

ANNUAL BUDGET 2007-2008

ADOPTED BY
THE CITY COUNCIL,
CAMBRIDGE,
MASSACHUSETTS



NEWLY COMPLETED YERXA ROAD UNDERPASS

Cover Photo:

Yerxa Road Underpass

The cover features a photo of the recently completed Yerxa Road Underpass in North Cambridge. The underpass between Walden Square Road and Yerxa Road provides a safe, direct route beneath the commuter rail line in North Cambridge. After extensive renovation, it reopened to pedestrians and cyclists in November 2006. Located behind the Peabody School and Rindge Field, the underpass allows easy access connecting numerous community facilities on the north side of the tracks and the residential areas on the south side. The underpass is fully accessible, well lit and welcoming, with extensive landscaping and public art.

This project is an example of the City supporting the City Council Goals of “Fostering Community and Supporting Neighborhood Vitality” and “Providing High-Quality Services” as well as improving public safety and accessibility for our citizens.

Artist Randal Thurston created the artwork for the entrance ramps, portals and interior walls. The public art greatly enhances the experience of walking and biking through the underpass. His work was funded through Cambridge’s “1% for the Arts” Program, which commissions public art. The butterflies featured on the cover are the graphics from the tiles inside the underpass.

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THIS SPACE RESERVED FOR COUNCILLORS' NOTES



CITY OF CAMBRIDGE • EXECUTIVE DEPARTMENT

Robert W. Healy, City Manager

Richard C. Rossi, Deputy City Manager

ADOPTED BUDGET MESSAGE

May 21, 2007

To the Honorable, the City Council
and the residents and taxpayers of Cambridge:

I herewith present to you the FY2008 Operating and Capital Budgets for the City of Cambridge approved by the City Council on May 21, 2007, as well as the proposed FY09 - 12 Capital Plan, which reflect no revisions to the City Manager's submitted budget.

The adopted Operating Budget of \$412,274,625 represents an increase of \$14,890,435, or 3.75%, over the FY07 adjusted budget. The budget increase is largely attributable to a 3.0% cost of salary increase for employees, a 12.7% increase in employee health insurance, a 4.0% increase in employee pension costs, a 4.5% combined increase in Massachusetts Water Resource Authority and State (Cherry Sheet) assessments, a property-tax supported debt service increase of 15.1% and energy increases of 14.7%. In addition, the Operating Budget includes the reduction of 2 full-time positions. Overall, the City has reduced 31 full-time positions since FY03.

This Budget maintains city and school services that citizens have come to expect, provides for a strong capital plan and allows for some increase in services. In addition, we have begun construction on three major capital projects (Main Library Expansion, West Cambridge Youth and Community Center and Public Safety Facility) and anticipate the start of the War Memorial Facility renovations by the end of the current fiscal year. These accomplishments should not be taken for granted in light of the fiscal challenges facing many cities and towns in the Commonwealth.

Cambridge also faces these same challenges with regard to municipal financing and reliance on the property tax. The City receives approximately 60% of its revenues from the property tax. Fortunately, Cambridge has been able to stay below the Proposition 2 ½ property tax levy limit because of its ability to generate non-property tax revenues, new construction growth, controlled budget growth and the prudent use of reserves.

The City has been able to achieve a low property tax rate and an overall lower residential property tax bill than surrounding communities. However, the pressures of rising health insurance and pension costs, energy costs and debt service increases to fund infrastructure improvements will continue to be a major concern for the foreseeable future.

In the past two fiscal years, we have been able to produce budgets which have reflected a 0% and 3.96% increase in the property tax levy. For FY07, this resulted in having approximately 65% of the residential taxpayers receiving a property tax bill that was lower, the same, or only slightly higher (less than a \$100) than the previous year.

The city administration and department heads have worked hard during the budget process to produce an FY08 Budget with a modest increase in the property tax levy, as part of our continuing effort to focus our attention on the City Council Goals which include the goal of “evaluating expenditures with a view of maintaining a strong fiscal position and awareness of the impact on taxpayers.” It should also be noted that the City Council recently adopted an FY08 water and sewer rate which reflected no increase from the previous year.

The spending plan for the Operating and Capital Budget, as submitted, including non-budget items such as overlay reserve and other offsets, calls for a total FY08 property tax levy of \$245,113,350, a \$13,326,255, or a 5.75%, increase. This percentage increase is below the 5.9% increase that was included in our five-year financial projections which were presented to the major credit rating agencies in December 2006.

It is anticipated that the actual percentage levy increase will be approximately 5% by the fall, when the City Council votes on the City Manager’s property tax and classification recommendations in September 2007. It is anticipated that the City will be able to use increased non-property tax revenues, such as parking fund revenue, debt stabilization or state aid, at a higher level than what is included in the FY08 Budget, once actual FY07 receipts and final state aid figures are known.

The FY08 adopted Capital Budget totals \$20,048,660, an increase of \$8,680,595, or 76.4%, over the previous year. The largest change in the FY08 Capital Budget is the increase in bonded projects from \$1,850,000 to \$8,510,000. The FY07 Capital Budget contained \$350,000 in bonded projects, funded from tax supported debt, for the Yerxa Road Underpass Construction Project, as well as \$1.5 million in bonded sewer projects, funded from sewer service revenues. In FY08, the Capital Budget contains only one tax supported bonded project, the Harvard Square Enhancement Project for \$600,000, which supplements previous funding for this project. The FY08 Capital Budget contains \$7,910,000 in bonded sewer projects for sewer reconstruction projects including Cherry Street/South Massachusetts Avenue, Cambridgeport, Harvard Square and Western Avenue.

In keeping with the practice of recent years, the proposed FY08 Budget closely links the operating and capital expenditure plans with priorities established by the City Council for FY08 and FY09. Department heads have carefully reviewed their budget narratives,

accomplishments, goals and performance measures and have made significant modifications to them to demonstrate their department's efforts to address the City Council's goals. Also, in an ongoing effort to review budget narratives for larger departments, in order to provide better information to the City Council and the public, the Fire budget narrative located in Section IV has been totally revised. The new narrative provides more statistical measures and comparisons. While I encourage readers to review each department's budget in detail, the submitted budget message beginning on page I-7 highlights the adopted spending plan to implement City Council priorities.


The long-term outlook for Cambridge continues to be very strong as long as we continue to manage our resources wisely. This has been confirmed by our continued AAA bond rating at a time when some communities have seen a reduction in their ratings. We will continue to analyze the overall finances of the City in the long-term, using our five-year financial plan, debt and reserve policies, in order to maintain stability and predictability in our budgeting and financial planning processes.

In the short-term, future budgets will continue to contain many of the same challenges for the City. These challenges include increased tuition costs assessed to the City for students attending the new charter school, as state reimbursements drop-off; declining school enrollments; limited local aid increases from the State; unfunded school building capital needs with uncertain reimbursement from the Massachusetts School Building Authority; increasing construction and material costs; substantial contributions to fund Other Post Employment Benefits (OPEB) liabilities as a result of GASB 45 reporting requirements; reductions in our Community Development Block Grant and other federal grants, and increasing employee benefit and energy costs. We've faced similar challenges before and dealt with them successfully, but we must be aware of them, plan accordingly and work together collaboratively.

As we continue to work through these challenging financial times, we must remember that the failure to make difficult decisions today will lead to even more difficult decisions in the future. We must always be mindful that increases in the property tax levy must be modest so they do not overburden our residential and commercial taxpayers, nor stifle economic growth. I believe we have responded to the City Council's goal of producing an FY08 Budget that is limited in its growth of the property tax levy, despite significant increases for energy, debt service and health insurance, while not diminishing services.

By being cognizant of our financial limitations and working together, I am confident that we can continue to provide the wide array of services that our residents have come to expect, while at the same time meeting the needs of our infrastructure that will benefit our citizens for decades to come.

Very truly yours,

A handwritten signature in black ink, appearing to read "Robert W. Healy". The signature is fluid and cursive, written over a white background.

Robert W. Healy
City Manager

THIS SPACE RESERVED FOR COUNCILLORS' NOTES

SUMMARY: OPERATING BUDGET (all funds)

FY06 ACTUAL	FY07 PROJECTED	PROGRAM EXPENDITURES	FY08 BUDGET
\$34,711,100	\$39,306,655	General Government	\$46,268,005
82,332,045	84,978,130	Public Safety	87,326,320
76,814,280	82,664,140	Community Maintenance & Development	85,844,605
22,139,355	23,041,425	Human Resource Development	24,060,115
119,727,750	123,862,735	Education	127,690,960
<u>35,890,435</u>	<u>38,701,730</u>	Intergovernmental	<u>41,084,620</u>
\$371,614,965	\$392,554,815		\$412,274,625

FINANCING PLAN	FY08 BUDGET
Taxes	\$265,500,525
Licenses & Permits	6,100,700
Fines & Forfeits	9,160,200
Charges for Service	63,360,140
Intergovernmental Revenue	54,699,465
Miscellaneous Revenue	<u>13,453,595</u>
	\$412,274,625

SUMMARY: CAPITAL BUDGET

PROGRAM EXPENDITURES	FY08 BUDGET
-----------------------------	------------------------

General Government	\$570,000
Public Safety	395,000
Community Maintenance & Development	18,317,295
Human Resource Development	541,365
Education	<u>225,000</u>
	\$20,048,660

FINANCING PLAN	FY08 BUDGET
-----------------------	------------------------

Property Taxes	\$1,200,000
Free Cash	1,000,000
Parking Fund	900,000
Fund Balance/Parking	1,500,000
Sewer Service Charge	1,500,000
Water Service Charge	1,000,000
Block Grant	1,658,150
Chapter 90	1,502,940
MWRA Grant	1,250,070
Bond Proceeds	8,510,000
Golf Course Fees	<u>27,500</u>
	\$20,048,660



CITY OF CAMBRIDGE • EXECUTIVE DEPARTMENT

Robert W. Healy, City Manager

Richard C. Rossi, Deputy City Manager

SUBMITTED BUDGET MESSAGE

April 23, 2007

To the Honorable, the City Council
and the residents and taxpayers of Cambridge:

I herewith submit for your consideration the proposed FY08 Operating and Capital Budgets for the City of Cambridge, as well as the proposed FY09 - 12 Capital Plan.

The proposed Operating Budget of \$412,274,625 represents an increase of \$14,890,435 or 3.75% over the FY07 adjusted budget. The budget increase is largely attributable to a 3.0% cost of salary increase for employees, a 12.7% increase in employee health insurance, a 4.0% increase in employee pension costs, a 4.5% combined increase in Massachusetts Water Resource Authority and State (Cherry Sheet) assessments, a property-tax supported debt service increase of 15.1% and energy increases of 14.7%. In addition, the Operating Budget includes the reduction of 2 full-time positions as well as reductions in non-salary accounts. Overall, the City has reduced 31 full-time positions since FY03.

This Budget maintains city and school services that citizens have come to expect, provides for a strong capital plan and allows for some increase in services. In addition, we have begun construction on three major capital projects (Main Library Expansion, West Cambridge Youth and Community Center and Public Safety Facility) and anticipate the start of the War Memorial Facility renovations by the end of the current fiscal year. These accomplishments should not be taken for granted in light of the fiscal challenges facing many cities and towns in the Commonwealth.

SUMMARY: OPERATING BUDGET (all funds)

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\$371,614,965	\$392,554,815		\$412,274,625

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Miscellaneous Revenue	<u>13,453,595</u>
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SUMMARY: CAPITAL BUDGET

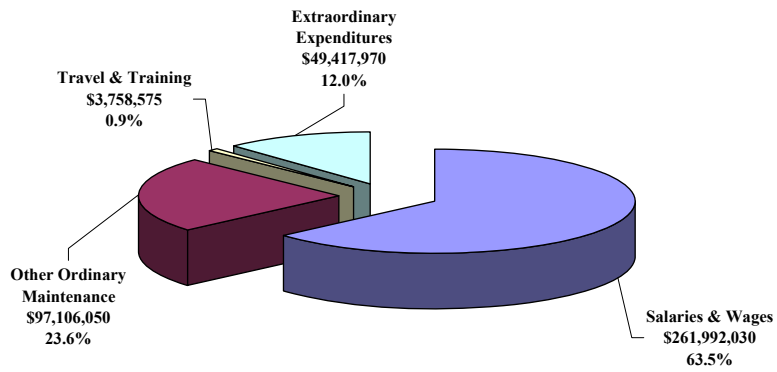
PROGRAM EXPENDITURES	FY08 BUDGET
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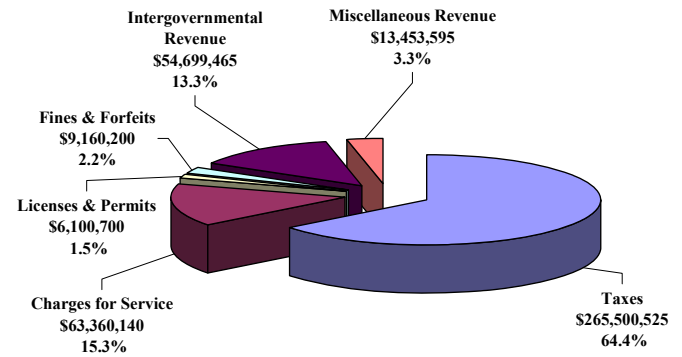
FINANCING PLAN	FY08 BUDGET
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Fund Balance/Parking	1,500,000
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Chapter 90	1,502,940
MWRA Grant	1,250,070
Bond Proceeds	8,510,000
Golf Course Fees	<u>27,500</u>
	\$20,048,660

APPROPRIATION BY STATUTORY CATEGORY



REVENUE BY SOURCE



TOTAL OPERATING BUDGET \$412,274,625

Cambridge also faces these same challenges with regard to municipal financing and reliance on the property tax. The City receives approximately 60% of its revenues from the property tax. Fortunately, Cambridge has been able to stay below the Proposition 2 ½ property tax levy limit because of its ability to generate non-property tax revenues, new construction growth, controlled budget growth and the prudent use of reserves. In addition, the City has been able to achieve a low property tax rate and an overall lower residential property tax bill than surrounding communities

However, the pressures of rising health insurance and pension costs, energy costs and debt service increases to fund infrastructure improvements will continue to be a major concern for the foreseeable future.

In the past two fiscal years, we have been able to produce budgets which have reflected a 0% and 3.96% increase in the property tax levy. For FY07, this resulted in having approximately 65% of the residential taxpayers receiving a property tax bill that was lower, the same, or only slightly higher (less than a \$100) than the previous year.

The city administration and department heads have worked hard during the budget process to produce an FY08 Budget with a modest increase in the property tax levy, as part of our continuing effort to focus our attention on the City Council Goals which include the goal of **“evaluating expenditures with a view of maintaining a strong fiscal position and awareness of the impact on taxpayers.”** It should also be noted that the City Council recently adopted an FY08 water and sewer rate which reflected no increase from the previous year.

The spending plan for the Operating and Capital Budget, as submitted, including non-budget items such as overlay reserve and other offsets, calls for a total FY08 property tax levy of \$245,113,350, a \$13,326,255 or a 5.75% increase. This percentage increase is below the 5.9% increase that was included in our five-year financial projections that was presented to the major credit rating agencies in December 2006.

The actual tax levy is determined in the fall as part of the tax rate setting process. It is important to realize that when determining a homeowner’s property tax bill, there are three major factors. The first is the Budget, which determines the levy amount. The remaining two, which will not be known until the fall, include individual property valuation changes and the impact of any residential/commercial classification shifts.

It is anticipated that the actual percentage levy increase will be approximately 5% by the fall when the City Council votes on the City Manager’s property tax and classification recommendations in September 2007. It is anticipated that the City will be able to use increased non-property tax revenues, such as parking fund revenue, debt stabilization or state aid, at a higher level than what is included in the FY08 Budget, once actual FY07 receipts and final state aid figures are known.

As I have noted above, the issue of property taxes is not unique to Cambridge. In a recent article published in “The Beacon,” a publication of the Massachusetts Municipal Association, it noted that FY08 is shaping up as another big year for Proposition 2 ½ override and exclusion ballot questions as cities and towns struggle to balance local budgets. The abundance of ballot questions reflects slowing growth in municipal revenues, which is being outpaced by basic cost increases, mainly for health care and other personnel-related budget items.

The FY08 Pay-As-You-Go Capital Budget (funded from current revenues) has been reduced by \$250,000 from FY07 in recognition of the increase in our property tax supported debt, which is scheduled to increase by \$2.3 million or 15.1%.

The FY08 Budget continues to use its reserves to reduce the increase in the property tax levy in the following ways:

- The FY08 Budget again includes the use of \$1.5 million from the City's Stabilization (Debt) Fund to offset the impact of increasing debt service costs on the property tax levy. We anticipate using the remaining balance in future years to offset property tax levy increases for increased debt service costs.
- \$2,000,000 in overlay surplus balances accumulated from prior fiscal years is again being used to lower the tax levy increase.
- A total of \$8,000,000 is being used from "Free Cash" in the FY08 Budget; \$2,000,000 in the Operating Budget, \$1,000,000 in the Capital Budget and \$5,000,000 to lower the tax levy increase.

The preparation of annual municipal budgets has been made more difficult by the uncertainty over the level of state aid funding to the City, especially in a year where the projected FY08 state budget shortfall exceeds a billion dollars.

In FY07, the City received \$26,623,055 in Additional Assistance and Lottery Aid. FY07 School Aid/Chapter 70 was \$7,772,245. The total of these three major state aid revenues is \$34,395,300. Based on the Governor's FY08 Budget released in February 2007, the City estimates it will receive \$416,390 more in FY08 than it did in FY07 for these three major categories, for a total of \$34,811,690. However, there is a net decrease overall of \$196,335 after taking into account decreases in other state aid revenue categories, with the largest decrease occurring in Charter School Tuition Reimbursement of \$747,835. These three local aid categories represent 8.4% of the total FY08 Operating Budget.

The FY08 proposed Capital Budget totals \$20,048,660, an increase of \$8,680,595 or 76.4% over the previous year. The largest change in the FY08 Capital Budget is the increase of bonded projects from \$1,850,000 to \$8,510,000. The FY07 Capital Budget contained \$350,000 in bonded projects, funded from tax supported debt, for the Yerxa Road Underpass Construction Project, as well as \$1.5 million in bonded sewer projects, funded from sewer service revenues. In FY08, the Capital Budget contains only one tax supported bonded project, the Harvard Square Enhancement Project for \$600,000, which supplements previous funding for the project. The FY08 Capital Budget contains \$7,910,000 in bonded sewer projects for sewer reconstruction projects including Cherry Street/South Massachusetts Avenue, Cambridgeport, Harvard Square and Western Avenue.

Not included in the proposed budget are funds from the Community Preservation Act (CPA) surcharge. The Community Preservation Act Committee will be making their recommendations for the use of the funds, approximately \$5,800,000, during the upcoming months. The

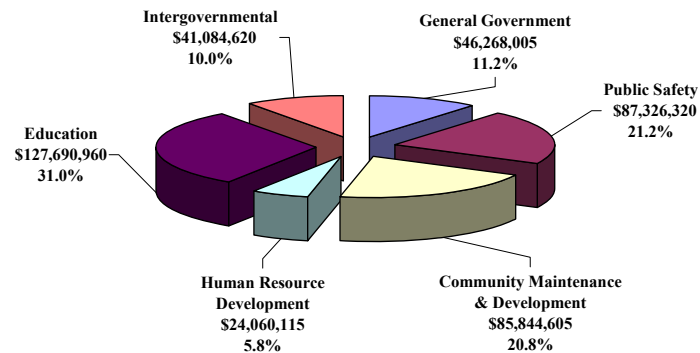
CPA funds may only be used for certain affordable housing, open space and historic preservation purposes. In addition to the CPA funds raised locally, the City should receive approximately the same amount in state matching funds to be made available in October 2007. A recommendation for the appropriation of all CPA funds received will be made by the Community Preservation Act Committee and forwarded to the City Council for appropriation in the coming months. It should be noted that since the acceptance of the CPA in 2001, the City Council has already appropriated/reserved \$59,600,000 from CPA revenues and state matching funds. The City has received approximately \$28 million in state matching funds.

In keeping with the practice of recent years, the proposed FY08 Budget closely links the operating and capital expenditure plans with priorities established by the City Council for FY08 and FY09. Department heads have carefully reviewed their budget narratives, accomplishments, goals and performance measures and have made significant modifications to them to demonstrate their department's efforts to address the City Council's goals.

Also, in an ongoing effort to review budget narratives for larger departments in order to provide better information to the City Council and the public, the Fire budget narrative located in Section IV has been totally revised. The new narrative provides more statistical measures and comparisons.

While I encourage readers to review each department's budget in detail, the following section highlights the proposed spending plan to implement City Council priorities.

APPROPRIATION BY FUNCTION



INTEGRATING CITY COUNCIL PRIORITIES WITH THE PROPOSED BUDGET

Since 1996, the City Council has conducted an in-depth biennial process to develop and produce its Goals for the City. The Goals listed below were adopted by the City Council in December 2006 and reflect the priorities of the City Council for fiscal years 2008 and 2009.

- **EVALUATE CITY EXPENDITURES WITH A VIEW OF MAINTAINING A STRONG FISCAL POSITION AND AWARENESS OF THE IMPACT ON TAXPAYERS**

The FY08 Budget reflects a 3.75% increase. Despite the increased costs related to health and pension costs, debt service, energy and salary increases, the FY08 Budget reflects a modest property tax levy increase of 5.75% while maintaining City services and providing for improvements to our infrastructure. This percentage increase is below the 5.9% increase that was included in our five-year financial projections that were presented to the major credit rating agencies in December 2006. However, it is anticipated that the actual percentage increase will be approximately 5% by the fall when the City Council votes on the City Manager's property tax and classification recommendations in September 2007. It is anticipated that the City will be able to use increased non-property tax revenues, such as parking fund revenue, debt stabilization or state aid, in a higher amount than what is included in the FY08 Budget once actual FY07 receipts and final state aid figures are known.

As noted earlier, the City Council recently adopted an FY08 water and sewer rate which reflected no increase from the previous year.

The City's excess tax levy capacity, an extremely important indication of the City's financial health, is \$73.7 million in FY07 and is projected to be approximately \$75 million for FY08. The excess levy capacity reflects the difference between the amount raised from property taxes and the amount that legally could be raised from taxes. Cambridge continues to have the largest excess levy capacity in the Commonwealth. In addition, the City has been able to maintain or increase fund balances in a variety of its funds that include the Parking Fund, Water Fund, Overlay Account, Stabilization Fund, Health Claims Trust and Free Cash.

