,000.00
INFIRMARY	13	D-16	2,800.00	3,100.00
LAW	19	A-1	96,408.00	96,408.20
	19	A-Total	96,408.00	96,408.20
	19	Summary A	96,408.00	96,408.20
PUBLIC LIBRARY	22	Summary D	21,691.25	121,691.25
HOUSING & COMMUNITY DEVELOPMENT	22	B-39	2,000.00	1,800.00
PUBLIC WORKS	24	B-39	176,350.00	176,350.50

<u>DEPARTMENT</u>	<u>PAGE</u>	<u>CODE</u>	<u>PRINTED FIGURE</u>	<u>CHANGE TO</u>
PURCHASING	26	B-2	20,572.00	32,452.93
	26	B-Total	59,272.00	59,272.93
	26	Summary B	59,272.00	59,272.93
	26	Summary Total	183,038.00	183,038.93
RECREATION- GOLF COURSE	27	Summary A	56,402.00	56,042.06
RECREATION- PLAYGROUNDS	29	Summary B	11,737.50	12,487.50
RETIREMENT BOARD	31	B-35	1,500.00	1,400.00
SEALER OF WEIGHTS AND MEASURES	31	B-39	70.00	102.00
TRAFFIC & PARKING	33	A-1	205,672.89	205,572.89
	33	A-Total	226,672.89	226,572.89
TREASURY	34	A-1	212,425.10	212,425.00
	34	A-Total	213,925.10	213,925.00
	35	Summary A	213,925.10	213,925.00
	35	Dept. Total	236,475.10	236,475.00
VETERANS' BENEFITS AND SERVICES	35	D-16	250.00	1,311.00
	35	D-Total	690.00	1,751.00
	35	Summary Schedule D	690.00	1,751.00
WATER	38	B-18	300.00	0.0

Done



City of Cambridge

IN CITY COUNCIL
May 5, 1975

Councillor Clinton

ORDERED:

That all items in the budget of the City of Cambridge for fiscal year 1975-1976 be and hereby is reduced by five percent, with the exception of account # 101 and account # 111, as they relate to salaries.

Order failed 3-6-0

2/

Clinton order re 5% Budget cut on

All items

City of Cambridge

except salaries -

MASSACHUSETTS

In City Council

May 12

1975

	YEA	NAY	ABSENT	PRESENT
Mrs. Ackermann		✓		
Mr. Clinton	✓			
Mr. Danehy	✓			
Mr. Duehay		✓		
Mrs. Graham		✓		
Mr. Russell	✓			
Mr. Vellucci		✓		
Mr. Wylie		✓		
Mayor Sullivan		✓		
	3	6	0	

Motion failed

3

L. Ackermann

City of Cambridge

MASSACHUSETTS

In City Council

May 12

1975

	YEA	NAY	ABSENT	PRESENT
Mrs. Ackermann	✓			
Mr. Clinton		✓		
Mr. Danehy		✓		
Mr. Duehay	✓			
Mrs. Graham	✓			
Mr. Russell		✓		
Mr. Vellucci	✓			
Mr. Wylie	✓			
Mayor Sullivan		✓		
	5	4	0	

Motion of Councilor Ackermann to take
two separate votes on PW Dept -
Budget Items - Carried -
 separate votes taken on Public Housing
& Carried Collection

4/ Motion of E. Dochay to cut down
 City of Cambridge
 Public Works Dept APPROPRIATION BY THE
 MASSACHUSETTS
 ELIMINATION OF BARRETT-KOLLING
 In City Council May 12 1975
 AND COMMENCED COLLECTION OF FURNACE AND TRASH -

	YEA	NAY	ABSENT	PRESENT
Mrs. Ackermann	✓			
Mr. Clinton		✓		
Mr. Danehy		✓		
Mr. Duehay	✓			
Mrs. Graham	✓			
Mr. Russell		✓		
Mr. Vellucci		✓		
Mr. Wylie	✓			
Mayor Sullivan		✓		
	4	5	0	

Barrett Kolling Elimination Motion -
 - Failed of Adoption -

City of Cambridge

MASSACHUSETTS

In City Council

May 12

1925

Combined Collection Elimination Motion by Councillor Duchay

	YEA	NAY	ABSENT	PRESENT
Mrs. Ackermann	✓			
Mr. Clinton		✓		
Mr. Danehy		✓		
Mr. Duchay	✓			
Mrs. Graham	✓			
Mr. Russell		✓		
Mr. Vellucci		✓		
Mr. Wylie	✓			
Mayor Sullivan		✓		
	4	5	0	

- Failed of Adoption -

City of Cambridge

In City Council..... May , 1975.....

The Finance

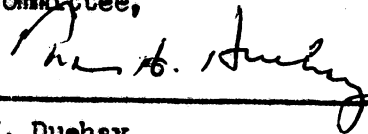
Committee

to which was referred the ANNUAL BUDGET for the fiscal year 1975-1976 in the sum of:-

\$81,018,375.00

Reports, Recommending the adoption of the
accompanying order in the sum of \$81,018,375.00 for the year
ending June 30, 1976.

For the Committee,



Francis H. Duehay,
Chairman.

REPORT

Committee on Finance

ANNUAL BUDGET

In City Council,

May 5, 1975

City of Cambridge

In City Council..... May , 1975.....

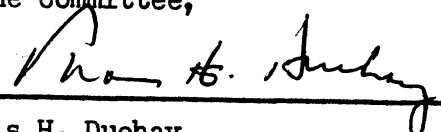
The Finance

Committee

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Reports, Recommending the adoption of the
accompanying order in the sum of \$81,018,375.00 for the year
ending June 30, 1976.

For the Committee,



Francis H. Duehay,
Chairman.

REPORT

217A

Committee on Finance

ANNUAL BUDGET

In City Council,

May 5, 1975