By continuing the fiscal policies adopted by the City Council, which include maintaining the City's positive reserves and free cash balances and conservatively managing expenditure and property tax levy growth, the City should be able to deal with fiscal and other economic challenges in future years in a responsible fashion with a limited impact on service delivery. This includes proceeding with a public investment program that will result in a projected increase in our annual tax supported bonding costs. Between FY08 and FY10, the annual tax supported debt service will increase by a total of \$9.7 million (before the use of the Debt Stabilization Fund), which reflects the borrowing costs for the major construction projects now underway plus the War Memorial and CRLS renovation projects. Cambridge is unique in its ability to maintain services while improving our infrastructure in these challenging economic times. It is not uncommon to see neighboring communities that are requiring Proposition 2^{1/2} overrides for Operating Budgets and/or for Debt Exclusions in order to fund capital projects.

The achievement of a lower property tax levy increase than projected was obtained early in the budget process with the issuance of strict budget guidelines for the development of the Operating and Capital Budgets to City department heads. Department heads were given very clear direction on the preparation of their budget submissions in relation to cost increases and the impact on the property tax levy.

The Budget process, again, included a review of all vacancies with department heads with a requirement to describe the operational impact on their department if vacant positions were reduced. No initial increases in non-salary budgets were allowed except for energy costs. All operating items known to be increasing were to be absorbed within existing budgets and Department heads were required to document the impact on their Operating Budget if cost increases were absorbed in their existing budget. And lastly, all supplemental requests were required to have a corresponding reduction.

The Capital Pay-As-You-Go Budget (capital requests funded from property taxes and free cash) for FY08 was reduced from \$2,450,000 to \$2,200,000 in accordance with our five-year financial plan. The following guidelines were put in place: departments were instructed to submit Pay-As-You-Go capital requests that were equal to or less than the approved/funded amount received in FY07. All requests that exceeded the FY07 amount were required to be designated as “supplemental requests.” Departments that did not receive a Pay-As-You-Go appropriation in FY07 could submit an FY08 request but it was required to be submitted as a supplemental request. The addition of new large projects financed through bond proceeds, which were not already part of the FY07-11 plan, was restricted.

For the fifth year in a row, City and school officials have worked collaboratively early in the Budget process to establish a financial guideline which could be adhered to by the School Committee without requiring additional resources later in the process. The School Department Budget is projected to increase by 1.9% in FY08.

In conjunction with the sale of \$32.2 million in bonds in February 2007, the City of Cambridge continued to be one of approximately 20 cities in the United States to receive a “AAA” rating from the nation’s three major credit rating agencies. In its rating opinion, Standard and Poor’s indicated that “the “AAA” credit rating is based on Cambridge’s continued strong financial position; dynamic local economy, which is centered on its two major universities and the biotechnology industry, and continued citywide economic redevelopment; high wealth and income factors, including a high market value per capita; a strong and experienced management team that uses detailed modeling to forecast revenue and capital trends; and a low debt burden and favorable capital plan.”

Every two years the City performs an actuarial study to determine the level of yearly contributions needed to fully fund the Pension System’s actuarial accrued liability by the year 2028, as required by the Commonwealth of Massachusetts. In accordance with the revised funding schedule, the City is projected to fully fund the City’s unfunded actuarial liability by 2015. This funding schedule assumes the normal yearly budgeted contribution as part of the General Fund Budget and an annual \$200,000 transfer from the Teachers Retirement Agency Fund. In FY07, the City appropriated \$1.889 million from this source and the \$200,000 has been included in the FY08 Budget. If the \$1.889 million lump sum payment and the annual \$200,000 payments are not made, the year that the unfunded liability would be eliminated is estimated to be 2020.

It is prudent to meet this requirement as soon as possible for several reasons. First, it allows some flexibility in the out years if the assets of the System do not grow as anticipated or investment conditions change negatively. If asset growth exceeds expectations, the unfunded liability will be eliminated sooner. Second, it demonstrates the City's commitment to meeting this requirement ahead of the 2028 deadline to the Rating Agencies, which is an important financial issue. Some municipalities will have a difficult time meeting the 2028 funding deadline without significant increases in contributions as part of their operating budgets. Third, it allows the City budgetary flexibility in the future to begin to address the unfunded liability of Other Post Employment Benefits (as referenced in GASB 45) provided to current and future retirees.

With regard to Other Post Employment Benefits (OPEB), the City initiated an OPEB Steering Committee to oversee the issuance of the City's first actuarial study to determine future liability in accordance with GASB 45 and propose funding strategies.

While addressing the City's pension unfunded liability ahead of schedule and instituting an actuarial study to determine the City's OPEB liability may not be glamorous, these efforts allow the City to plan in a fiscally responsible way to maintain our strong financial position.

In addition, the Finance Department coordinated the first refinancing of three existing General Obligation Bonds (Water and Hospital Projects), originally issued between February 1998 and November 1999 for 20 year terms at rates ranging from 4.5% to 5.625%, to a lower interest rate, due to favorable market opportunities. The expected savings over the remaining 10 years of these issues is \$1.975 million.

Section II of this document contains policies on investment practices, debt management and fund balance reserves. Even though the City has followed these policies informally, it is recommended by the rating agencies and GFOA that written policies be contained in the budget document for approval by the City Council.

Overall, increases other than for salaries and wages, fringe benefits, energy and debt service were kept to a minimum. However, the budget does contain some increases to cover new initiatives but they are limited due to the continued emphasis in keeping the property tax levy increase as low as possible. These increases are highlighted in the sections below.

- **PROVIDE HIGH QUALITY SERVICES, INCLUDING EXCELLENT CUSTOMER SERVICE, EFFECTIVELY AND EFFICIENTLY AND CONTINUALLY STRIVE TO UPDATE THE PUBLIC ON ISSUES AND SERVICES**

The proposed budget continues the City's long practice of providing high quality service delivery to our citizens. One way this has been demonstrated is by the results of the recent Cambridge Citizen telephone survey conducted by Opinion Dynamics in September 2006. Generally, satisfaction with the City and its municipal services has remained constant since the last study that was conducted in October 2004.

86% of the respondents indicated that Cambridge was an excellent or good place to live. Other questions are listed with the combined percentage ratings of "excellent" and "good": The overall quality of life in Cambridge - 86%; The overall quality of an individual's

neighborhood - 84%; Cambridge as a place to raise a child - 67%; Cambridge as a safe place to live - 73%; A place welcoming to all races - 83%; Overall appearance - 73% and; Opportunities to attend cultural events - 87%.

In addition, Cambridge was recognized for the second time by America's Promise - The Alliance for Youth as one of the 100 Best Communities for Young People, for its many programs and services for the young people in the community. Cambridge was also recognized by Common Cause Massachusetts' Campaign for Open Government as one of the few communities in the Commonwealth whose Web site contained all of the essential elements for an open government online. Additional recognitions are highlighted under each Goal later in this section.

The City continually tries to improve its ability to provide excellent customer service and provide information to our citizens. As an example, the Water Department recently completed the implementation of its Automated Meter Read (AMR) project. In addition to installing approximately 15,000 meter transmitter units (MTU) to water meters, which provide four daily readings per account, the project included the replacement of approximately 8,400 water meters. The AMR system has eliminated estimated water and sewer bills since actual readings are used to determine bills.

As part of this project, the Water Department initiated the "High Read" notification system for customers. This system uses daily meter reads from the AMR System to detect and highlight abnormally high water usage (potential leaks). When a high read is detected, over a two week period, the Water Department contacts the property owner, which enables the property owner to address the problem early, minimizing high water bills and conserving water. In conjunction with this initiative, all water customers were asked to provide updated contact information (telephone number, e-mail address) to improve the notification process.

In addition, the City convened the Second Senior Town Meeting, in collaboration with the City Council's Neighborhood and Long Term Planning Committee and the Council on Aging, at which over 150 seniors participated in workshops and a forum to share their concerns and views with City officials.

Through the efforts of the Recreation Division of the Department of Human Service Programs, the City established the Cambridge Youth Sports Commission, which provides forums for sports and fitness providers and promotes opportunities for sharing resources and helping families take advantage of the wide variety of sports and fitness activities available for children.

Also, the Mayor and City Manager are co-chairing a citywide Committee on neighborhood safety.

The FY08 Budget supports a variety of Information Technology (IT) initiatives, publications and customer service trainings.

One of the major ways that our City communicates with and provides information to the public is through our Information Technology Department (ITD). ITD is continuously developing and improving the City's Web site, which provides remote access to important City resources and information. These services include: the ability to transact business with online payment options; permit and license application services; access to City Council meeting agendas and information; streaming live Internet video for City Council meetings held

in the Sullivan Chamber, along with links to live and archived meetings on the City's Web site; wireless access to the public via the Cambridge Public Internet; property search capability and City mapping information via the GIS system; Cambridge E-Line newsletter and special alerts for street cleaning, rubbish pick-up schedules and snow emergency parking bans; and expanded use of the Cambridge Request System, which is a web-based interdepartmental system that tracks resolution of a variety of requests.

In support of these activities, the FY08 capital budget includes \$70,000 for the purchase of new personal computers; \$50,000 has been set aside to fund system improvements and new development of Web and database applications; \$25,000 for GIS Projects; and \$25,000 for the Cambridge Request System to enhance permitting with the addition of pay online features.

The Finance Department, in order to increase public awareness related to various tax billings and budget information, continued its effort to provide information to taxpayers and citizens through the City's Web site, Cable TV and various publications. In FY07, the Finance Department published and mailed three separate informational newsletters (totaling 140,000 pieces). The first, *Understanding Your Taxes*, explained the City Budget and the factors which determine a property tax bill. The second newsletter, *FY07 Property Tax Update*, provided information on property assessments, FY07 property tax rates, important dates, and included a 'Frequently Asked Questions' section and a detailed explanation of the information contained on the tax bill. The third newsletter, *Exemptions and Tax Deferral Information*, provided comprehensive information on property exemptions and deferrals and the state 'circuit breaker' program. The FY08 Budget continues to fund this initiative. In addition, the Assessor's Office conducts numerous public information seminars to better inform taxpayers of services available for real estate tax exemptions for the elderly, disabled veterans, the blind and those suffering financial hardship and to more fully explain the mass appraisal system used to establish assessed values.

This Budget supports the continued publication of the City's biannual community newsletter, *CityView*, which is mailed to 48,000 Cambridge households and the biannual magazine, *The Cambridge Life*, which includes features on City departments, programs and services and a useful City resource guide. We will also continue producing other publications such as the City's Annual Report, the Cambridge calendar of events distributed to residents and visitors by the Tourism Office, a new Emergency Preparedness brochure, the Department of Human Services' Seasonal Resource Guides and various other newsletters and publications distributed by departments during the fiscal year. The Public Information Officer prepares and posts helpful and timely information on the City's Web site, www.cambridgema.gov, on a daily basis and posts employee information on the City's Intranet site, Common Ground, on a regular basis.

In an effort to improve customer service and other professional development opportunities, the City has developed over 25 training programs or courses for employees. In collaboration with Cambridge College a new municipal finance training curriculum is being developed for managers, to improve their understanding of the budgeting, accounting, purchasing and other related financial operations of the City.

The FY08 Library Budget includes \$10,000 to cover increases related to participation in the Minuteman Libraries Network and for computer supplies used to support public use computers. In addition, \$14,200 has been added to cover the full-year increase in electricity costs and \$12,000 to cover overtime costs for Sunday openings of the Main Library. Also, \$35,000 has been added to cover the cost of intermittent substitutes who provide service coverage at branches for staff who are on vacation, sick or attending professional development activities.

The Election Commission Budget in FY08 reflects an increase of \$55,225 in other ordinary maintenance accounts to cover increased election costs due to having a Pre-presidential and municipal election in FY08.

The Capital Budget contains \$95,000 for the replacement of approximately 75 steel street light poles with aluminum poles as part of the City's ongoing maintenance and repair program for street lights that the City purchased from NSTAR. In addition, \$285,000 has been included in the Capital Budget which will allow the City to upgrade and repair traffic signals at various locations, repair damaged signals, install audible signals, repair vehicle loop detectors, complete upgrading signals on the South Massachusetts Avenue project, repair conduit and relocate obsolete and poorly located control boxes. Also, \$215,000 has been recommended to support priority garage repairs based on a recently completed study.

- **PRESERVE AND CREATE AFFORDABLE HOUSING FOR LOW, MODERATE AND MIDDLE-INCOME RESIDENTS**

With the voters' acceptance of the Community Preservation Act (CPA) surcharge in 2001, the City's affordable housing program is now funded by a portion of the proceeds from the 3% property tax surcharge levied under the CPA. CPA funds may only be used for certain affordable housing, open space and historic preservation purposes. In addition, the City receives a matching amount from the state and has received approximately \$28 million from this source since the inception of the program. Since these funds are deposited into trust funds established for the three CPA purposes, there are no direct allocations contained in this budget document.

Since the implementation of the CPA in FY02, \$59,600,000 has been appropriated/reserved for housing (\$47,680,000), open space (\$5,960,000) and historic preservation (\$5,960,000). FY08 local revenues from the CPA are expected to be up slightly based on a higher property tax levy, with the state match expected to be the same.

The Community Preservation Act Committee will be making its recommendations on the use of the FY08 CPA revenues of approximately \$5,800,000 during the upcoming months. Recommendations will be forwarded to the City Council for appropriation prior to the setting of the tax rate. In addition to the CPA funds raised locally, the City projects approximately the same amount in state matching funds to be made available in October 2007. The City has been fortunate to receive a 100% match from the state in previous fiscal years. However, as more communities have approved the CPA, the available pool of matching funds may no longer be adequate to provide a full match. It is anticipated that the City will continue to receive its 100% match for FY08.

The City, through its prior budget allocations to the Affordable Housing Trust and its current allocations through the CPA, has created or preserved in excess of 2,800 units of affordable housing since the end of rent control in 1995.

The FY08 Operating Budget for the Housing Division contained in the Community Development Budget is \$644,555 and supports a multitude of activities in support of this goal. The Housing Division supports the development of affordable rental and homeownership opportunities, education, counseling and financial assistance for first-time homebuyers; preservation of the long-term affordability of existing affordable housing; low-interest loans to homeowners to make improvements which protect the housing stock; initiatives to

increase access to affordable housing, such as inclusionary and incentive zoning; support of the City's non-profits in the development and management of affordable housing; coordination with the federal and state governments to leverage additional resources; and provision of planning assistance and public information related to housing issues.

The FY08 Capital Budget contains continued funding for Housing Rehab and Development Programs in the amount of \$1,001,285. This funding, which is combined with funds from the federal HOME program, Affordable Housing Trust Fund and other public and private sources, finances renovations to existing housing units and the development of new ones for low and moderate income Cambridge residents.

- **STRENGTHEN AND SUPPORT PUBLIC EDUCATION AND OTHER LEARNING IN CAMBRIDGE FOR THE BENEFIT OF RESIDENTS OF ALL AGES**

The proposed FY08 Budget contains a recommended School Budget of \$127,690,960, an increase of \$2,328,755 or 1.9% over the current year. Property tax support of the School Budget has increased by 2.4% or \$2,328,755. The School Department Budget was adopted by the School Committee in March 2007.

City and School officials worked closely early in the budget process to arrive at the above budget allocation, which equaled the amount contained in the School Department's financial plan for FY08. This budget guideline required no "present level of service" reductions to the School Budget. However, it did allow the School Superintendent to recommend to the School Committee \$1.2 million in budget reallocations to fund program improvements and initiatives.

For additional information on the FY08 School Budget, please go to page IV-350.

In addition to the recommended funds for the School Department, the City's Operating Budget continues to fund, through the Department of Human Services (DHSP), the Childcare and Family Support Services Division. This division has a total budget of \$2,861,140. Services provided include six licensed Pre-School programs and seven licensed After School Programs serving approximately 285 children daily, the Center for Families.

In collaboration with the Agenda for Children and the Early Learning Opportunities Steering Committee, \$200,000 has been provided to replace a portion of the Federal Early Learning Opportunities Act grant which enabled the city to greatly expand early literacy services to families and caregivers of young children at risk. The City funds will continue early literacy education and supports to parents and primary caregivers of young children so that children will enter school ready to learn. A portion of the funds supports outreach to engage underserved populations in a range of city activities and services.

\$5,300 in travel funds has been added to the Kids' Council budget to increase the number of members from the youth involvement subcommittee who will be able to attend the National League of Cities conference.

\$10,000 has been added to the King Open Extended Day Program (KOED) to match funding from the King Open School for contracted academic supports targeting upper grade students who are in warning or needs improvement categories on MCAS. The total FY08 support for this Program is \$553,480, which provides a positive and safe out-of-school time setting that promotes the social, emotional and intellectual development of children.

Also, the Community Learning Center (CLC), with a budget of \$755,945 plus grant funding (\$1.2 million) also supports the above City Council Goal. The Community Learning Center, located at 19 Brookline Street, provides adult basic education classes to more than 1,000 adults each year. The core program includes seven levels of English for Speakers of Other Languages (ESOL) classes and six levels of basic reading, writing and math classes. GED and pre-GED classes prepare students to pass the five high school equivalency examinations. Of the more than 1,000 adults served each year at the CLC, approximately 150 are from the United States and the remainder come from 70-80 different countries, with over 40 different native languages represented.

The Division of Community Schools, with a budget of \$1,997,105 provides a network of neighborhood services offering educational, cultural, social and recreational opportunities for all age groups. Through 12 Community Schools, directors work with their respective Neighborhood Councils to assess community needs and to create high quality, cost effective out-of-school-time programs to address those needs, including after school enrichment classes, two extended day programs with the School Department, and full-day summer and vacation camps. The programs have been adapted to encourage participation of children with special needs.

An additional \$90,000 has been included to provide increased staff in classrooms to support inclusion and expansion of site support for programs addressing behavioral issues in the classroom. These funds support the Childcare Programs, Community Schools and the Youth Centers.

The Youth Center Division, with a budget of \$1,908,810, offers programs through a network of five youth centers located in different neighborhoods of the city. The centers include classroom space, meeting rooms, gymnasiums and easy access to parks and fields. A diverse and multi-talented staff provides direct services and mentorship to youth. Each center is licensed through the Department of Early Education and Care for the after-school leadership program that operates Monday through Friday for 9-13 year olds. Programming includes academic support, recreation and enrichment activities, field trips and community service. During the summer, there are three summer camps, a Sports Leadership Academy and two Arts Programs, pre-teen and teen basketball leagues for girls and boys and Project 13, a program designed specifically for 13-year-olds. \$50,000 has been added to extend the hours of programming in youth centers so that four youth centers are open 4-5 nights per week for eight weeks, which is an increase of two weeks from last year. This will enable the youth centers, working in collaboration with the Mayor's Summer Youth Employment Program, to introduce new teens to the opportunities available at the Youth Center.

The Office of Workforce Development (OWD), with a budget of \$1,765,540 has a mission to expand employment and training opportunities for Cambridge youth and adult residents. It does so by developing partnerships with employers, community-based organizations, the schools and post-secondary institutions. Through a combination of direct service, program coordination and outreach efforts OWD services reach over 1,000 residents and businesses each year.

Consistent with City Council goals around education and economic development, OWD oversees a number of programs that support learning and increase the employability of residents. The Cambridge Employment Program (CEP) offers free job search assistance to adults seeking employment and makes referrals to education and training programs. The Mayor's Summer Youth Employment Program (MSYEP) places hundreds of youth each summer in jobs throughout the City and offers workshops to increase participants' skills and career/college readiness. The school year components of MSYEP, the Fall Youth Employment Program and the Neighborhood Service Project, provide younger teens with fall work opportunities and a spring community service learning program. For older teens, OWD operates an internship with Harvard University and its clerical union, and offers ongoing cycles of an intensive, six-week job-readiness program. \$125,000 has been added to the Mayor's Summer Youth Employment Program (MSYEP) to cover the cost of expanding the program from 750 to 800 youths as well as to cover the increase in the minimum wage paid to participants from \$6.75 to \$7.50. The total allocation for this Program is \$817,455.

Lastly, the Community Development Department sponsors the Employment Program Fund (\$350,000) through Just-A-Start (JAS) Rehabilitation Assistance Program which trains and employs Cambridge youth to provide a range of low-cost housing rehabilitation, energy conservation and de-leading services throughout Cambridge and for the Cambridge Housing Authority.

The Community Development Department also sponsors workshops for first time homebuyers for 500 Cambridge residents and provides one-on-one counseling to more than 150 individuals.

- **FOSTER COMMUNITY AND SUPPORT NEIGHBORHOOD VITALITY. SUPPORT OPPORTUNITIES FOR CITIZENS TO KNOW EACH OTHER WITHIN THEIR NEIGHBORHOODS AND ACROSS THE CITY. VALUE AND SUPPORT RACIAL, SOCIOECONOMIC, CULTURAL AND RELIGIOUS DIVERSITY OF OUR CITY**

The proposed FY08 Operating Budget continues to support and maintain the venues in which citizens have the opportunity to know each other within neighborhoods and across the city, which also promotes the racial, cultural and socioeconomic diversity of Cambridge. This includes support for two senior centers, youth programs, five youth centers, youth leagues, arts gatherings, public celebrations and events, library programs and branches, community policing and outreach programs, neighborhood planning and community meetings, oral history publications and the scores of parks and play areas located throughout the city. The support for these activities and facilities also contributes to the preservation and enhancement of neighborhoods. In addition, a network of neighborhood health centers, community schools and neighborhood fire stations is supported in this budget and contributes to this goal.

The first annual Science Festival will take place over nine days in late April 2007 in locations throughout Cambridge. This collaboration with the MIT Museum, Cambridge Public Schools, Cambridge Public Libraries, WGBH, the Museum of Science and others is a celebration and exploration of science learning and career opportunities. Continued support for this event is included in the Destination Cambridge division of the Public Celebration Budget. Also, a separate budget allocation of \$8,000 for the annual Dance Party has been included in FY08.

The City continues to commit significant resources to a variety of major open space projects. In recent years, the City has renovated several parks including Donnelly Field, Lowell Park, Squirrel Brand Park, Dana Park, Gold Star Mothers Park, Alden Park and the Russell Field Complex.

This list will be expanded in FY08 with the opening of a new neighborhood park at 238 Broadway, Northeast Sector/Maher Park, a Dog Park at Danehy Park, Father Callanan Playground at the Tobin School, Trolley Square Plaza and Magazine Beach.

Other initiatives include the following:

- \$80,000 for park maintenance costs associated with the renovated Northeast Sector Park has been included in the FY08 Water Department Budget, as well as \$75,000 for 238 Broadway and Magazine Beach, which are projected to be completed this fall and next spring, respectively.
- \$300,000 for additional open space at Costa Lopez Taylor Park has been included in the FY08 capital budget. These funds will be used to develop a passive-use “pocket park” across Lopez Avenue from the main park, on a 4,500 square-foot vacant parcel that was donated to the City by a private developer. The new open space will include a seating area, plantings and, possibly, community gardening plots. The project will also include the addition of lighting, which is anticipated to be installed by this summer, and other minor improvements to the main park.
- An Outdoor Movie System is funded in the FY08 capital budget in the amount of \$50,000. These funds will be used to acquire a portable outdoor movie system which includes: an inflatable unit and screen and related audio-visual equipment including a projector and audio switch rack with DVD player and speakers, and will be used to provide entertainment at various parks during the summer.
- \$7,800 has been included in the FY08 Budget to provide staffing for Friday afternoon hours at the Senior Center.
- An allocation of \$1,500,000 from the Parking Fund Balance will be used to fund the construction of long-term safety improvements on Blanchard Road, between Concord Avenue and Grove Street, including reconstruction of the roadway; installation of raised pavement markings, bicycle lanes and accessible concrete sidewalks; and construction of a crossing island at Glenn Road to reduce traffic speed. This project was initiated to address safety issues and high speeds at the curve in the road, identified in a 2005 safety study of Blanchard Road (between Concord Avenue and Grove Street). The safety study was requested by neighborhood residents. The report recommended both short- and long-term safety improvements to this section of the road. With funds from the FY06 Public Works and Traffic, Parking and Transportation Operating Budgets, the short-term improvements were implemented in 2006.
- The Brookline Street Reconstruction Project is an outgrowth of the Cambridgeport Roadways Design process, during which residents and the City’s Advisory Committee supported improvements to Brookline Street to reduce the speed of traffic, improve pedestrian safety, and emphasize the residential character of the street. Design for this project began in FY06 with a \$75,000 allotment, and an

additional \$55,000 in FY07, combined with Block Grant funds of \$20,000. The community input and design process will be completed in FY08. \$1,750,000 from the Parking Fund Balance to fund the project is budgeted in FY09.

- Continued funding for the Tree Pruning Program (\$50,000), which is based on a five-year cycle of pruning the nearly 3,000 trees in City-managed open spaces, exclusive of the Fresh Pond Reservation.
- The Arts Council's Public Art Conservation and Maintenance Program is funded at \$30,000 and capital projects have been budgeted to include the 1% for Arts allocation.
- The Capital Budget contains \$1,832,940 for street and sidewalk reconstruction and will be used primarily to address pedestrian crosswalks and sidewalks with poor accessibility, to ensure compliance with the provisions of the Americans with Disabilities Act (ADA). In addition, \$400,000 will be used for the design and construction of traffic calming measures. \$75,000 for additional street maintenance has been included in the FY08 Public Works Operating Budget.
- In order to continue the program of making public facilities more accessible to people with disabilities, \$50,000 has been recommended in the Capital Budget.
- An increase of \$28,000 for veterans' benefits based on the FY07 projected costs and estimated FY08 increases is included in the FY08 Veterans' Budget. The Veterans' Benefits Budget is \$314,500 with this increase. It is anticipated that the state will reimburse the City for a portion of these cost increases. In addition, \$6,000 has been added to cover increased costs of ceremonial events.
- **DELIVER HIGH QUALITY PUBLIC SAFETY SERVICES AND MAINTAIN A HIGH LEVEL OF PUBLIC CONFIDENCE IN THESE SERVICES**

The total Public Safety Budget for FY08 is \$87,326,320, or 21.2% of the Operating Budget, and includes the following departments: Animal Commission, Fire, Police, Traffic, Parking and Transportation, Police Review and Advisory Board, Inspectional Services, License, Weights and Measures, Electrical, Emergency Communications and Emergency Management.

In September 2006, the City of Cambridge participated in a Homeland Security training exercise called Operation Poseidon, a simulated terrorist attack staged in various locations, which gave first responders and management personnel the opportunity to gauge the effectiveness of response training and equipment. This nationally recognized Homeland Security drill was one of the largest full-scale drills in the country and ran very successfully due to the cooperation of multi-city and metro-area agencies, as well as state and federal and private sector agencies.

As mentioned earlier, the Fire Department narrative has been significantly changed to provide more statistical and comparative data (see page IV-88) in an ongoing effort to provide better information to the public.

The FY08 Fire Department Budget is \$32,666,225 with a total staff of 284. The FY08 Budget includes an increase of \$21,030 for energy costs and \$125,000 for medical services and/or prescription reimbursement costs for fire personnel injured in performance of their duties.

In addition to its General Fund allocation, the Fire Department has been successful in obtaining several grants to support its operations. The Fire Department leadership has continued to be actively involved with statewide committees and regional collaborations to improve interagency cooperation and interoperability. The Insurance Service Organization (ISO) has continued to give a Class 1 designation to the Cambridge Fire Department, the highest rating a Fire Department can receive. ISO is the primary source of information about property and liability risk and is the property/casualty insurance industry's leading supplier of statistical, actuarial, underwriting and claims data. This rating is based on criteria related to training, equipment, facilities and communication systems.

Cambridge is only one of five communities in the country served by a Class 1 Fire Department and a Commission on Accreditation of Ambulance Service (CAAS) accredited ambulance service.

In addition, \$250,000 has been set aside in the FY08 Capital Budget to fund refurbishment of the 1994 one hundred five foot Ladder Company 3 vehicle located at the Lafayette Square station.

The FY08 Police Budget is \$35,175,675 with a total staff of 307. Like the Fire Department, the Police narrative was significantly changed a few years ago to provide more statistical and comparative data (see page IV-103) in an ongoing effort to provide better information to the public.

The FY08 Capital Budget request includes funds (\$50,000) for required mobile radio packages for four police vehicles and an upgrade to the City's police, fire and EMS mobile laptop modems, to support the higher speeds needed for communication.

- **PROMOTE A HEALTHY ENVIRONMENT BY ADOPTING ENVIRONMENTALLY SOUND AND ENERGY EFFICIENT PRACTICES THROUGHOUT THE COMMUNITY**

City Departments continue to implement strategies to demonstrate progress in achieving this City Council Goal. The best example of this commitment is the City's partnership with the Henry P. Kendall Foundation to create the non-profit Cambridge Energy Alliance, a large-scale energy efficiency implementation project designed to reduce peak power demand by all city (public and private) sectors by 50 Megawatts (15% of current demand). This unique 5-year program is a public/private partnership that will result in significant new jobs and economic development, while reducing fossil fuel use and greenhouse gas emissions and is being developed as a national model.

Other examples that demonstrate the City's ongoing progress to achieve this goal include:

- Designed and implemented an Energy Information System (EIS) to track and manage the City's energy consumption, in partnership with the Commonwealth's Rebuild Massachusetts Program.
- Installed high-efficiency heating, ventilation and air conditioning (HVAC) at City Hall, the Senior Center and the Coffon Building in the current fiscal year. With an additional \$1.1 capital appropriation for buildings appropriated in FY07, the boilers at Fire Headquarters and the Coffon Building will be replaced with new energy efficient systems having direct digital control (DDC) that allows for remote access, the air conditioning unit at the North Cambridge Senior Center will be replaced, the 30-year-old air handling unit located on the DPW building roof will be replaced with a new energy efficient unit with DDC, and additional energy studies and improvements will be implemented.
- Organized the first Recyclemania contest in the Cambridge Public Schools, which resulted in a 25% increase in paper recycling system-wide, and launched a citywide campaign, "If it Rips, Recycle it!" , with the same goal for the residential waste stream.
- Funded through a Massachusetts Department of Environmental Protection grant, recruited over 20 Cambridge businesses to start separating food waste from the trash for curbside compost collection in September 2006, which resulted in composting over 200 tons of food waste and saving nearly 420,000 pounds of greenhouse gas emissions.
- Monitored recycling participation at all large residential buildings with 13 units or more and graded them with an A, B or C recycling status, based on how much is recycled per household per week. Currently, 81% of all large apartment buildings are recycling at a comprehensive level.
- Completed installation of Diesel Oxidation Converters in 32 City-owned vehicles through an EPA grant for diesel retrofits, the result of a partnership created between the MIT Environmental Programs Office and Department of Facilities, and the City of Cambridge's Public Works and Community Development departments, in order to take on the challenge of reducing diesel engine pollution through the application of advanced clean-diesel technologies. This installation of advanced retrofit equipment is designed specifically to mitigate the negative health impacts on the City's most vulnerable populations: the elderly, children, chronically ill and communities that are exposed to a disproportionate share of the environmental burden.
- Implemented an anti-idling campaign, with the assistance of a grant from DEP, geared toward the City's fleet. Using DEP produced material, the City installed signage, static and dashboard stickers in vehicles, distributed educational material and aired a 30-second anti-idling public service announcement on local cable television.
- Implemented a new procedure for the replacement of vehicles that are not fuel efficient: a subcommittee of the interdepartmental Green Fleets Working Group was formed to review new vehicle requests; City departments are now required to make vehicle comparisons and to review "right-sizing" purchases.

- Installed "Big Belly" solar powered compactor units at the kiosk in Harvard Square, Winthrop Park and Sennott Park with the goal of accommodating large amounts of waste at typically over-burdened public litter baskets.
- Traffic Signal Conversion Project is scheduled to be completed by the Traffic, Parking and Transportation Department which will significantly reduce energy demand.
- Continuing the City's work in climate protection: enlisted 20 businesses in the Cambridge Climate Leader Program; developed a plan for purchase and installation of renewable energy to reach the goal that 20% of municipal electricity come from renewable sources by 2010, which has been supported with an increase of \$14,500 in the FY08 Community Development Budget for the purchase of renewable energy certificates; and held two well-attended energy fairs.
- Received Environmental Purchasing and Sustainability Award from the Commonwealth of Massachusetts, recognizing the City's efforts in implementing the Climate Protection Plan.
- Received first EPA Best Workplace for Commuters designation given to a municipality in the Northeast. EZRide, the City- and business-supported shuttle service, increased ridership to approximately 1,000 passengers a day, necessitating an additional bus to accommodate increased demand which has been supported by an additional allocation of \$12,000 in the FY08 Community Development Budget.
- The American Institute of Architects (AIA) recognized two City-funded affordable housing projects in their national AIA "Show You're Green" program for excellence in affordable green housing. Trolley Square and Scouting Way were selected in recognition of their sustainable practices and excellence in design.
- The FY08 Community Development Budget also contains \$5,500 to conduct the biannual commuter survey required by the Department of Environmental Protection.
- Cambridge has been recognized by the Commonwealth of Massachusetts for having achieved the highest level of municipal forest management, and received a Massachusetts Sustainable Community Forestry Award. Cambridge is one of only 22 communities in the Commonwealth to achieve this level.
- In FY07, the U.S. Environmental Protection Agency, Region I, awarded the City with an Environmental Merit Award for its climate protection initiatives.
- Funds have been included in the FY08 Capital Budget to continue the reconstruction of the City's sewer and surface drainage system in the amount of \$10,660,070. Projects included in this program are funded through a combination of MWRA Grant funds as well as general obligation bonds and current sewer revenues. This allocation supports work in the Cherry Street/South Massachusetts

Avenue, Cambridgeport, Harvard Square and Western Avenue areas, plus remedial construction work to maintain existing storm, sanitary and combined sewer system. In addition, \$1 million has been included in the Capital Budget for water system improvements.

- **PROMOTE THE ADVANTAGES OF “DOING BUSINESS IN CAMBRIDGE” AND WORK TO STRENGTHEN MUTUALLY BENEFICIAL PARTNERSHIPS WITH BUSINESSES AND UNIVERSITIES**

Cambridge has been fortunate that it has been able to operate within the confines of Proposition 2½. It is important to understand that new development is one the keys to our continued success, as well as the ability to generate non-property tax revenues while controlling expenditure growth. It is also important to maintain a reasonable tax rate for both commercial and residential property owners and reliable water and sewer services at affordable rates. By achieving these goals, Cambridge will continue to be a place where individuals and businesses want to visit and/or locate.

Throughout this document, you will find references to the payments in-lieu-of tax (PILOT) agreements that the City has negotiated with Harvard University and MIT. Not only do these agreements provide additional revenue to the City each year, but they also provide long-term revenue protection and stability.

In FY07, the City invested heavily in time, financial and personnel resources with its participation at the BIO 2007 International Convention, a convention of 20,000 representatives of Biotech businesses and research institutions throughout the world, which is being held in Boston in May 2007.

The Cambridge Office of Tourism (COT), with a budget of \$355,000, is a non-profit agency that receives City funding and serves as the central clearinghouse for all tourism marketing and visitor information in Cambridge. The COT seeks to enrich the City of Cambridge, and its diversity, by promoting its many special attractions and cultural amenities for the enjoyment of both residents and visitors. By coordinating tourism marketing efforts, the Office for Tourism seeks to increase recognition of Cambridge as an important component of the Greater Boston destination, thereby developing a stable and consistent tourism base in the local economy. The COT produces information to help visitors including a Cambridge bookstore guide, a seasonal Calendar of Events, a marketing brochure, a dining guide, an historical walking guide and a comprehensive Visitors Guide. The COT also produces sales and marketing materials for hotels to use to attract convention and conference business to Cambridge. This collaborative effort between Cambridge hotels and meeting sites is called the Cambridge Conference Collection, and it has received wide acclaim from the hotels and the Greater Boston Convention and Visitors Bureau (GBCVB).

\$4,650 for the purchase of a Costar database, in conjunction with the Assessing Department, has been included in the FY08 Community Development Budget which will allow the City to provide enhanced real estate information.

An additional \$600,000 has been included in the FY08 capital budget for the Harvard Square Enhancement project, which is in addition to the \$4 million that the City has appropriated, \$1,300,000 in funds donated by Harvard University and a \$1.0 million grant from the State Office for Commonwealth Development.

The Economic and Employment Planning Division of the Community Development Department has a recommended FY08 Budget of \$435,955. The Division provides services in the following areas: commercial district revitalization; technical assistance to existing and start-up entrepreneurs; support for women - and minority - owned businesses; programs to encourage workforce development, especially in the biotech and health care fields; and real estate information in support of the City's development districts and neighborhood retail areas.

In addition, the City continues to sponsor the Façade Improvement Matching Grant Program (\$150,000) and the Retail Best Practices Program (\$50,000), which provide technical assistance and matching grants to income eligible businesses regarding marketing techniques and interior organization of retail space. In addition to support start-ups, funding is provided (\$75,000) for small business workshops including: Exploring Entrepreneurship; Steps to Starting Your Own Business; and Financing Your Business; as well as financial literacy training in the fundamentals of personal and business financial management. Additional support (\$118,000) is also provided to two career development programs: the Biomedical Careers Program and the Healthcare Career Advancement Program, both of which help lower-wage workers become ready for higher-wage opportunities in the health care/biotech sector.

OUTLOOK AND CONCLUSION

The long-term outlook for Cambridge continues to be very strong as long as we continue to manage our resources wisely. This has been confirmed by our continued AAA bond rating at a time when some communities have seen a reduction in their ratings.

Because of our continued strong financial condition, we have been able to maintain both City and School services while embarking on a very ambitious public investment program, which is highlighted by the new Main Library Project, Public Safety Facility and the West Cambridge Youth and Community Center, at a time when many communities are reducing services. The sound financial practices of this and previous City Councils have left the City with substantial reserves including \$68 million in Free Cash, \$73.7 million in excess levy capacity, \$11.4 million in Parking Fund balances, \$5.4 million in Water Fund balances and balances in other reserve accounts.

This allows Cambridge the flexibility to respond to periods of economic decline, the ability to take advantage of unique opportunities and address one-time needs. The City Council has been wise to increase the balance in the City's Debt Stabilization Fund in FY07 with an \$8 million dollar appropriation from Free Cash. The balance in the Debt Stabilization Fund is projected to be \$13.8 as of June 30, 2007. The use of the Debt Stabilization Fund will allow the impact of the increased property tax supported debt costs for the three major capital projects to be partially mitigated. Likewise, the increase in the School Stabilization Fund, which is projected to have a balance of \$11 million as of June 30, 2007, is important as we prepare for the War Memorial and CRLS renovation projects, which are scheduled to cost substantially more than initially expected. While we should be proud of our ability to move forward on these projects, which will benefit the citizens of Cambridge for decades to come, they will have an impact on our capacity to undertake new large capital projects financed from property tax supported debt for the next 4 to 5 years, as well as significantly expand our pay-as-you-go Capital and Operating Budgets.

The Commonwealth, and the federal government remain vital financial partners in the delivery of our services. Significant reductions in the current level of state or federal support would be difficult for the City to absorb without impacting the property tax levy. We will continue


to analyze the overall finances of the City in the long-term, using our five-year financial plan, debt and reserve policies, in order to maintain stability and predictability in our budgeting and financial planning processes.

In the short-term, future budgets will continue to contain many of the same challenges for the City. These challenges include increased tuition costs assessed to the City for students attending the new charter school, as state reimbursements drop-off; declining school enrollments; limited local aid increases from the State; unfunded school building capital needs with uncertain reimbursement from the Massachusetts School Building Authority; increasing construction and material costs; substantial contributions to fund Other Post Employment Benefits (OPEB) liabilities as a result of GASB 45 reporting requirements; reductions in our Community Development Block Grant and other federal grants and increasing employee benefit and energy costs. We've faced similar challenges before and dealt with them successfully, but we must be aware of them, plan accordingly and work together collaboratively. As I noted at the beginning of my message, we should not take for granted our success in maintaining city and school services that citizens have come to expect.

As we continue to work through these challenging financial times, we must remember that the failure to make difficult decisions today will lead to even more difficult decisions in the future. We must always being mindful that increases in the property tax levy must be modest so they do not overburden our residential and commercial taxpayers, nor stifle economic growth. I believe we have responded to the City Council's goal of producing an FY08 Budget that is limited in its growth of the property tax levy, despite significant increases for energy, debt service and health insurance, while not diminishing services. Again, managing our resources wisely as well as being realistic in our expectations regarding budget growth will continue to be the key to our economic growth and stability.

By being cognizant of our financial limitations and working together, I am confident that we can continue to provide the wide array of services that our residents have come to expect, while at the same time meeting the needs of our infrastructure that will benefit our citizens for decades to come.

Very truly yours,

A handwritten signature in black ink, appearing to read "Robert W. Healy", written in a cursive style.

Robert W. Healy
City Manager

BUDGET CALENDAR

September 2006 through November 2006	Testing and training with departments on new Narrative Development System.	March 23, 2007 through March 30, 2007	City Manager and Budget staffs conduct final review of departmental budgets and supplemental requests.
December 4, 2006	Issuance of FY08-09 City Council Goals. Briefing on FY08 budget guidelines and schedule with City Manager and Department Heads. Distribution of budget notebook and materials to Departments. Meeting of departmental finance personnel with budget staff.	April 23, 2007	Submission of the City Manager's Budget to the City Council.
December 4, 2006 through December 21, 2006	All personnel analysis sheets reviewed for accuracy. All corrections placed on the personnel analysis sheets. All personnel analysis sheets returned to the Budget Office.	April 28, 2007 through May 16, 2007	Dates for public hearing on FY08 Budget. Department benchmarks updated as of 3/31/07.
January 12, 2007	Deadline for budget submission to the City Manager. Department benchmarks updated as of 12/31/06.	May 21, 2007	Budget Adopted by City Council.
January 22, 2007 through March 22, 2007	Formal department presentations to the City Manager	June 6, 2007	Deadline for City Council adoption of the Budget.
		June 30, 2007	City Manager's transmittal of chart of accounts and allotment plan (based on departmental work-plans) to the City Auditor for execution.
		July 1, 2007	Begin execution of FY08 allotment plans.

BUDGET PROCESS

The preparation of the Annual Budget for the City of Cambridge is governed by the provisions of Chapter 44 of the Massachusetts General Laws. The budget cycle for FY08 was initiated in October, 2006. At that time budget staff met with the City Manager and Finance Director to update the City's 5-year financial projections in order to establish general budgetary guidelines and limitations for the coming year.

For FY08, the Budget staff continued to work with Departments on refining the budget format adopted in FY97, which emphasizes quantifiable and concise narratives. The emphasis during the FY08 budget cycle was on the further integration of community values and City Council goals with departmental goals and performance measures. This is the 12th year of the format, which allows the City Manager and the City Council to better quantify City services. This format is based on a system of goals and measures that are quantifiable and calculate selected unit costs of services where applicable. Working within this framework has facilitated the continuing refinement of the budget document. In the FY08 budget, some goals and measures were eliminated, replaced and/or expanded, resulting in goals and measures that are more comprehensive, significant or illustrative of the services and programs provided by City departments. Through continued use and constant updating, the budget continues to evolve into a more comprehensive document containing a goals and measures system that accurately reflects data concerning City systems.

In December, the City Manager convened a citywide annual budget meeting attended by all department heads and finance personnel. At this meeting the City Manager gave a general overview of the state of the economy, discussed the budget format and outlined specific guidelines for the preparation of individual

department budgets: COLA, Pensions and Health Insurance costs can increase as required; all non-personnel operating items known to be increasing due to contractual terms must be absorbed within the budget and not knowingly under-budgeted. Major contracts for services must be reviewed to ensure that departments have sufficient funds to meet contractual needs; budgets are to be level funded; extraordinary expenditures must be revised and one time items from the current year eliminated; departments should expect that reductions can be made during the review process; and the supplemental request process remained the same with requests for new or expanded services submitted separately outside the base budget. If a request for supplemental funds were submitted, it was necessary to identify a corresponding decrease before this request could be considered. It was emphasized that the FY08 goal was to submit a budget to the City Council that supports Council priorities with the same number, or fewer positions. A particular emphasis has been placed on the goal to evaluate all expenditures with a view of maintaining the strong fiscal condition that the City has experienced over the past several years and alleviating the impact on the taxpayers. Each department subsequently met with the Budget staff to review the budget format and to aid in the development of goals and performance measures. These operating budgets, which include expenditure and revenue estimates and significant departmental accomplishments of the previous budget year, were submitted to the City Manager by January 12, 2007.

From mid-January through mid-March, each department made a presentation to the City Manager justifying proposed budget decreases, increases, supplemental budget requests, and program changes for the coming year. The City Manager also reviewed goals and performance measures and their integration with City Council goals. Specific requests were negotiated during these sessions and appropriate revisions were made to the submitted budgets.

It is important to note that, at this stage of the process in past years, the City Manager has increased or decreased the budget based on the priorities of the City Council and the Administration. However, due to the need to control overall budget increases with particular attention paid to those financed through property taxes, supplemental requests generally were not funded unless a corresponding decrease was identified and built into the FY08 budget.

From mid-March through mid-April, the Budget and City Manager's staff finalized the Annual Budget document for submission to the City Council. By state law, the budget must be submitted to the City Council within 170 days after the Council organizes in early January. The City Manager will submit the FY08 Budget to the City Council on April 23, 2007.

From April 28 – May 16, the City Council will hold a series of public hearings to solicit citizen participation regarding departmental budget requests. The City Council has the jurisdiction to make reductions, but cannot increase the proposed budget without the consent of the City Manager. Following submission of the budget, the City Council has 45 days in which to act (June 6.) The City Council adopted the FY08 Budget on May 21, 2007. The Annual Budget for FY08 becomes effective July 1, 2007.

BUDGET PROCEDURE

The following sections of Chapter 44 of the Massachusetts General Laws govern the budget procedure for the City of Cambridge.

CHAPTER 44, SECTION 31A. REPORT OF ESTIMATED EXPENSES; PERIOD COVERED; CONTENTS. Every officer of any city except Boston having charge of, or jurisdiction over, any office, department or undertaking, requesting an appropriation

shall, between November first and December first of each year, furnish the mayor and the city auditor, or officer having similar duties, on forms provided by the city auditor or officer having similar duties, and approved by the bureau of accounts in the department of corporations and taxation, detailed estimates of the full amounts deemed necessary for the next fiscal year for the ordinary maintenance of the office, department or undertaking under his charge or jurisdiction, and for expenditures other than the ordinary maintenance, with the amounts, if any, expended for similar purposes during the preceding fiscal year and during the first four months of the then current fiscal year, and an estimate of the amounts required to be expended for such purposes during the last eight months of the then current fiscal year, giving explanatory statements of any differences between the amount of any estimate for the next fiscal year and the amount expended or estimated to be required as aforesaid.

The information hereby required to be furnished shall set forth the number of permanent or temporary employees, or both, requested in each classification or rating in the next fiscal year and the number of permanent or temporary employees, or both, employed on October thirty-first of the then fiscal year, or the nearest week-end thereto, except laborers and persons performing the duties of laborers, with the annual, monthly, weekly or hourly compensation of such employees, and shall state whether such compensation is fixed by ordinance or otherwise and whether or not such employees are subject to chapter thirty-one.

The foregoing shall not prevent any city, upon recommendation of the mayor, from so setting forth the number of permanent or temporary laborers and persons performing the duties of laborers, or both such permanent and temporary laborers and persons, with the annual, monthly, weekly or hourly compensation of such employees.

The city auditor, or officer having similar duties, shall forthwith at the close of each calendar year furnish the mayor with a written report of the money received from estimated receipts applicable to the payment of expenditures of the first six months of the then current fiscal year, with an estimate of such receipts for the last six months of such year and for the next fiscal year.

CHAPTER 44, SECTION 33A. SALARY PROVISIONS IN BUDGET; REQUIREMENTS AND LIMITATIONS. The annual budget shall include sums sufficient to pay the salaries of officers and employees fixed by law or by ordinance. Notwithstanding any contrary provision of any city charter, no ordinance providing for an increase in the salaries and wages of municipal officers and employees shall be enacted except by a two-thirds vote of the City Council, nor unless it is to be operative for more than three months during the calendar year in which it is passed. No new position shall be created or increase in rate made by ordinance, vote or appointment during the financial year subsequent to the submission of the annual budget unless provision therefor has been made by means of a supplemental appropriation. No ordinance, vote or appointment creating a new position in any year in which a municipal election is held shall be valid and effective unless said ordinance, vote or appointment is operative for more than three months during said municipal election year.

CHAPTER 44, SECTION 32. SUBMISSION TO CITY COUNCIL; PROCEDURE FOR APPROVAL, REJECTION OR ALTERATION. Within one-hundred-seventy days after the annual organization of the city government in any city other than Boston, the mayor shall submit to the city council the annual budget which shall be a statement of the amounts recommended by him for the proposed expenditures of the city for the next fiscal year. The annual budget shall be classified and designated so as to show separately with respect to each officer, department or undertaking for which an appropriation is recommended:

- (1) Ordinary maintenance, which shall also include debt and interest charges matured and maturing during the next fiscal year, and shall be subdivided as follows:
 - (a) Salaries and wages of officers, officials and employees other than laborers or persons performing the duties of laborers; and
 - (b) Ordinary maintenance not included under (a): and
- (2) Proposed expenditures for other than ordinary maintenance, including additional equipment the estimated cost of which exceeds one thousand dollars.

The foregoing shall not prevent any city, upon recommendation of the mayor and with the approval of the council, from adopting additional classifications and designations.

The city council may by majority vote make appropriations for the purposes recommended and may reduce or reject any amount recommended in the annual budget, but, except on recommendation of the mayor, shall not increase any amount in or the total of the annual budget, nor add thereto any amount for a purpose not included therein, except as provided in section thirty-three. Except as otherwise permitted by law, all amounts appropriated by the city council, as provided this section, shall be for the purposes specified. In setting up an appropriation order or orders based on the annual budget, the council shall use, so far as possible, the same classifications required for the annual budget. If the council fails to take action with respect to any amount recommended in the annual budget either by approving, reducing or rejecting the same, within forty-five days after the receipt of the budget, such amount shall without any action by the council become a part of the appropriations for the year, and be available for the purposes specified.

If, upon the expiration of one-hundred-and-seventy days after the annual organization of the city government, the mayor shall not have submitted to the council the annual budget for said year, the city council shall, upon its own initiative, prepare such annual budget by June thirtieth of such year, and such budget preparation shall be, where applicable, subject to the provisions governing the annual budget of the mayor.

Within fifteen days after such preparation of the annual budget, the city council shall proceed to act by voting thereon and all amounts so voted shall thereupon be valid appropriations for the purposes stated therein to the same extent as though based upon a mayor's annual budget, but subject, however, to such requirements, if any, as may be imposed by law.

If the council fails to take action with respect to any amount recommended in the budget, either by approving, reducing or rejecting the same, within fifteen days after such preparation, such amount shall, without further action by the council, become a part of the appropriations for the year, and be available for the purposes specified.

Notwithstanding any provisions of this section to the contrary, the mayor may submit to the city council a continuing appropriation budget for said city on a month by month basis for a period not to exceed three months if said city has not approved an operating budget for the fiscal year because of circumstances beyond its control.

Nothing in this section shall prevent the city council, acting upon the written recommendations of the mayor, from voting appropriations, not in excess of the amount so recommended, either prior or subsequent to the passage of the annual budget.

The provisions of this section shall apply, in any city adopting the Plan E Form of government under chapter forty-three, only to extent provided by section one-hundred-and-four of said chapter.

Neither the annual budget nor appropriation orders based therein shall be in such detail as to fix specific salaries of employees under the direction of boards elected by the people, other than the city council.

The city council may, and upon written request of at least ten registered voters shall, give notice of a public hearing to be held on the annual budget, prior to final action thereon, but not less than seven days after publication of such notice, in a newspaper having general circulation in the city. At the time and place so advertised, or at any time or place to which such public hearing may from time to time be adjourned, the city council shall hold a public hearing on the annual budget as submitted by the mayor, at which all interested persons shall be given an opportunity to be heard for or against the proposed expenditures or any item thereof.

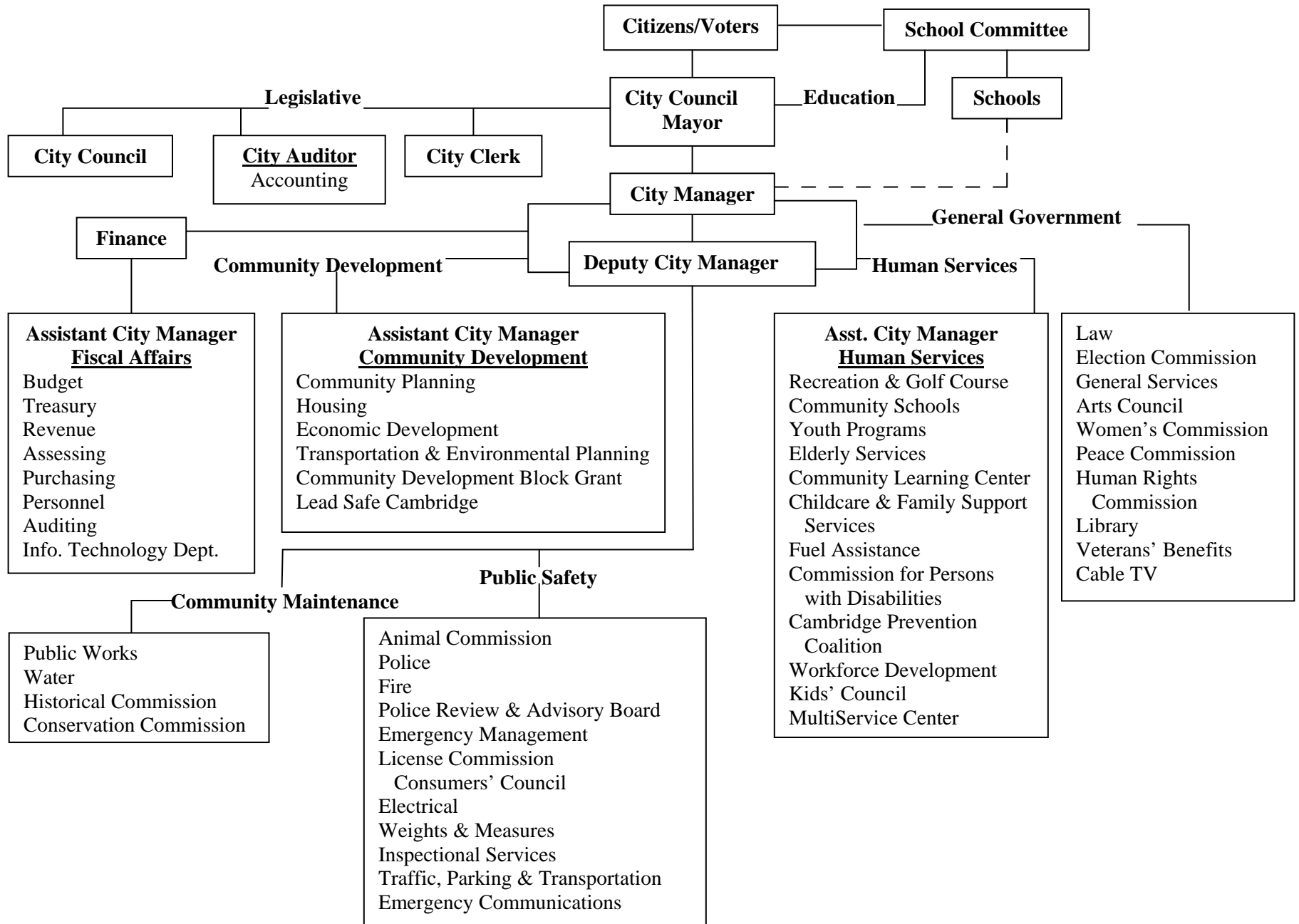
CHAPTER 44, SECTION 33B. TRANSFER OF APPROPRIATIONS; RESTRICTIONS. On recommendation of the mayor, the city council may, by majority vote, transfer any amount appropriated for the use of any department to another appropriation for the same department, but no transfer shall be made of any amount appropriated for the use of any department to the appropriation for any department except by a two thirds vote of the city council on recommendation of the mayor and with the written approval of the amount of such transfer by the department having control of the appropriation from which the transfer is proposed to be made. A town may, by majority vote of any meeting duly held, transfer any amount previously appropriated to any other use authorized by law. No approval other than that expressly provided herein shall be required for any transfer under the provisions of this section.

CHAPTER 44, SECTION 33. POWER OF COUNCIL TO ADD TO APPROPRIATION; CONDITIONS; LIMITATIONS. In case of the failure of the mayor to transport to the city council a written recommendation for an appropriation for any purpose not

included in the annual budget, which is deemed necessary by the council after having been so requested by vote thereof, said council, after the expiration of seven days from such vote, upon its own initiative may make such appropriation by a vote of at least two thirds of its members, and shall in all cases clearly specify the amount to be expended for each particular purpose, but no appropriation may be voted hereunder so as to fix specific salaries of employees under the direction of boards elected by the people, other than the city council. Amended by St. 1941, chapter 473, section 3.

ORGANIZATIONAL CHART

City of Cambridge, Massachusetts



GLOSSARY

Abatement. A complete or partial cancellation of a tax levy imposed by a governmental unit. Administered by the local board of assessors.

Accounting System. A system of financial recordkeeping which records, classifies and reports information on the financial status and operation of an organization.

Accrual Basis. The basis of accounting under which transactions are recognized when they occur, regardless of the timing of related cash flows.

Activity. A specific line of work carried out by a department, division or cost center which constitutes a program.

Adopted Budget. The resulting budget that has been approved by the City Council.

Advance Refunding Bonds. Bonds issued to refund an outstanding bond issue prior to the date on which the outstanding bonds become due or callable. Proceeds of the advance refunding bonds are deposited in escrow with a fiduciary, invested in U.S. Treasury Bonds or other authorized securities, and used to redeem the underlying bonds at maturity or call date and to pay interest on the bonds being refunded or the advance refunding bonds.

Allocation. The distribution of available monies, personnel, buildings and equipment among various City departments, divisions or cost centers.

Annual Budget. An estimate of expenditures for specific purposes during the fiscal year (July 1 - June 30) and the proposed means (estimated revenues) for financing those activities.

Appropriation. An authorization by the City Council to make obligations and payments from the treasury for a specific purpose.

Arbitrage. Investing funds borrowed at a lower interest cost in investments providing a higher rate of return.

Assessed Valuation. A valuation set upon real or personal property by the City board of assessors as a basis for levying taxes.

Audit. A study of the City's accounting system to ensure that financial records are accurate and in compliance with all legal requirements for handling of public funds, including state law and city charter.

Balanced Budget. A budget in which receipts are greater than (or equal to) expenditures. A requirement for all Massachusetts cities and towns.

Basis of Accounting. Basis of accounting refers to when revenues and expenditures or expenses are recognized in accounts and reported on financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

Bond. A written promise to pay a specified sum of money, called the face value (par value) or principal amount, at a specified date or dates in the future, called maturity date(s), together with periodic interest at a specified rate. The difference between a note and a bond is that the latter runs for a longer period of time.

Bond Anticipation Notes. Notes issued in anticipation of later issuance of bonds, usually payable from the proceeds of the sale of the bonds or of renewal notes.

Bonds Authorized and Unissued. Bonds that a government has been authorized to sell but has not yet done so. Issuance at this point is only contingent upon action by the treasurer.

Bond Counsel. An attorney or law firm engaged to review and submit an opinion on the legal aspects of a municipal bond or note issue.

Bond Issue. Generally, the sale of a certain number of bonds at one time by a governmental unit.

Budget (Operating). A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them.

Budget Basis of Accounting. The City's General Fund budget is prepared on a basis other than generally accepted accounting principles (GAAP basis). The actual results of operations are presented on a "budget (cash) basis" to provide a meaningful comparison of actual results with the budget. See Basis of Accounting and Budgeting on page 23 in Section II.

Budget Calendar. The schedule of key dates or milestones which a government follows in the preparation and adoption of the budget.

Budget Message. A general discussion of the submitted budget presented in writing by the City Manager as part of the budget document.

Capital Budget. A plan of proposed outlays for acquiring long-term assets and the means of financing those acquisitions during the current fiscal period.

Capital Expenditures. Expenditures which result in the acquisition of or addition to fixed assets. See Section V.

Capital Improvements Program. A comprehensive schedule for planning a community's capital expenditures. It coordinates community planning, fiscal capacity and physical development. While all of a community's needs should be identified in the program, there should also be a set of criteria that prioritizes expenditures. A capital program is a plan for capital expenditures that extends four years beyond the capital budget and is updated yearly.

Cash Basis of Accounting. Revenues are recorded when cash is received and expenses are recognized when cash is paid out.

Charges for Service. (Also called User Charges or Fees) The charges levied on the users of particular goods or services provided by local government requiring individuals to pay for the private benefits they receive. Such charges reduce the reliance on property tax funding.

Cherry Sheet. A form showing all state charges and reimbursements to the City as certified by the state director of accounts. Years ago this document was printed on cherry colored paper.

Community Preservation Act. On November 7, 2001, residents of the City accepted the Community Preservation Act (CPA) which allows the City to impose a surcharge of 3% on real estate taxes. Property exempt from this tax includes the first \$100,000 of residential property as well as certain low-income properties. By enacting the CPA, the City will receive the maximum available matching funds from the state. Proceeds from both the amount raised by the City and the amount matched by the State will be used to fund renovations to and the construction of affordable housing as well as open space acquisition and historic preservation.

Cost-Benefit Analysis. Decision-making tool that allows a comparison of options based on the level of benefit derived and the cost incurred for each different alternative.

Cost Center. The lowest hierarchical level of allocating monies. Often referred to as a program, project or operation.

Debt Authorization. Formal approval to incur debt by municipal officials, in accordance with procedures stated in M.G.L. Ch. 44, specifically sections 2, 3, 4 and 6-15.

Debt Burden. The level of debt of an issuer, usually as compared to a measure of value (debt as a percentage of assessed value, debt per capital, etc.). Sometimes debt burden is used in referring to debt service costs as a percentage of the annual budget.

Debt Limits. The general debt limit of a city consists of normal debt limit, which is 5% of the valuation of taxable property and a double debt limit, which is 10% of that valuation. Cities and towns may authorize debt up to the normal limit without state approval while debt up to the double debt limit requires state approval. It should be noted that there are certain categories of debt which are exempt from these limits.

Debt Service. Payment of interest and repayment of principal to holders of a government's debt instruments.

Deficit or Budget Deficit. The excess of budget expenditures over receipts. The city charter requires a balanced budget.

Department. A principal, functional, and administrative entity created by statute and the City Manager to carry out specified public services.

Departmental Accomplishments. Completion of a goal or activity that warrants announcement. A departmental achievement.

Encumbrance. Obligations in the form of purchase orders and contracts which are chargeable to an appropriation and are reserved. They cease to be encumbrances when paid or when an actual liability is set up.

Enterprise Fund. A fund established to account for operations that are financed and operated in a manner similar to private business enterprises. The intent is that the full costs of providing the goods or services be financed primarily through charges and fees thus removing the expenses from the tax rate.

Equalized Valuations. (EQVs). The determination of the full and fair cash value of all property in the Commonwealth that is subject to local taxation. EQVs have historically been used as variables in distributing certain state aid accounts, and for determining county assessments and certain other costs. The Commissioner of Revenue, in accordance with M.G.L. Ch.58 s 10C, is charged with the responsibility of bi-annually determining an equalized valuation for each town and city in the Commonwealth.

Excess Levy Capacity. The difference between the levy limit and the amount of real and personal property taxes actually levied in a given year. Annually, the board of selectmen or council must be informed of excess levying capacity and evidence of such acknowledgement must be submitted to DOR when setting the tax rate.

Expenditures. The amount of money, cash or checks, actually paid or obligated for payment from the treasury.

FY06 Actual. FY06 actual numbers provided by departments based on the departments internal tracking methods.

FY07 Budget. Numbers stated in the FY08 budget document as the FY07 proposed figure for the performance measure. An "n/a" indicates a new measure or one previously not budgeted.

FY07 Projected. Estimate of what will be achieved in FY07 based on year-to-date performance.

FY08 Proposed. Estimated FY08 performance set by the department.

Fiduciary Fund. Repository of money held by a municipality in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and other funds. These include expendable trusts, non-expendable trusts, pension trusts, and other agency funds.

Financing Plan. The estimate of revenues and their sources that will pay for the service programs outlined in the annual budget.

Fiscal Year. The twelve month financial period used by all Massachusetts municipalities which begins July 1, and ends June 30, of the following calendar year. The year is represented by the date of which it ends. Example: July 1, 2007 to June 30, 2008 is FY08.

Free Cash. (Also Budgetary Fund Balance) Funds remaining from the operations of the previous fiscal year which are certified by DOR's director of accounts as available for appropriation. Remaining funds include unexpended free cash from the previous year, receipts in excess of estimates shown on the tax recapitulation sheet and unspent amounts in budget line-items. Unpaid property taxes and certain deficits reduce the amount of remaining funds which can be certified as free cash.

Full and Fair Market Valuation. The requirement, by State Law, that all real and personal property be assessed at 100% of market value for taxation purposes. "Proposition 2½" laws set the City's tax levy limit at 2½% of the full market (assessed) value of all taxable property.

Fund. A set of interrelated accounts which record assets and liabilities related to a specific purpose. Also a sum of money available for specified purposes.

Fund Accounting. Governmental accounting systems should be organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitation.

Fund Balance. The excess of assets of a fund over its liabilities and reserves.

GAAP. See Generally Accepted Accounting Principles.

GASB 34. A major pronouncement of the Governmental Accounting Standards Board that requires a report on overall financial health, including trends, prospects for the future, the cost of delivering services and value estimates on public infrastructure assets.

General Fund. The major municipality owned fund which is created with City receipts and which is charged with expenditures payable from such revenues.

Generally Accepted Accounting Principles (GAAP). A set of uniform accounting and financial reporting rules and procedures that define accepted accounting practice.

General Obligation Bonds. Bonds issued by a municipality which are backed by the full faith and credit of its taxing authority.

Geographical Information System (GIS). Computerized mapping system and analytical tool that allows a community to

raise and sort information on a parcel, area or community wide basis.

Goal. A proposed course of action in which departmental effort is directed.

Governmental Funds. Funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds.

Grant. A contribution of assets by one governmental unit or other organization to another. Typically, these contributions are made to local governments from the state and federal government. Grants are usually made for specific purposes.

Hotel/Motel Excise. Allows a community to assess a tax on short-term room occupancy at hotels, motels, and lodging houses, as well as convention centers in selected cities.

Interest. Compensation paid or to be paid for the use of money, including interest payable at periodic intervals or as discount at the time a loan is made.

Interfund Transactions. Payments from one administrative budget fund to another or from one trust fund to another, which results in the recording of a receipt and an expenditure.

Intrafund Transactions. Financial transactions between activities within the same fund. An example would be a budget transfer.

License and Permit Fees. The charges related to regulatory activities and privileges granted by government in connection with regulations.

Levy Limit. The maximum amount a community can levy in a given year. The limit can grow each year by 2.5 percent of the prior year's levy limit (M.G.L. Ch. 59 s 21C (f,g,k)) plus new

growth and any overrides. The levy limit can exceed the levy ceiling only if the community passes a capital expenditure exclusion, debt exclusion, or special exclusion.

Line-Item Budget. A format of budgeting which organizes costs by type of expenditure such as supplies, equipment, maintenance or salaries.

Massachusetts Water Pollution Abatement Trust (MWPAT). A statewide revolving fund that commenced operations in 1990 to address necessary environmental actions outlined in the Federal Clean Water Act. This fund revolves by the MWPAT issuing large pooled bond issues for various environmental construction projects and then loaning these funds to communities with subsidies from the state reducing the debt service payments for these communities.

Modified Accrual Basis. The accrual basis of accounting adapted to the governmental fund type, wherein only current assets and current liabilities are generally reported on fund balance sheets and the fund operating statements present financial flow information (revenues and expenditures). Revenues are recognized when they become both measurable and available to finance expenditures of the current period. Expenditures are recognized when the related fund liability is incurred except for a few specific exceptions. All governmental funds and expendable trust funds are accounted for using the modified accrual basis of accounting.

N/A. The information is not available or not applicable. See FY07 Budget.

Non-Tax Revenue. All revenue coming from non-tax sources including licenses and permits, intergovernmental revenue, charges for service, fines and forfeits and various other miscellaneous revenue.

Official Statement. A document prepared for potential investors that contains information about a prospective bond or note issue and the issuer.

Operating Budget. See budget (operating).

Overlay. The amount raised by the assessors in excess of appropriations and other charges for the purpose of creating a fund to cover abatements and exemptions.

Pay-As-You-Go Funds. The appropriation of current revenues, including Property Taxes and Free Cash, to fund capital improvements, as opposed to incurring debt to cover the costs.

Performance Budget. A budget that bases expenditures primarily upon measurable performance of activities and work programs. A performance budget may also incorporate other bases of expenditure classifications, such as character and object class, but these are secondary to activity performance.

Performance Measure. An instrument for determining the amount of degree a department or division executes an action or task. The degree of goal fulfillment achieved by programs.

Performance Standard. A statement of the conditions that will exist when a job is well done.

Planning. The management function of preparing a set of decisions for action in the future.

Policy. A definite course of action adopted after a review of information, and directed at the realization of goals.

Priority. A value that ranks goals and objectives in order of importance relative to one another.

Procedure. A method used in carrying out a policy or plan of action.

Program. Collections of work-related activities initiated to accomplish a desired end.

Program Budget. A budget format which organizes expenditures and revenues around the type of activity or service provided and specifies the extent or scope of service to be provided, stated whenever possible in precise units of measure.

Proposition 2½. A statewide tax limitation initiative petition limiting the property tax levy in cities and towns in the Commonwealth to 2½ percent of the full and fair cash valuation of the taxable real and personal property in that city or town. The statute also places an annual growth cap of 2½ percent on the increase in the property tax levy.

Purchase Order. A document issued to authorize a vendor or vendors to deliver specified merchandise or render a specified service for a stated or estimated price. Outstanding purchase orders are called encumbrances.

Purpose & Overview. A short description of a City department or division describing the charges and/or functions of that particular department or division.

Rating Agencies. This term usually refers to Moody's Investors Service, Standard and Poor's Corporation, and Fitch Ratings. These are the three major agencies which issue credit ratings on municipal bonds.

Refunding Bonds. The retirement of an existing bond issue through the sale of a new bond issue. When interest rates have fallen, issuers may want to exercise the call feature of a bond and replace it with another debt instrument paying a lower interest rate.

Registered Bonds. Bonds registered on the books of the issuer as to ownership; the transfer of ownership must also be recorded on the books of the issuer. Recent changes in federal tax laws

mandate that all municipal bonds be registered if their tax exempt status is to be retained.

Reserves. An account used to indicate that portion of fund equity which is legally restricted for a specific purpose or not available for appropriation and subsequent spending.

Reserve for Contingencies. A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted for.

Revaluation. A reasonable and realistic program to achieve the fair cash valuation of property, in order to ensure that each taxpayer in the community pays his or her share of the cost of local government in proportion to the value of their property.

Revenue. Additions to the City's financial assets (such as taxes and grants) which do not in themselves increase the City's liabilities or cancel out a previous expenditure. Revenue may also be created by cancelling liabilities, provided there is no corresponding decrease in assets or increase in other liabilities.

Revolving Fund. A fund established to finance a continuing cycle of operations in which receipts are available for expenditure without further action by the City Council.

Service Level. The extent or scope of the City's service to be provided in a given budget year. Whenever possible, service levels should be stated in precise units of measure.

Service Program. A planned agenda for providing benefit to citizens.

Significant Budget Modification. An increase or decrease of a departmental budget of such importance that highlighting is necessary.

Submitted Budget. The proposed budget that has been approved by the City Manager and forwarded to the City Council for their approval. The Council must act upon the submitted budget within prescribed guidelines and limitations according to statute and the City charter.

Supplemental Appropriations. Appropriations made by the City Council after an initial appropriation to cover expenditures beyond original estimates.

Tax Anticipation Notes. Notes issued in anticipation of taxes which are retired usually from taxes collected.

Tax Rate. The amount of tax levy stated per \$1,000 in value of the tax base. Prior to a 1978 amendment to the Massachusetts Constitution, a single tax rate applied to all of the taxable real and personal property in a city or town. The 1978 amendment allowed the legislature to create three classes of taxable property: 1) residential real property, 2) open space land, and 3) all other (commercial, industrial, and personal property), each of which may be taxed at a different rate. Within limits, cities and towns are given the option of determining the share of the levy to be borne by the different classes of property. The share borne by residential real property must be at least 65% of the full rate. The share of commercial, industrial, and personal property must not exceed 175% of the full rate. Property may not be classified until the state department of revenue has certified that all property has been assessed at its full value.

Unit Cost. The cost required to produce a specific product or unit of service. For example, the cost of providing 100 cubic feet of water or the cost to sweep one mile of street.

Valuation (100%). Requirement that the assessed valuation must be the same as the market value for all properties.

SELECTED ACRONYM TABLE	
Affirmative Action Advisory Committee	AAAC
Arlington-Belmont-Cambridge	ABC
Accessible Cambridge Transportation	ACT
Americans with Disabilities Act	ADA
American Institute of Architects	AIA
Advanced Life Support	ALS
Automatic Meter Reading	AMR
Automotive Service Excellence	ASE
Advancement Via Individual Determination	AVID
Boston Area Rape Crisis Center	BARC
Boston Convention and Exhibition Center	BCEC
Bunker Hill Community College	BHCC
Board of Zoning Appeal	BZA
Campus Alcohol Advisory Boards	CAAB
Commission on Accreditation of Ambulance Service	CAAS
Cambridge Arts Council	CAC
Computer Aided Dispatch	CAD
Cambridge Auxiliary Fire Department	CAFD
Comprehensive Annual Financial Report	CAFR
Commission on Accreditation for Law Enforcement Agencies	CALEA
Computer Assisted Mass Appraisal	CAMA
Computer Assisted Management of Emergency Operations	CAMEO
Cambridgeport Artists' Open Studios	CAOS
Cambridge & Somerville Program for Alcoholism Rehabilitation	CASPAR
Cambridge Business Development Center	CBDC
Community Crisis Response Team	CCRT
Cambridge Community Television	CCTV
Cambridge Community Television	CCTV
Community Development Block Grant	CDBG
Community Development Department	CDD
Commercial Driver's License	CDL
Corporate Emergency Access System	CEAS
Comprehensive Emergency Management	CEM
Comprehensive Emergency Management	CEM

Cambridge Employment Program	CEP
Community Emergency Response Team	CERT
Community Emergency Response Team	CERT
Chlorofluorocarbons	CFC's
Cambridge Health Alliance	CHA
Cambridge Historical Commission	CHC
Children In Need of Services	CHINS
Cambridge Human Rights Commission	CHRC
Cambridge Alcohol Advisory Board	CLAB
Community Learning Center	CLC
Cambridge Leadership Network	CLN
Cambridge Neighborhood Apartment Housing Services	CNAHS
Council on Aging	COA
Cost-Of-Living-Allowances	COLA
Criminal Offender Record Information	CORI
Cambridge Office for Tourism	COT
Community Preservation Act	CPA
Cambridge Police Department	CPD
Cambridge Public Library	CPL
Cambridge Police Review and Advisory Board	CPRAB
Cambridge Public Schools	CPS
Consumer Product Safety Commission	CPSC
Cambridge River Festival	CRF
Cambridge Rindge and Latin School	CRLS
Cambridge Request System	CRS
Cathode-Ray Tube	CRT
Combined Sewer Overflow	CSO
Cambridge Veterans' Organization	CVO
Cambridge Water Department	CWD
Massachusetts Department of Conservation and Recreation	DCR
Massachusetts Department of Environmental Protection	DEP
Massachusetts Department of Housing and Community Development	DHCD
Department of Human Services and Programs	DHSP
U.S. Department of Energy or Massachusetts Department of Education	DOE
Massachusetts Department of Revenue	DOR

Department of Public Works	DPW
Department of Social Services	DSS
Domestic Violence-Free Zone	DVFZ
Domestic Violence Task Force	DVTF
Department of Youth Services	DYS
Emergency Action Plan	EAP
Emergency Communications and 911 Center	ECC
Equal Employment Opportunity	EEO
Equal Employment Opportunity Commission	EEOC
U.S. Department of Energy, Energy Information Administration	EIA
Energy Information System	EIS
Emergency Medical Services	EMS
Emergency Operating Center	EOC
Massachusetts Executive Office of Environmental Affairs	EOEA
Water System Emergency Operating Plan	EOP
Emergency Preparedness and Response	EP&R
U.S. Environmental Protection Agency	EPA
Early Retirement Incentive	ERI
English for Speakers of Other Languages	ESOL
Federal Emergency Management Association	FEMA
Fats, oils and grease	FOG
Fresh Pond Advisory Board	FPAB
Full-time equivalent	FTE
Generally Accepted Accounting Principles	GAAP
Government Accounting Standards Board	GASB
Greater Boston Convention and Visitors Bureau	GBCVB
Gay, Bisexual, Lesbian and Transgender	GBLT
General Education Degree	GED
Geographic Information System	GIS
Global Positioning System	GPS
Help America Vote Act	HAVA
High Efficiency Particulate Air	HEPA
High frequency	HF
High Intensity Florescent	HIF
Home Improvement Program	HIP
Health Insurance Portability and Accountability Act	HIPAA

Health Maintenance Organization	HMO
Homeowners' Rehab, Inc.	HRI
Human Resources Management System	HRMS
Federal Department of Housing and Urban Development	HUD
Heating, Ventilation and Air Conditioning	HVAC
In Case of Emergency	ICE
Inspectional Services Department	ISD
Insurance Services Office	ISO
Intensive Studies Program	ISP
Information Technology	IT
Information Technology Department	ITD
Just-A-Start	JAS
King Open Extended Day	KOED
Kilowatt Hour	KwH
Lifetime Empowerment and Awareness Program	LEAP
Light Emitting Diode	LED
Leadership in Energy and Environmental Design	LEED
Local Emergency Planning Committee	LEPC
London Interbank Offered Rate	LIBOR
Leading Pedestrian Interval	LPI
Lead-Safe Cambridge	LSC
Library Services and Construction Act	LSCA
Long Term 2 Enhanced Surface Water Treatment Rule	LT2ESWTR
Massachusetts Association of Conservation Commissions	MACC
Metropolitan Area Planning Council	MAPC
Minority Business Enterprise	MBE
Massachusetts Board of Library Commissioners	MBLC
Massachusetts Bay Transportation Authority	MBTA
Massachusetts Commission Against Discrimination	MCAD
Massachusetts Comprehensive Assessment System	MCAS
Metropolitan District Commission	MDC
Massachusetts Emergency Management Agency	MEMA
Massachusetts General Laws	MGL
Massachusetts Institute of Technology	MIT
Municipal Lien Certificate	MLC
Metro-Region Conservation Agents Association	MRCAA
Mayor's Summer Youth Employment Program	MSYEP

Massachusetts Water Pollution Abatement Trust	MWPAT
Massachusetts Water Resources Authority	MWRA
National Academy of Emergency Medical Dispatch	NAEMD
National Association for the Education of Young Children	NAEYC
Neighborhood Conservation Districts	NCD
No Child Left Behind	NCLB
National Endowment for the Arts	NEA
New England Foundation for the Arts	NEFA
New Economy Taskforce	NET
National Football League	NFL
National Incident Management System	NIMS
North Cambridge Artists' Open Studios	NoCA
National Pollution Discharge Elimination System	NPDES
National Union Catalogue of Manuscript Collections	NUCMC
Non-Violent Communication	NVC
Office of Campaign and Political Finance	OCPF
Other Postemployment Benefits	OPEB
Occupational Safety and Health Administration	OSHA
Overtime	OT
Office of Workforce Development	OWD
Program in Afterschool Education and Research	PAER
Public Art Youth Council	PAYC
Public Employee Retirement Administration Commission	PERAC
Police Executive Research Forum	PERF
Payments In-Lieu-Of Tax	PILOT
Public Information Officer	PIO
Peace and Justice Corps	PJC
Problem Oriented Policing	POP
Proportional Representation	PR
Police Review and Advisory Board	PRAB
Parking and Transportation Demand Management	PTDM
Post Traumatic Stress Disorder	PTSD
Radio Amateur Civil Emergency Service	RACES
Rape Aggression Defense	RAD
Rehabilitation Assistance Program	RAP
Record Management System	RMS
Registry of Motor Vehicles	RMV

Reaching Out About Depression	ROAD
Rindge School of Technical Arts	RSTA
State and Local Assistance	S/LA
Student Awareness and Fire Education	SAFE
Superfund Amendment and Reauthorization Act	SARA
Substance Abuse Services for Seniors	SASS
School Building Assistance	SBA
Self Contained Breathing Apparatus	SCBA
Safe Drinking Water Act	SDWA
School Improvement Plans	SIP
State Office of Minority & Women Business Assistance	SOMWBA
Sex Offender's Registration Information	SORI
Street Preservation Offset Fund	SPOF
School Resource Officers	SRO
Stage 2 Disinfection Byproduct Rule	Stage2DBPR
Students Teaching About Respect	STARS
Treasury Bill	T-Bill
Transportation Demand Management	TDM
True Interest Cost	TIC
Technical Services Division	TSD
Urban Area Security Initiative	UASI
Urban Park and Recreation Recovery	UPARR
Underground Railway Theater	URT
Vulnerability Assessment or	VA
U.S. Department of Veterans Affairs	
Veterans of Foreign Wars	VFW
Volunteers In Police Service	VIP'S
Young Men's Christian Association	YMCA

A GENERAL PROFILE OF THE CITY OF CAMBRIDGE

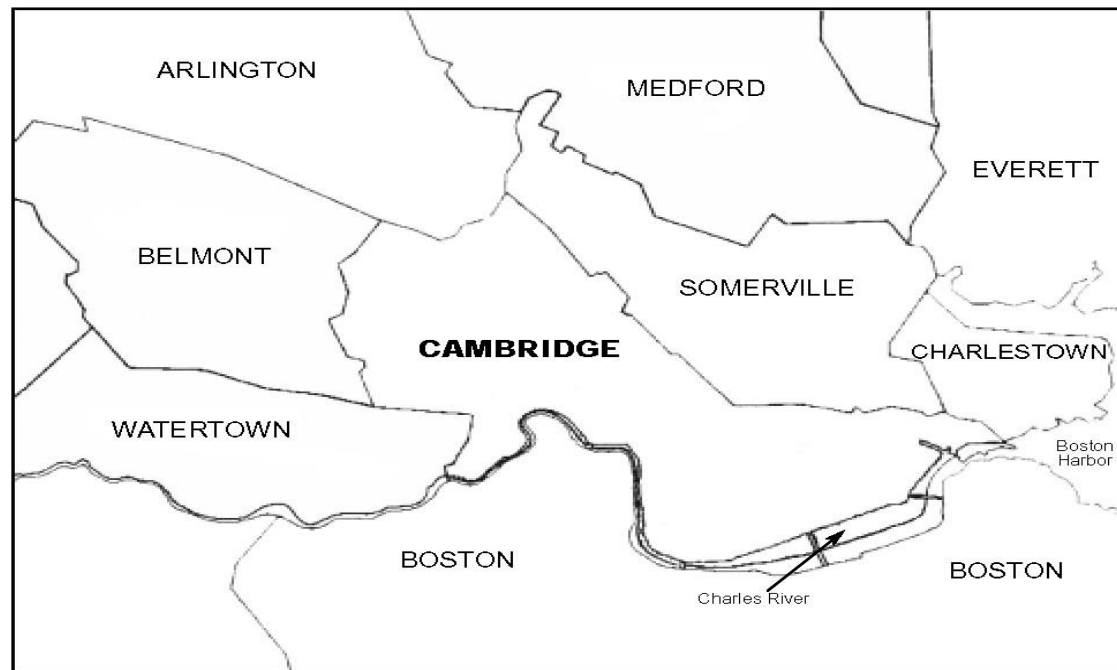
The City of Cambridge is located in southeast Middlesex County across the Charles River from the City of Boston, and occupies a land area of 6.26 square miles. The City is bordered by the Towns of Watertown and Belmont on the west and by the Town of Arlington and the City of Somerville on the north. According to the 2000 Census, the City's population in calendar year 2000 was 101,355, down from a 1950 peak of 120,740, but up from the 1990 population of 95,802.

Cambridge, first settled in 1630 by a group from the Massachusetts Bay Company, was originally incorporated as a town in 1636 and became a city in 1846. Since 1940, the City has had a council-manager form of government with nine City Councilors elected at-large every two years.

Cambridge is widely known as the University City. Harvard, America's oldest university, was established here in 1636, six years after the City itself was founded. It is also home to Lesley University, Cambridge College and the Massachusetts Institute of Technology. Over one-fourth of its residents are students, and over one in seven of all jobs are in these institutions. Yet Cambridge is more than a college town. It features blue collar workers and professionals, political activists, street musicians, and immigrants from around the world.

- Cambridge residents live closely together; only 10 US cities with a population over 50,000 are more dense (Source: 2000 US Bureau of Census).
- Cambridge is a city of 13 neighborhoods, ranging in population from 673 (Cambridge Highlands) to 13,072 (Mid Cambridge) (Source: 2000 US Bureau of Census). Most neighborhoods have their own political and community organizations. Residents often participate vocally in City debates.
- Cambridge is diverse ethnically. Sixty-eight percent of all residents are white; 12% are black; 12% are Asian; and 8% are other races, including American Indian, Pacific Islander, or two or more races in combination. Seven percent (7%) of all residents are of Hispanic background (Source: 2000 US Bureau of Census).
- Cambridge is a city of renters. 71.7% of all households rent; 28.3% own. Approximately 8.6% of homes are single family; 14.4% are two family; 11.3% are three families; 8.8% are in 4-8 unit buildings; 30.7% are in buildings of 9 or more units; 21.2% of units are condominiums; 3.2% are mixed use residential/commercial; and 1.8% are rooming houses. 14.4% of all units are publicly owned or subsidized (Source: 2003 Community Development Department).
- A majority of all local jobs are in services (84%). Service employment is dominated by education, business including research and development and computer/software, engineering government and management, and health services. Ten percent (10%) of all jobs are in

- Cambridge remains an incubator of new industries. Important industries include biotechnology, artificial intelligence, optical instruments, and advanced materials.
- The fastest growing sector of the economy is now the life sciences, including biotechnology firms, medical laboratories and medical instrument makers.
- 89.4% of the population of Cambridge who are 25 years or older are high school graduates while 65.1% of the same age group have completed four or more years of college.



CAMBRIDGE AND SURROUNDING COMMUNITIES

FACTS ON FILE

GENERAL

Population: Source: US Census Bureau 101,355
 Area (Square miles): 6.26

POPULATION CHARACTERISTICS

(Source: 2000 US Census Bureau)

	1980	1990	2000
White	82.3%	75.3%	68.1%
Black	10.9%	13.5%	11.9%
Asian	3.8%	8.4%	11.9%
American Indian	0.2%	0.3%	.3%
Two or more races in combination	n/a	n/a	4.6%
Other	2.8%	2.5%	3.2%
TOTAL	100%	100%	100%
Hispanic Origin	4.8%	6.8%	7.4%

Persons of Hispanic origin may be of any race.

GOVERNMENT

Founded: 1630
 Date of Incorporation as a City: 1846
 Form of Government: Council/Manager
 Mayor: Elected by the Council
 No. of Councillors: Nine

HOUSING

Type of House	Median Value	# of Parcels
One family	\$674,800	3,732
Two family	\$669,100	2,775
Three family	\$758,500	1,407
Condominium	\$366,800	11,278

(Source: City of Cambridge as of 01/01/06)

GENERAL INFORMATION

Number of registered voters in Cambridge (Source: City's Record as of 04/18/07) 54,848
 Number of Parks & Play areas: 77
 Number of Youth Centers: 5
 Number of Community Schools: 12
 Number of Senior Citizen Centers: 2
 Number of Golf Courses: 1

FOUR LONGEST STREETS

Massachusetts Avenue: 4 miles
 Cambridge Street: 2 miles
 Concord Avenue: 2 miles
 Broadway: 1 mile
 Miles of City Streets: 125 miles

INSTITUTIONS OF HIGHER LEARNING

Harvard University
 Massachusetts Institute of Technology
 Lesley University
 Cambridge College

THE TEN LARGEST EMPLOYERS IN THE CITY:

(Source: Cambridge Community Development Department and cited employers, 2006)

Rank	Name of Employer	Nature of Business	Number of 2006 Employees
1.	Harvard University	Education	10,068
2.	MIT	Education	7,864
3.	City of Cambridge	Government	2,819
4.	Mt. Auburn Hospital	Medical	1,813
5.	Cambridge Health Alliance	Medical	1,567
6.	Federal Government	Government	1,514
7.	Biogen Idec	Biotechnology	1,434
8.	Genzyme Corporation	Biotechnology	1,370
9.	Novartis Institute	Biotechnology	1,200
10.	Millenium Pharmaceuticals	Biotechnology	1,175

Cambridge continues to be a net importer of jobs within the region, enjoying its position as a center of employment in the Boston area. In 2005 the City's employment ratio was 102 jobs per 100 residents.

As can be seen in the chart to the right, the employment base extends across a diverse range of professions including higher education, research and development, consulting, and health services. Compared to the previous year, the number of jobs has slightly increased by 0.3%.

The chart below shows a comparison of per capita personal income for Cambridge, surrounding communities, Massachusetts and the United States.

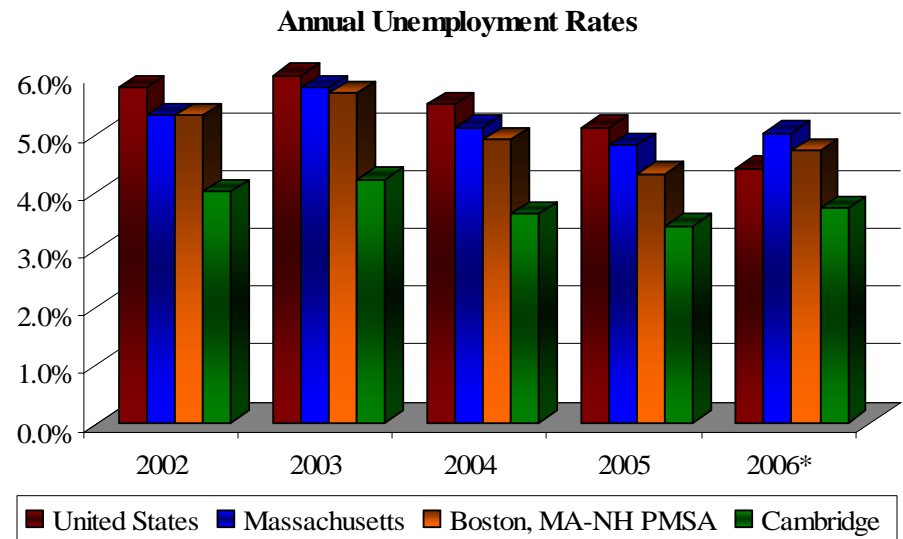
	2004		2005	
Trade, Transportation & Utilities	10,348	10%	10,227	10%
Construction	2,598	3%	2,261	2%
Manufacturing	3,595	4%	3,654	4%
Information	4,740	5%	5,097	5%
Financial Activities	2,544	2%	2,730	3%
Professional and Business Services	23,630	23%	24,411	24%
Education and Health Services	35,173	34%	34,126	33%
Leisure and Hospitality	8,720	9%	8,963	9%
Other Services	2,191	2%	2,263	2%
Government	8,426	8%	8,518	8%
TOTAL	101,965	100%	102,250	100%

Source: Mass Division of Employment & Training

	2000	2001	2002	2003	2004
United States	\$29,845	\$30,574	\$30,810	\$31,484	\$33,050
Massachusetts	37,756	38,953	38,985	39,758	42,176
Boston MSA	41,436	42,552	42,512	43,345	46,060
Cambridge*	46,347	47,009	47,066	47,749	50,692
Cambridge as % of MA	122.8%	120.7%	120.7%	120.1%	120.2%
Cambridge as % of US	155.3%	153.8%	152.8%	151.7%	153.4%

*Cambridge-Newton-Framingham, MA Metropolitan Division
 Source: US Department of Commerce, Bureau of Economic Analysis, Per capita personal income; most recent, available information.

The graph to the right illustrates that the City of Cambridge continues to enjoy a lower unemployment rate than the Boston PMSA, the State of Massachusetts and the United States. The unadjusted rate as of September 2006 was 3.7% for Cambridge, 4.7% for the Metro area, 5.0% for the State and 4.4% for the United States.



*Unemployment rate for September 2006

Source: US Dept of Labor, Bureau of Labor Statistics

TAX FACTS

ASSESSMENTS (In Millions)

Fiscal Year	Real Property	Personal Property	Total
2007	\$21,507.8	\$659.3	\$22,167.1
2006	21,242.1	604.8	21,846.9
2005	20,880.7	467.3	21,348.0
2004	18,782.7	443.9	19,226.6
2003	17,382.8	368.0	17,750.8
2002	16,532.0	305.1	16,837.1
2001	12,410.1	293.0	12,703.1
2000	10,763.2	274.8	11,038.0
1999	9,286.6	256.2	9,542.8
1998	7,254.7	249.0	7,503.7

TAX RATES

Fiscal Year	Commercial Industrial	Residential	Full Value
2007	\$18.30	\$7.48	\$9.55
2006	17.86	7.38	10.48
2005	18.28	7.78	10.57
2004	19.08	7.63	11.49
2003	18.67	7.26	11.14
2002	18.81	7.22	11.13
2001	23.39	9.21	14.05
2000	25.16	9.64	14.86
1999	27.25	11.05	16.66
1998	35.98	13.43	20.56

CITY LEVIES

Fiscal Year	Total Levy
2007	\$231,787,094
2006	222,960,291
2005	222,953,435
2004	209,599,396
2003	197,720,546
2002	187,444,551
2001	178,484,966
2000	164,020,845
1999	159,000,005
1998	154,303,550

TOP TEN TAXPAYERS FISCAL 2007

Owner	Nature of Business	Assessed Valuation	Amount of Taxes	% of Total Tax Levy
Mass. Institute of Technology	Education	\$1,420,488,100	\$24,374,479	10.52%
Boston Properties	Commercial	468,316,000	8,570,183	3.70
BioMed Realty Trust	Commercial	432,837,100	7,920,919	3.42
Equity Partners	Commercial	244,367,800	4,112,838	1.77
Novartis Pharmaceuticals	Commercial	221,426,400	4,052,103	1.75
New England Development	Commercial	193,047,200	3,532,764	1.52
PREEF American Reit II Corp.	Commercial	180,000,400	3,294,007	1.42
One Kendall LLC	Commercial	177,922,500	3,232,199	1.39
Pres. & Fellows of Harvard College	Education	276,892,410	3,075,356	1.33
Lyme Properties	Commercial	152,607,200	2,421,560	1.04
		<u>\$3,767,905,110</u>	<u>\$64,586,408</u>	<u>27.86%</u>

BASIS OF ACCOUNTING AND BUDGETING

Generally Accepted Accounting Principles

The City prepares its comprehensive financial reports in accordance with generally accepted accounting principles (GAAP) as established by the Governmental Accounting Standards Board.

- a. The accounts of the City are organized and operated on a fund basis. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance- related legal and contractual provisions.
- b. Governmental Fund types use the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are “susceptible to accrual” (i.e. both measurable and available). Property taxes are recorded as revenue in the year for which the taxes have been levied, provided they are collected within 60 days after year-end. Investment income is recorded as earned. Other revenues are recorded on a cash basis because they are generally not measurable until actually received. Expenditures are recorded when the liability is incurred except for (1) interest on general obligation debt, which is recorded when due; and (2) tax abatements and judgments and claims, all of which are recorded as expenditures to the extent that they have been paid or are expected to be paid with expendable available resources.
- c. Proprietary Funds and fiduciary fund types are accounted for using the flow of economic resources measurement focus and full accrual basis of accounting. Under this method, revenues are reported when earned and expenses are recorded at the time liabilities are incurred.

Budgetary Basis

Pursuant to Chapter 44, Section 32 of the Massachusetts General Laws, the City adopts an annual budget for the General and Water Funds for which the level of expenditure may not legally exceed appropriations for each department or undertaking classified in the following categories:

- 1) Salaries and Wages
- 2) Other Ordinary Maintenance
- 3) Travel and Training, and
- 4) Extraordinary Expenditures

Proposed expenditure appropriations for all departments and operations of the City, except those of the School Department, are prepared under the direction of the City Manager. All budget appropriations, including those of the School Department, are approved by the City Council. The School Department budget is prepared under the direction of the School Committee based upon guidelines provided by the City Manager. The City Manager may recommend additional sums for school purposes. In addition, the City Manager may submit to the

City Council such supplementary appropriation orders as are deemed necessary. The City Manager may amend appropriations within the above mentioned categories for a department without seeking City Council approval. The City Council may reduce or reject any item in the budget submitted by the City Manager but may not increase or add items without the recommendation of the City Manager.

The City follows a gross budgeting concept pursuant to which expenditures financed by special revenue funds and trusts are budgeted as general fund expenditures and are financed by transfers from these funds to the General and Water Funds.

The City follows the accounting practices established by the Commonwealth of Massachusetts Department of Revenue called the budgetary basis method of accounting in the preparation of the Annual Budget and property tax certification process. Budgetary basis departs from GAAP in the following ways:

- a. Real estate and personal property taxes are recorded as revenue when levied (budgetary), as opposed to when susceptible to accrual (GAAP).
- b. Encumbrances and continuing appropriations are recorded as the equivalent to expenditures (budgetary), as opposed to a reservation of fund balance (GAAP).
- c. Certain activities and transactions are presented as components of the general fund (Budgetary), rather than as separate funds (GAAP).
- d. Amounts raised for the prior years' deficits and available funds from prior years' surpluses are recorded as revenue items (budgetary), but have no effect on GAAP revenues.

In addition, there are certain differences in classifications between revenues, expenditures and transfers. The following reconciliation summarizes the differences between budgetary and GAAP basis accounting principles for the year ended June 30, 2006.

	Revenues	Expenditures
As reported on a budgetary basis	\$344,263,871	\$354,192,769
Adjustments:		
Revenues to modified accrual basis	10,927,819	-
Expenditure, encumbrances, and accruals, net	-	(3,693,820)
Bond premium reclassification	<u>(370,092)</u>	<u>-</u>
As reported on a GAAP basis	354,821,598	350,498,949
Premium on bond issuance	370,092	-
Interfund Transfers	<u>15,113,440</u>	<u>7,386,580</u>
As shown on Page II-52	<u>\$370,305,130</u>	<u>\$357,885,529</u>

FINANCIAL POLICIES AND GUIDELINES

For the past eight years, the City has received the highest possible credit rating (AAA) from the three major credit rating agencies: Moody's Investors Service, Fitch Ratings, and Standard & Poor's. The City established a policy many years ago of providing high-quality services to the citizens of Cambridge without jeopardizing the financial condition of the City. In order to achieve these objectives, the City Council, in conjunction with the City administration, has placed a high emphasis on long-range financial planning and the need to conserve resources for use during economic downturns. By adhering to this policy, the City has been able to withstand the effects of the recession of the early 1990's as well as the most recent downturn without any significant reductions in services. As Fitch Ratings noted in its most recent credit report, "Exceptional financial management and planning are demonstrated by the city's strong financial position, characterized by ample reserve and liquidity levels." Standard and Poor's Corporation cites the City's "long term planning and management approach" as a factor that has "contributed to its stable and strong financial position."

As mentioned in the above paragraph, one of the primary reasons that the City is held in high regard by the financial community is the development and implementation of a long-term financial plan. This plan is reviewed on an annual basis in conjunction with the City's bond sale and credit rating application process. The budget for the current fiscal year is used as the base year upon which future year projections are built. All expenditures, revenues, and property valuations are reviewed to ensure that the timeliest information is available to be used for future year projections. The budget for the current year is also compared to the projections for that year from previous five-year plans to determine the accuracy of the projections. If modifications to the projection process are needed to ensure more accuracy, the City's financial staff will make changes accordingly. After careful review, this plan is submitted to the rating agencies prior to their review of the City's financial condition. In addition to providing valuable information to the rating agencies, this plan serves as a basis upon which important decisions concerning the City's financial future are made.

As stated previously, the rating agencies have recognized the conservative nature of the City's budgeting and financial management processes. In the area of debt issuance, it is particularly important to maintain all of the relevant indices below national standards. Moody's Investors Service "expects the city's below-average debt position to remain affordable given steady anticipated tax base expansion, sizable level of self-supporting debt, and the rapid debt retirement schedule." The below-average debt position is a reference to debt ratios such as per capita debt and the ratio of debt to assessed valuation as well as the rapid retirement schedule and low percentage of debt service to the total budget. It is expected that these debt indicators will remain below national standards after all debt included in the five-year plan is issued. The debt to be issued includes tax-supported bonds issued to finance several large construction and renovation projects critical to the objective of maintaining a high quality of life in Cambridge. It is important to note that these low debt levels are the direct result of using bond proceeds to finance capital projects only after it has been determined that there are no other feasible means of financing the projects.

For the first time, this document includes investment, debt management and reserve policies which begin on page II-27.

The following chart compares selected debt ratios of Cambridge with the medians of cities rated Aaa by Moody's Investors Service. As the chart indicates, the debt ratios of Cambridge compare favorably with the medians of the 35 cities across the nation with the highest rating awarded by Moody's Investors Service.

	Per Capita Assessed Valuation	Unreserved Fund Balance as % of Revenues	Net Direct Debt as % of Assessed Valuation	Per Capita Income
Median	\$189,673	16.57%	0.86%	\$42,485
Cambridge	\$218,708	32.47%	0.70%	\$46,347

Source: Moody's Investors Service 2006 Local Government National Medians Report

The table below shows several financial indicators that were key factors in the decisions made by the rating agencies to award Cambridge three AAA ratings.

	FY04	FY05	FY06	FY07	FY08
Excess Levy Capacity (1)	\$41,419,047	\$44,697,016	\$65,088,067	\$73,658,042	\$75,000,000
General Fund Balance (2)	\$99,972,630	\$124,254,182	\$136,673,783	\$138,000,000	\$138,000,000
Free Cash (3)	\$34,868,986	\$53,554,528	\$68,010,377	\$58,000,000	\$58,000,000
Rapidity of Debt Retirement (4)	87.8%	82.2%	81.8%	83.0%	82.0%

- 1) Excess levy capacity is the difference between the amount in property taxes that the City is allowed to levy under state law and the amount the City actually levies. The amounts shown for FY04-07 are actual amounts and FY08 is a projected figure.
- 2) The amounts shown for General Fund balances include those funds moved to the General Fund to satisfy GASB 34 requirements.
- 3) Free Cash is defined as funds remaining from the previous fiscal year that are available for appropriation. The figures shown for FY04-06 are actual amounts and those shown for FY07-08 are projected figures.
- 4) The percentages shown represent the percent of total debt that would be retired in ten years. With few exceptions, all debt issued by the City is retired within ten years.

INVESTMENT POLICY

I. PURPOSE

The purpose of this document is to specify the policies and guidelines that provide for the prudent and productive investment of City of Cambridge, “the City,” funds. The City’s investment program is operated by the City Treasurer in conformance with all applicable federal and state requirements including MGLA 44 § 54 and 55.

This policy statement reflects the long-term policy guidelines that have been used by the City’s management team, which are now incorporated into the City’s annual Budget and Public Investment Program. Each year the City Manager will review these policy statements with the City Council, informing the public of the City’s desire to maintain the highest standards of governance.

II. SCOPE

This policy applies to the investment of all of the City’s funds excluding the investment of employees’ retirement funds. Except for cash in certain restricted and special funds, the City will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

III. INVESTMENT OBJECTIVES

The City shall seek as high a level of investment income as is consistent with, first, the safety of principal and, second, the provision of liquidity to meet daily cash flow requirements.

A. Safety of Principal

Safety of principal, the primary objective, shall be pursued in a number of ways.

1. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio by protecting against credit risks.
2. Investments shall be made in conformance with prudent guidelines for allowable instruments, credit quality and maturities.
3. Adequate diversification of instruments, issuers, and maturities shall be maintained.
4. All deliverable securities shall be held by a third party custodian on the basis of delivery vs. payment to a custodian bank.
5. All repurchase agreements shall be fully collateralized, with a custodian bank receiving delivery of the collateral.

B. Liquidity

The investment portfolio shall be structured to meet all of the City's cash requirements that may be reasonably anticipated. Furthermore, since all cash requirements cannot be anticipated, the portfolio should consist mainly of custodial arrangements, investment pools or money market funds specified below, securities or deposits with very short maturities, or securities with active secondary or resale markets.

C. Yield

The investment portfolio shall be designed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account investment risk constraints and the City's liquidity requirements.

The portfolio shall be managed with the objective of exceeding the average of three-month U.S. Treasury Bill rates for the equivalent period. This index is considered a benchmark for near-riskless investment transactions and, therefore, comprises a minimum standard for the portfolio's rate of return. The investment program shall seek to augment returns above this threshold, consistent with stated risk limitations and prudent investment principles.

While investments shall not be made for the purpose of trading or speculating as the dominant criterion, the City may seek to enhance total portfolio return through active portfolio management. The prohibition on speculative investments precludes pursuit of gain or profit through unusual risk. Trading in response to changes in market value or market direction, however, is warranted under active portfolio management.

IV. STANDARDS OF CARE

A. Prudence

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. The "prudent person" standard states that "investments shall be made with judgment and care – under circumstances then prevailing – which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion in writing and appropriate action is taken to control adverse developments.

B. Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions.

Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City.

C. Delegation of Authority

Authority to manage the investment program is granted to the Director of Financial Systems and Operations, hereinafter referred to as investment manager. The investment manager shall established written procedures and internal controls for the operation of the investment program consistent with this investment policy. Procedures should include references to: safekeeping, delivery vs. payment, investment accounting, wire transfer agreements, and collateral/depository agreements. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the investment officer. The investment manager shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials. The controls shall be designed to prevent and control losses of public funds arising from fraud, employee error, misrepresentation by third parties, or imprudent actions by employees and officers.

V. FINANCIAL DEALERS AND INSTITUTIONS

The City shall conduct business only with qualified financial institutions. The investment manager shall develop criteria for selecting brokers and dealers. An annual review of the financial condition and registration of qualified bidders will be conducted.

All repurchase agreement transactions will be conducted through primary dealers of the Federal Reserve Bank of New York or applicable state with short-term debt ratings of at least A-1, P-1 or F-1, or qualified depositories as described in appropriate Section, which have executed master repurchase agreements with the City.

VI. INVESTMENT GUIDELINES

All investments must be made in securities authorized by MGLA 44 § 54 and 55 and this investment policy statement.

A. Suitable and Authorized Investments

The City may invest in the following securities or deposits:

- In term deposits or certificates of deposit in trust companies, national banks, savings banks, banking companies or cooperative banks.
- In obligations issued or unconditionally guaranteed by the United States government or agency.
- In United States government securities or securities of United States government agencies.
- Money market mutual funds regulated by the Securities and Exchange Commission and whose portfolios consist only of dollar-denominated securities; and

- Local government investment pools such as the Massachusetts Municipal Depository Trust and Massachusetts Municipal Depository Short Term Bond Fund.

No investments may be made in “derivative” securities such as futures, swaps, options, interest-only or principal-only mortgage-backed securities, inverse floaters, CMT floaters, leveraged floaters, dual index floaters, COFI floaters, and range floaters. These restrictions apply to direct investments as well as to investments through custodial arrangements, pools or money market funds discussed in applicable Sections. Thus, if a custodial arrangement, pool or fund includes securities by this paragraph the City may not invest in shares or other interest in such custodial arrangement, pool or fund.

The City requires full collateralization on all demand deposit accounts including checking accounts, certificates of deposits, and money market accounts.

The City shall not at any one time have on deposit in a bank or trust company or banking company an amount exceeding sixty per cent of the capital surplus of such bank or trust company or banking company unless satisfactory security is given to it by such bank or trust company or banking company for such excess.

B. Diversification

It is the policy of the City to diversify its investment portfolio. To eliminate risk of loss resulting from the over-concentration of assets in a specific maturity, issuer, or class of securities, all cash and cash equivalent assets shall be diversified by maturity, issuer, and class of security. Diversification strategies shall include:

1. At the time of acquisition, no more than ten percent (10%) of the overall portfolio may be invested in deposits with a single bank, unless the deposits are fully-insured or fully-collateralized, or in repurchase arrangements for a period longer than two business days conducted through a single dealer.
2. There is no limitation on the percentage of the overall portfolio that may be invested in: (1) U.S. government and agency obligations and in repurchase agreements fully collateralized by such securities, appropriate state pools, or an authorized custodial arrangement, pool or money market fund, if permitted by state statute, specified in appropriate Section.
3. Investments in securities that are not readily marketable, other than securities or deposits that mature within seven days, may not exceed 10 percent of the portfolio’s net assets at the time of purchase.

This section does not apply to bank accounts used for the temporary deposit of receipts and deposits needed to cover disbursements that are expected to clear over the next seven days.

Investment decisions shall be based on the relative and varying yields and risks of individual securities and the City’s liquidity requirements.

VII. REPORTS

Quarterly and annual reports summarizing the investment portfolio by security types and maturities, and describing the portfolio's performance relative to standard benchmarks (e.g., 90-day Treasury bills) shall be provided to the Director. A detailed portfolio listing, including cost and market valuations and maturities, and commentary on economic conditions shall be provided with each report.

VII. PORTFOLIO VALUATION

The market value of the investment portfolio shall be determined on at least a monthly basis. Significant deviations of market values to amortized costs shall be reported promptly to the City Treasurer.

IX. ADOPTION

This policy shall be adopted by the City Council. Any revisions must be approved by the City Treasurer and City Council.

Any investment held at the time of this policy's adoption that does not conform with the policy shall be exempted from the requirements of the policy so long as such investment is a permitted City investment under state statutes. At maturity or liquidation of such investment, all proceeds shall be reinvested only as provided by this policy.

The City may invest or reinvest in an authorized custodial arrangements, pool or money market fund specified in appropriate Section of this policy that currently contains in its portfolio securities that do not meet the criteria set forth in appropriate Section ("Non-Conforming Securities") only if (1) the custodial arrangement, pool or money market fund is a permitted City investment under state statutes, (2) the custodial arrangement, pool or money market fund has adopted a written investment policy that precludes future purchases of Non-Conforming Securities for its portfolio, and (3) the custodial arrangement, pool or money market fund has adopted a written investment policy of liquidating such Non-Conforming Securities as soon as practicable after market conditions permit such liquidation at par.

This policy shall be reviewed during the City's Annual Budget and Public Investment Program process.

DEBT MANAGEMENT POLICY

I. PURPOSE

The purpose of this policy is to establish parameters and provide guidance governing the issuance, management, continuing evaluation of and reporting on all debt obligations issued by the City of Cambridge.

Debt obligations, which include general obligation bonds, special assessment bonds, revenue bonds, bond anticipation notes, lease/purchase agreements and any other debt obligations permitted to be issued under Massachusetts law, shall only be issued to purchase capital assets that cannot be acquired with current revenues.

This policy statement reflects the long-term policy guidelines that have been used by the City's management team, which are now incorporated into the City's annual Budget and Public Investment Program. Each year the City Manager will review these policy statements with the City Council, informing the public of the City's desire to maintain the highest standards of governance.

II. POLICY STATEMENT

Under the requirements of Federal and state laws and City Charter provisions, ordinances and loan orders, the City may periodically issue debt obligations to finance the construction or acquisition of infrastructure and other assets or to refinance existing debt. It is the City's goal to assure that such debt obligations are issued and managed in such a manner as to obtain the best long-term financial advantage to the City and its residents, while making every effort to maintain the credit ratings of Fitch Ratings – AAA, Moody's Investors Service – Aaa, and Standard and Poor's – AAA, and reputation in the investment community.

III. RESPONSIBILITY FOR POLICY

The City Treasurer shall be responsible for issuing and managing the City's debt program. In carrying out this policy, the City Treasurer shall:

- 1) at least annually consider the need for debt financing based upon the progress on the Public Investment Program;
- 2) at least annually review the City's adherence to this policy statement and compare the debt ratios established in this policy with where the City actually is;
- 3) at least annually review the City's authorized but unissued debt to determine if any authorizations are no longer needed; and
- 4) at least annually determine if there are any opportunities for refinancing current debt.

The City Treasurer shall report his/her findings to the City Manager and City Council in April of each year, prior to the City Council's review of the Public Investment Program.

IV. GENERAL DEBT GOVERNING POLICIES

The City hereby establishes the following policies concerning the issuance and management of debt:

- A. The City shall not issue debt obligations or use debt proceeds to finance current operations of the City.
- B. The City will utilize debt obligations only for acquisition, construction or remodeling of capital improvement projects that cannot be funded from current revenue sources or in such cases wherein it is more equitable to the users of the project to finance the project over its useful life.
- C. The City will measure the impact of debt service requirements of outstanding and proposed debt obligations on single year, five, ten, and twenty-year periods. This analysis will consider debt service maturities and payment patterns as well as the City's commitment to a pay-as-you-go budgetary allocation.

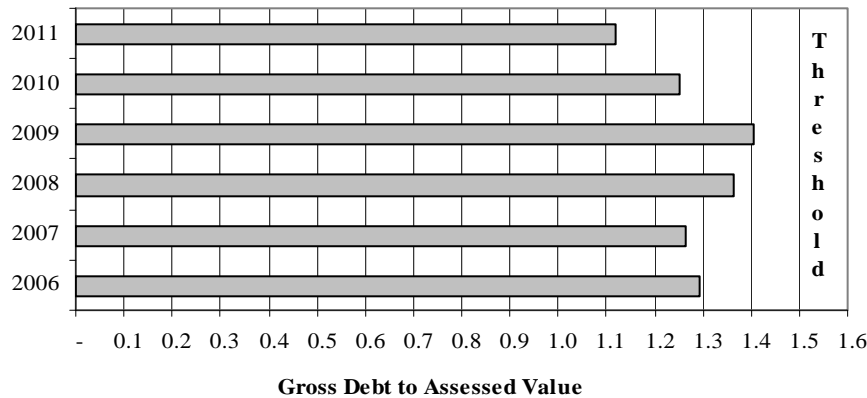
V. DEBT POLICIES, RATIOS AND MEASUREMENT

- A. Purposes of Issuance – the City shall only issue debt obligations for acquiring, constructing or renovating City owned fixed assets or for refinancing existing debt obligations.
- B. Maximum Maturity – All debt obligations shall have a maximum maturity of the earlier of: (1) the estimated useful life of the Public Investment being financed; or, (2) twenty years; or, (3) in the event debt obligations are being issued to refinance outstanding debt obligations the final maturity of the debt obligations being refinanced.
- C. Net Direct Debt Per Capita Personal Income – The City's overall net debt per capita shall not exceed 4.5% of per capita personal income. The Direct Debt Per Capita Personal Income shall be calculated by dividing the City's Net Direct Debt Per Capita by the most current, estimated per capita personal income.
- D. Direct Debt as a Percent of Estimated Full Assessed Value – The City's overall net debt will not exceed 1.5% of the estimated full value of taxable real properties with the City. The ratio of Direct Debt to Estimated Full Assessed Value shall be calculated by dividing the City's Direct Debt by the estimated full-assessed value of all taxable properties within the City.
- E. Debt Service Levels – The City shall adhere to a debt management strategy that achieves the goal of limiting annual debt service to 12.5% of the total budget.
- F. Average Maturity of General Obligation Bonds – the City shall have at least 70% of outstanding general obligation bonds mature in less than ten (10) years.

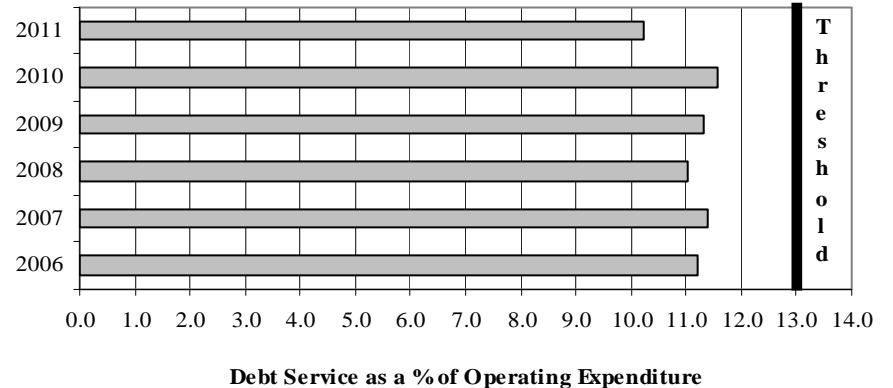
- G. Net Present Value Savings – The City must achieve a Net Present Value Savings of at least 3 percent and at least \$1,000,000 over the life of an existing bond issue in order for it to be considered for refunding.
- H. The City shall not exceed [fifty percent (50%)] of its statutory debt limitation.
- I. Bond Covenants and Laws – The City shall comply with all covenants and requirements of the bond resolutions, and Massachusetts and Federal laws authorizing and governing the issuance and administration of debt obligations.

This policy shall be reviewed during the City’s Annual Budget and Public Investment Program process.

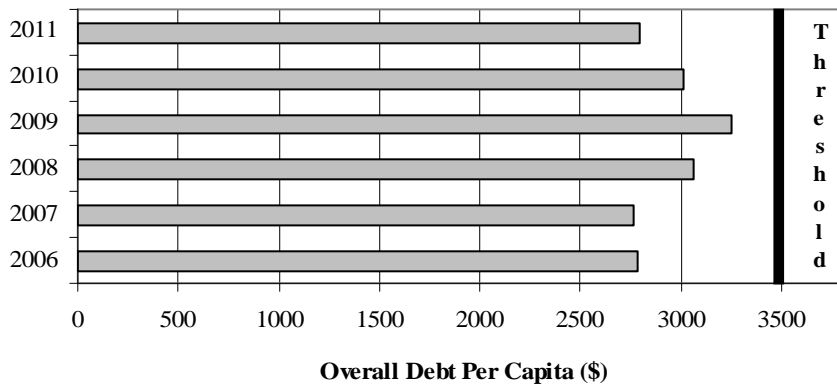
City of Cambridge, Massachusetts
Gross Debt to Assessed Value Ratio
 (Actual 2006 and projected for five years)



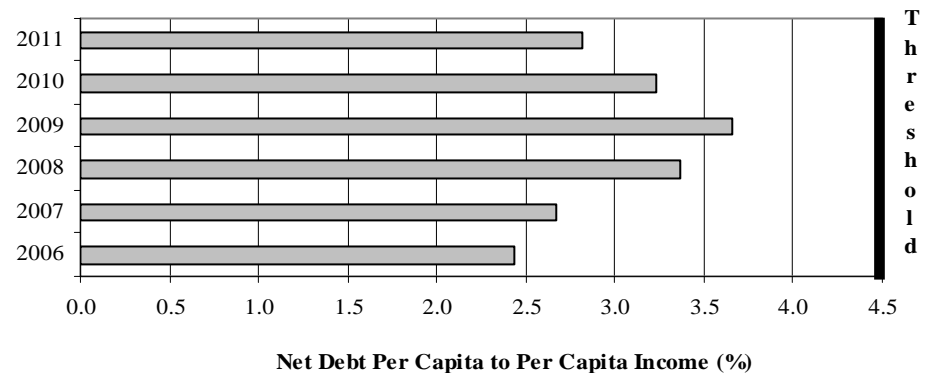
City of Cambridge, Massachusetts
Gross Debt Service as a Percentage of Operating Expenditure
 (Actual 2006 and projected for five years)



City of Cambridge, Massachusetts
Overall Debt Per Capita
 (Actual for 2006 and projected for five years)



City of Cambridge, Massachusetts
Net Debt Per Capita to Per Capita Income
 (Actual for 2006 and projected for five years)



DEBT RATIOS

Population ¹	Assessed Value ²	Net Direct Debt ³	Ratio of Net Direct Debt to Assessed Value	Net Direct Debt Per Capita
101,355	\$ 22,167,135,334	\$ 162,627,282	0.7%	\$1,605

¹ The population figure is from the 2000 U.S. Census. Source: U.S. Department of Commerce Bureau of Census

² The assessed value reflects full market value as of January 1, 2006.

³ The net direct debt is as of June 30, 2006.

GENERAL DEBT LIMIT

Under Massachusetts statutes, the General Debt Limit of the City of Cambridge consists of a Normal Debt Limit and a Double Debt Limit. The Normal Debt Limit of the City is 5% of the valuation of taxable property as last equalized by the State Department of Revenue. The City of Cambridge can authorize debt up to this amount without State approval. It can authorize debt up to twice this amount (the Double Debt Limit) with the approval of a State Board composed of the State Treasurer, State Auditor, Attorney General and Director of Accounts.

There are many categories of general obligation debt which are exempt from and do not count against the General Debt Limit. Among others, these exempt categories include revenue anticipation notes and grant anticipation notes, emergency loans, loans exempted by special laws, certain school bonds, sewer bonds, and solid waste disposal facility bonds, and, subject to special debt limits, bonds for water (limited to 10 percent of equalized valuation), housing, urban renewal and economic development (subject to variation debt limits), and electric and gas (subject to a separate limit equal to the General Debt Limit, including the same doubling provision). Industrial revenue bonds, electrical revenue bonds and water pollution abatement revenue bonds are not subject to these debt limits. The General Debt Limit and the special debt limit for water bonds apply at the time the debt is authorized. The other special debt limits generally apply at the time the debt is incurred.

DEBT LIMIT CALCULATION

Equalized Valuation as of January 1, 2006	<u>\$ 24,529,458,900</u>
Debt Limit (5% of Equalized Valuation)	<u>\$ 1,226,472,945</u>
Total Outstanding Debt as of June 30, 2007	\$ 280,345,759
Total Authorized / Unissued Debt as of June 30, 2007	<u>134,192,444</u>
Total Outstanding Debt Plus Total Authorized / Unissued Debt	<u>\$ 414,538,203</u>
Amount of Outstanding Debt Outside the Debt Limit	\$ 54,294,363
Amount of Authorized / Unissued Debt Outside the Debt Limit	<u>-</u>
Outstanding Debt plus Authorized / Unissued Outside the Debt Limit	<u>\$ 54,294,363</u>
Total Outstanding Debt Plus Total Authorized / Unissued Debt	\$ 414,538,203
Less: Outstanding Debt plus Authorized / Unissued Outside the Debt Limit	<u>54,294,363</u>
Debt Subject to the Debt Limit	<u>\$ 360,243,840</u>
Debt Limit (5% of Equalized Valuation)	<u>1,226,472,945</u>
Remaining Borrowing Capacity Under Debt Limit	<u>\$ 866,229,105</u>

FY08 DEBT DISTRIBUTION

	Debt Payment	Interest	Required Appropriation*
City	\$25,381,701	8,655,115	\$34,036,816
School	3,240,000	331,525	3,571,525
Water	<u>6,203,673</u>	<u>2,089,767</u>	<u>8,293,440</u>
Total	<u>\$34,825,374</u>	<u>\$ 11,076,407</u>	<u>\$45,901,781</u>

Notes: * **General Fund Debt Service, page IV-271, does not reflect School and Water debt service. School and Water debt service are budgeted at the department level.**

DEBT POSITION

Based on outstanding debt June 30, 2007

CITY HAS HISTORICALLY HAD A CONSERVATIVE DEBT GUIDELINE. When the City embarked on an aggressive capital improvement program in the mid-1980's, it established a guideline of retiring a majority of debt within ten years of the date of issue and allocating funds from reserve accounts to finance projects which would otherwise have been supported through bond proceeds. The City's rapid repayment schedule has given the City considerable flexibility to extend redemption schedules for long-life projects such as the construction of a new water treatment facility, library, and ambulatory care center at The Cambridge Hospital. In addition, key ratios such as net direct debt to assessed value and unreserved fund balance as % of revenues compare favorably with national medians (see page II-26).

Fiscal Year	Total ¹ Debt	Debt Payment	Interest	Required Appropriation
2007-08	\$280,345,759	\$34,825,374	\$11,076,407	\$45,901,781
2008-09	245,520,385	33,666,645	9,763,954	43,430,599
2009-10	211,853,740	33,597,028	8,412,929	42,009,957
2010-11	178,256,712	30,678,183	7,098,701	37,776,884
2011-12	147,578,529	24,188,377	5,968,764	30,157,141
2012-13	123,390,152	20,935,160	5,062,126	25,997,286
2013-14	102,454,992	18,082,774	4,229,016	22,311,790
2014-15	84,372,218	15,572,218	3,495,254	19,067,472
2015-16	68,800,000	11,695,000	2,851,026	14,546,026
2016-17	57,105,000	10,045,000	2,350,251	12,395,251
2017-18	47,060,000	8,530,000	1,914,976	10,444,976
2018-19	38,530,000	7,030,000	1,539,226	8,569,226
2019-20	31,500,000	5,030,000	1,279,901	6,309,901
2020-21	26,470,000	4,530,000	1,084,638	5,614,638
2021-22	21,940,000	4,530,000	903,438	5,433,438
2022-23	17,410,000	4,530,000	719,051	5,249,051
2023-24	12,880,000	4,530,000	534,125	5,064,125
2024-25	8,350,000	4,100,000	346,750	4,446,750
2025-26	4,250,000	3,400,000	176,375	3,576,375
2026-27	850,000	850,000	34,000	884,000

1. As of June 30 of the previous fiscal year.

RESERVE POLICY

I. PURPOSE

The purpose of this policy is to 1) preserve the credit worthiness of the City for borrowing monies at favorable interest rates; 2) provide working capital to meet cash flow needs during the year and 3) attempt to stabilize fluctuations from year to year in property taxes paid by the City taxpayers.

This policy statement reflects the long-term policy guidelines that have been used by the City's management team, which are now incorporated into the City's annual Budget and Public Investment Program. Each year the City Manager will review these policy statements with the City Council, informing the public of the City's desire to maintain the highest standards of governance.

II. POLICY STATEMENT

Fund Balance is an important indicator of a community's financial position. An adequate fund balance must be maintained to allow the City to continue to meet its obligations in the event of an economic downturn and/or unexpected emergency. Therefore, the City of Cambridge shall maintain:

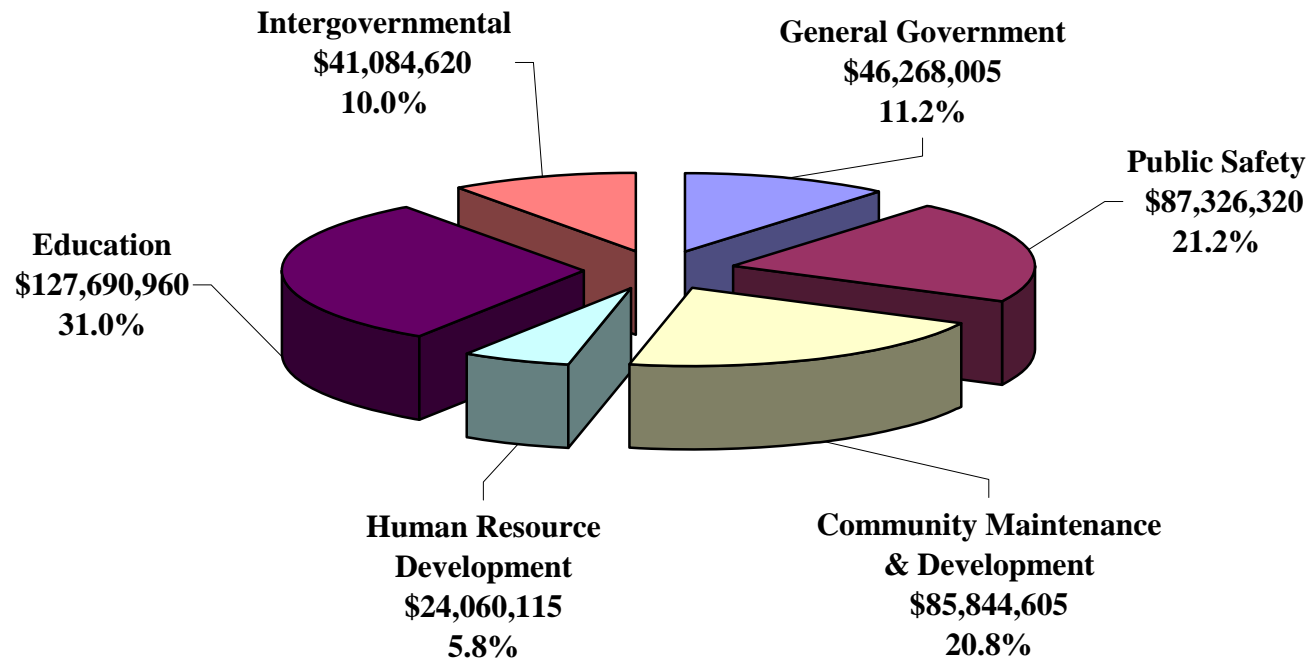
An unreserved/undesignated general fund balance as of June 30 of each year equal or greater than 15% of the ensuing fiscal year's operating revenue; and total general fund balance as of June 30 of each year equal or greater than 25% of the ensuing fiscal year's operating revenue.

I. RESPONSIBILITY FOR POLICY

As part of the annual budget preparation process, the City Treasurer will estimate the surplus or deficit for the current year and prepare a projection of the year-end unreserved/undesignated general fund balance. Any anticipated balance in excess of the targeted maximum unreserved/undesignated fund balance may be budgeted to reduce the ensuing year's property tax levy or fund one-time capital projects.

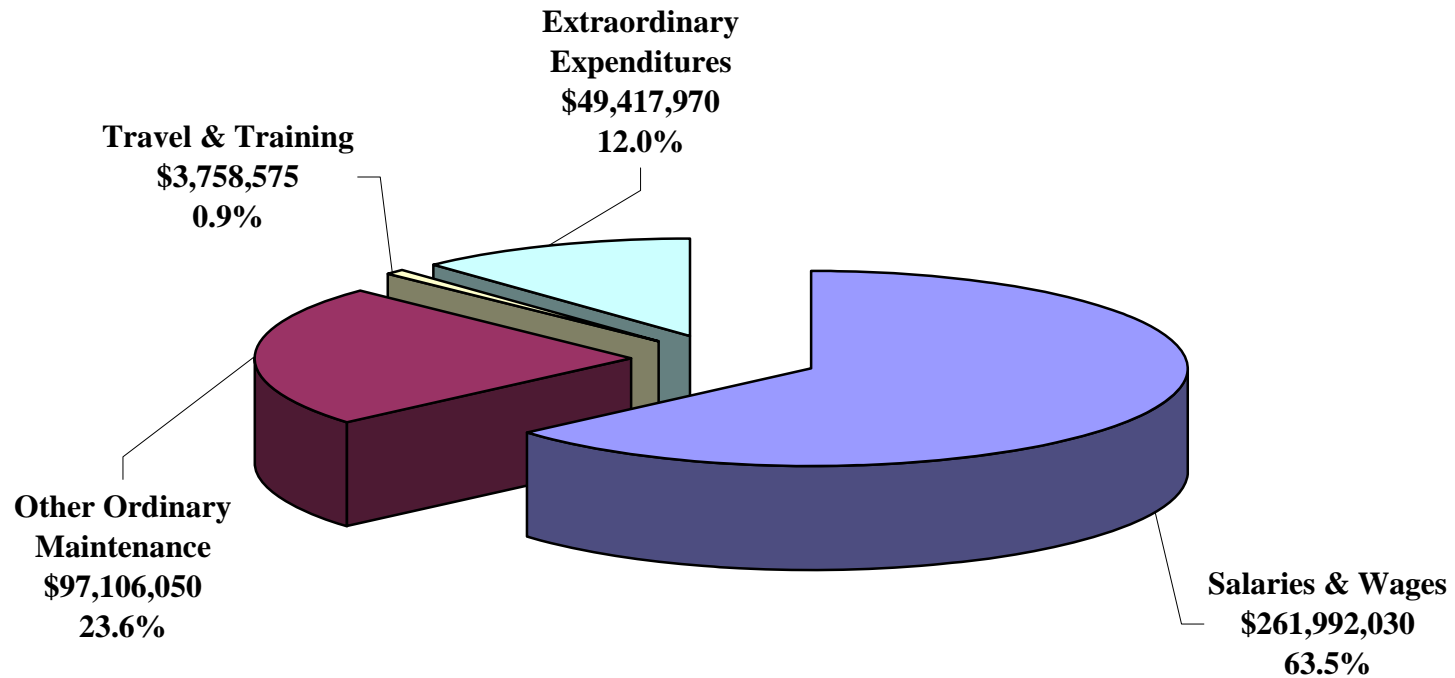
This policy shall be reviewed during the City's Annual Budget and Public Investment Program process.

APPROPRIATION BY FUNCTION



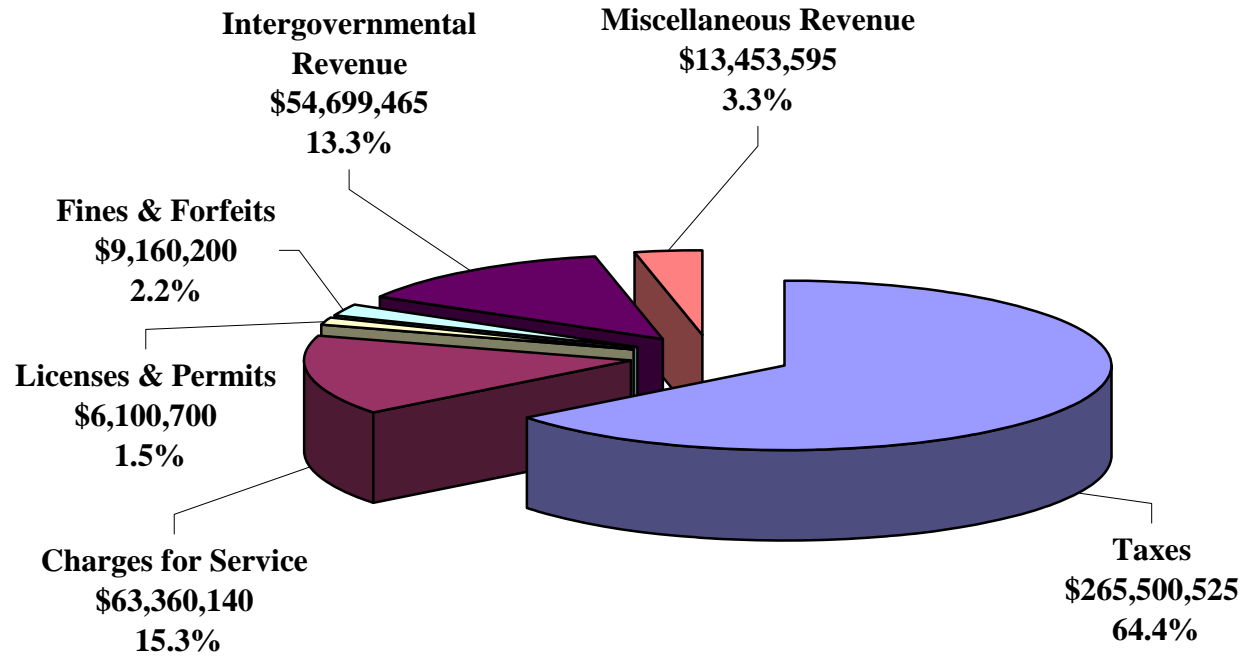
TOTAL OPERATING BUDGET \$412,274,625

APPROPRIATION BY STATUTORY CATEGORY



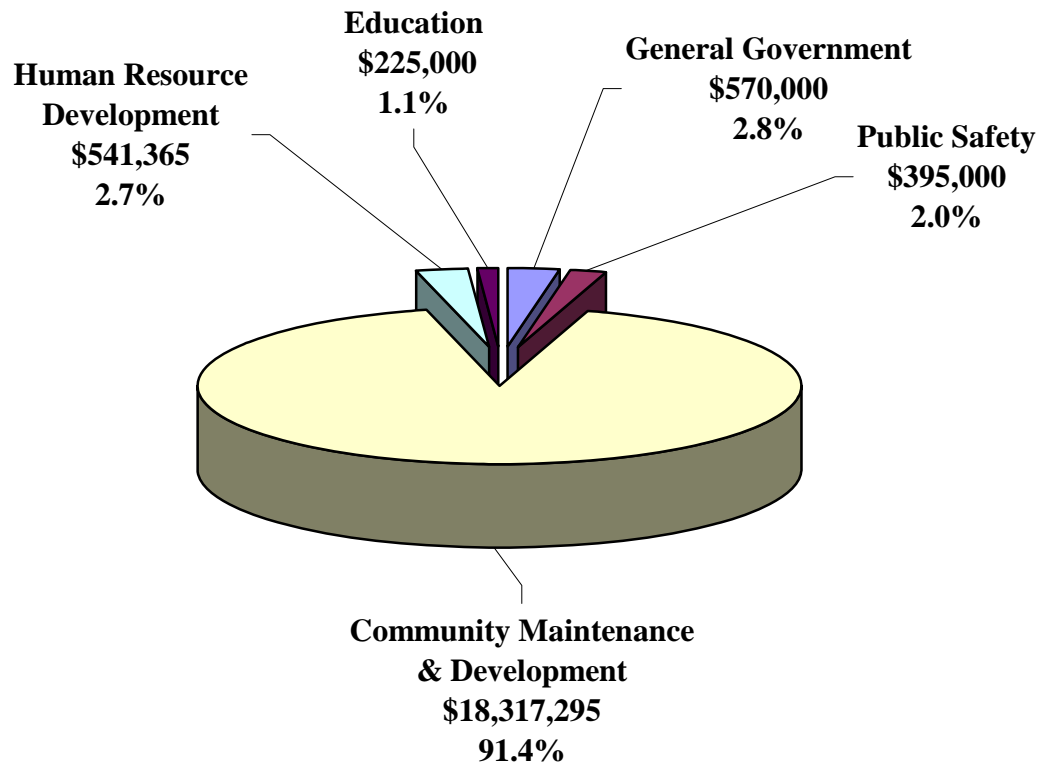
TOTAL OPERATING BUDGET \$412,274,625

REVENUE BY SOURCE



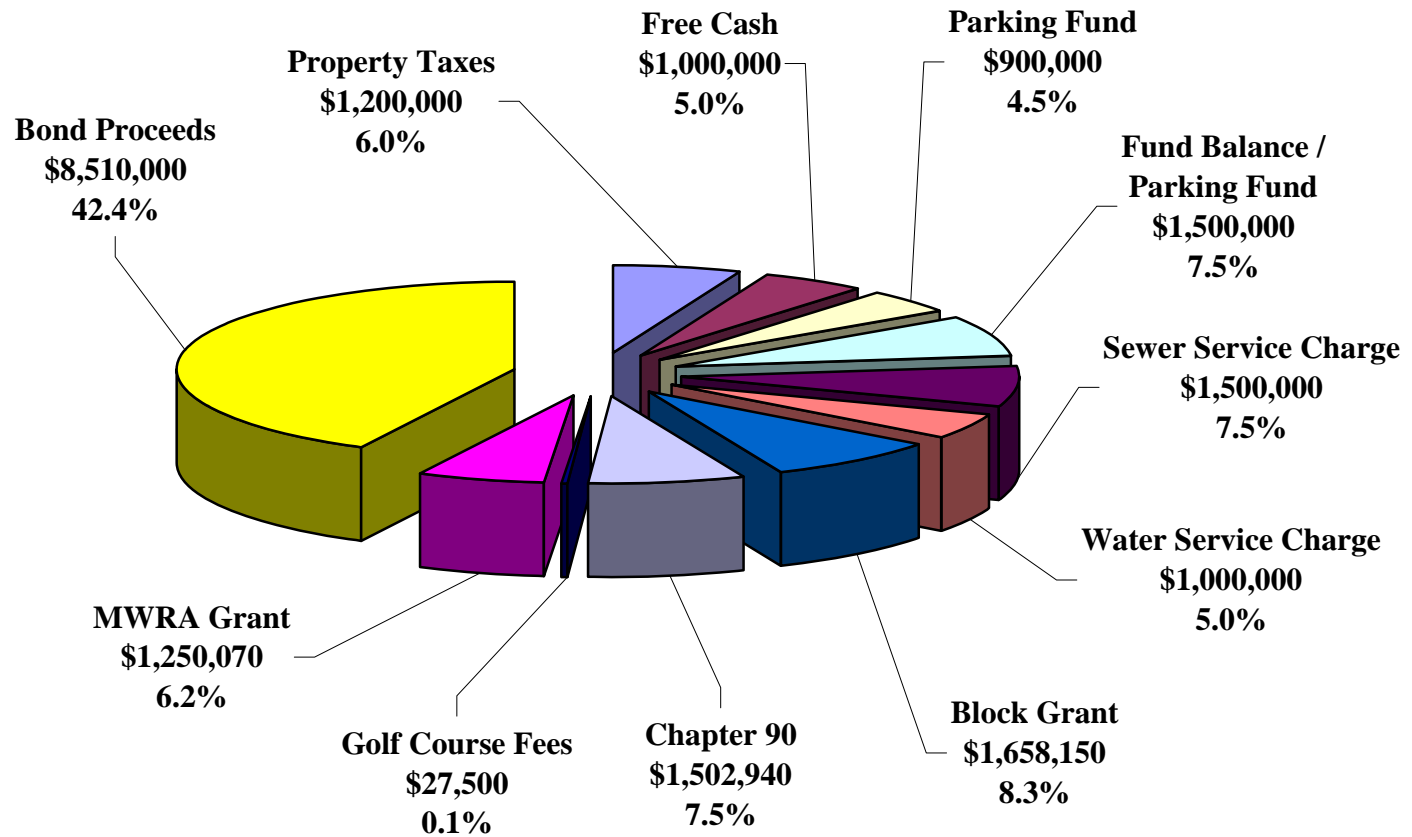
TOTAL OPERATING BUDGET \$412,274,625

PUBLIC INVESTMENT APPROPRIATIONS FISCAL YEAR 2008



TOTAL CAPITAL BUDGET \$20,048,660

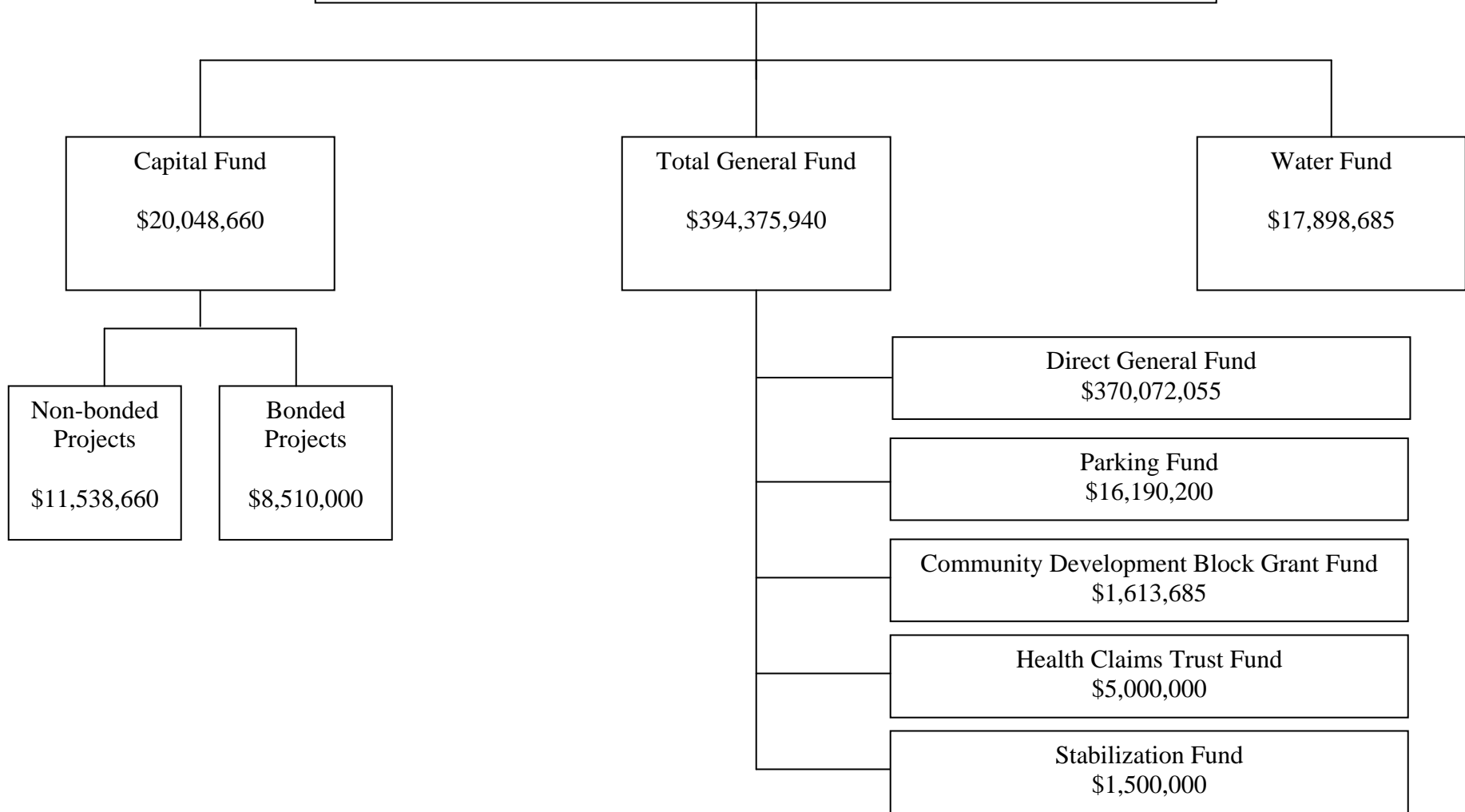
PUBLIC INVESTMENT FINANCING PLAN FISCAL YEAR 2008



TOTAL CAPITAL BUDGET \$20,048,660

**TOTAL FY 2008 CITY BUDGET
APPROPRIATED FUNDS**

- Total General Fund	\$394,375,940
- Water Fund	17,898,685
- Capital Fund	<u>20,048,660</u>
Total:	\$432,323,285



GENERAL FUND

TOTAL \$399,761,590

The General Fund is the basic operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. For budget purposes, Community Development Block Grant funds are included in the General Fund. The total General Fund appropriation is \$399,761,590, (which is the City Appropriation of \$412,274,625 less the Water Fund appropriation of \$17,898,685), with an additional \$5,385,650 in General Fund revenues raised to support a wide range of projects in the Public Investment Fund. The \$5,385,650 is the City Public Investment Appropriation of \$11,538,660 less \$1,502,940 in Chapter 90, \$900,000 in Parking Fund revenue, \$1,500,000 from the Parking Fund Balance, \$1,000,000 in Water Service Charges, and \$1,250,070 in MWRA Grants.

Salaries & Wages
\$ 256,344,575

Other Ordinary Maintenance
\$ 93,302,120

Travel & Training
\$ 3,729,720

Extraordinary Expenditures
\$ 46,385,175

Taxes
\$ 266,700,525

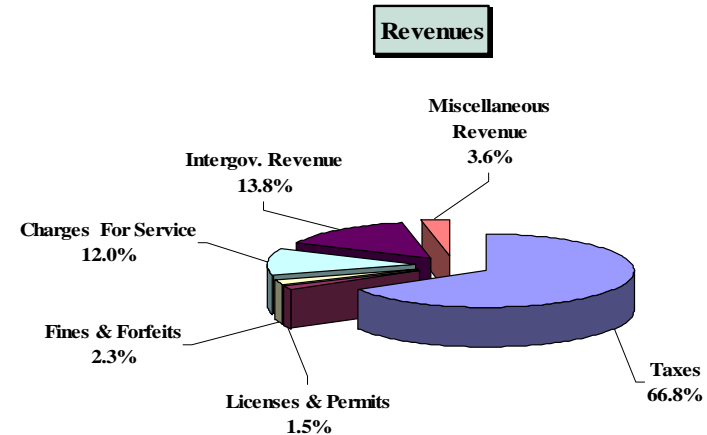
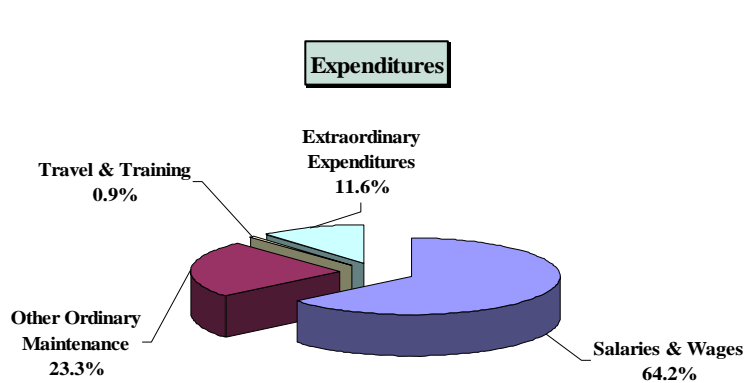
Licenses & Permits
\$ 6,100,700

Fines & Forfeits
\$ 9,160,200

Charges For Service
\$ 48,002,215

Intergovernmental Revenue
\$ 55,344,355

Miscellaneous Revenue
\$ 14,453,595



GENERAL FUND THREE YEAR HISTORY

Expenditure Category	FY06 ¹	FY07 ²	FY08 ³
Salaries and Wages	\$234,640,125	\$243,093,515	\$256,344,575
Other Ordinary Maintenance	89,501,825	91,819,100	93,302,120
Travel & Training	3,390,085	3,307,980	3,729,720
Extraordinary Expenditures	41,622,425	45,120,335	46,385,175
TOTAL BUDGETED EXPENDITURES	\$369,154,460	\$383,340,930	\$399,761,590

Revenue Category	FY06 ¹	FY07 ²	FY08 ³
Taxes	\$244,490,930	\$255,626,755	\$266,700,525
Licenses & Permits	5,822,615	5,948,335	6,100,700
Fines & Forfeits	8,880,395	9,009,330	9,160,200
Charges For Service	42,221,295	45,222,135	48,002,215
Intergovernmental Revenue	56,172,720	55,222,260	55,344,355
Miscellaneous Revenue	11,566,205	12,312,115	14,453,595
TOTAL BUDGETED REVENUES	\$369,154,160	\$383,340,930	\$399,761,590

¹ The total FY06 General Fund appropriation is \$369,154,460 (which is the City Appropriation of \$380,186,825 less the Water Fund appropriation of \$17,104,000), plus an additional \$6,071,635 in General Fund revenues raised to support a wide range of projects in the Public Investment Fund. The \$6,071,635 is the City Public Investment Appropriation of \$9,017,330 less \$1,525,695 in Chapter 90, \$600,000 in Parking Fund revenue, and \$820,000 in Water Service Charges.

² The total FY07 General Fund appropriation is \$383,340,930, (which is the City Appropriation of \$395,469,100 less the Water Fund appropriation of \$17,195,045), plus an additional \$5,066,875 in General Fund revenues raised to support a wide range of projects in the Public Investment Fund. The \$5,066,875 is the City Public Investment Appropriation of \$9,518,065 less \$1,510,055 in Chapter 90, \$1,380,000 in Parking Fund revenue, \$920,000 in Water Service Charges, \$91,135 in Street Preservation Offset Fund fees, and \$550,000 in MWRA Grants.

³ The total FY08 General Fund appropriation is \$399,761,590 (which is the City appropriation of \$412,274,625 less the Water Fund appropriation of \$17,898,685) plus an additional \$5,385,650 in General Fund revenues raised to support a wide range of projects in the Public Investment Fund. The \$5,385,650 is the Public Investment Fund appropriation of \$11,538,660 less \$1,502,940 in Chapter 90 funds, \$900,000 in Parking Fund revenues, \$1,500,000 from the Parking Fund Balance, \$1,000,000 in Water Service Charges, and \$1,250,070 in MWRA Grants.

WATER FUND

TOTAL \$18,898,685

The Water Fund is used to account for the operations and maintenance of the City's water system. The Water Fund is financed by charges for services and miscellaneous revenue. The total FY08 Appropriation is \$17,898,685. In addition, water fund revenues are raised and transferred to the Public Investment Fund (\$1,000,000 to cover improvements to the water system).

Salaries & Wages
\$ 5,647,455

Other Ordinary Maintenance
\$ 3,803,930

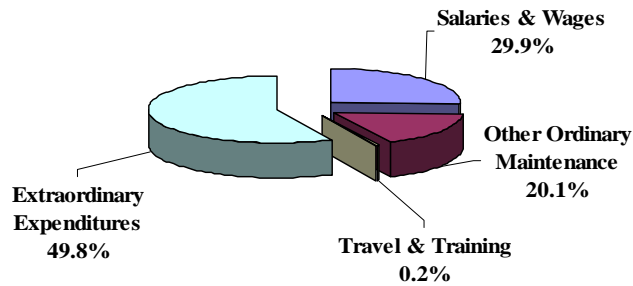
Travel & Training
\$ 28,855

Extraordinary Expenditures
\$ 9,418,445

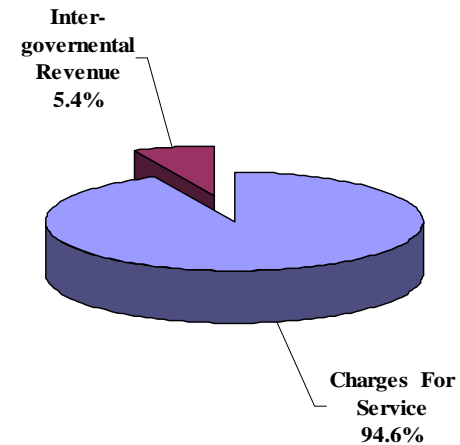
Charges for Service
\$ 17,885,425

Intergovernmental Revenue
\$ 1,013,260

Expenditures



Revenues



WATER FUND THREE YEAR HISTORY

The Water Fund is used to account for the operations and maintenance of the City's water system. The Water Fund is financed by charges for services and miscellaneous revenue.

Expenditure Category	FY06¹	FY07²	FY08³
Salaries and Wages	\$5,106,130	\$5,282,290	\$5,647,455
Other Ordinary Maintenance	2,935,305	3,360,305	3,803,930
Travel & Training	28,855	28,855	28,855
Extraordinary Expenditures	9,853,710	9,443,595	9,418,445
TOTAL BUDGETED EXPENDITURES	\$17,924,000	\$18,115,045	\$18,898,685

Revenue Category	FY06¹	FY07²	FY08³
Charges For Service	\$16,804,245	\$17,047,790	\$17,885,425
Intergovernmental Revenue	1,119,755	1,067,255	1,013,260
TOTAL BUDGETED REVENUES	\$17,924,000	\$18,115,045	\$18,898,685

¹ The total FY06 appropriation is \$17,104,000. In addition, Water Fund revenues are raised and transferred to the Public Investment Fund (\$820,000 to cover improvements to the water system).

² The total FY07 appropriation is \$17,195,045. In addition, Water Fund revenues are raised and transferred to the Public Investment Fund (\$920,000 to cover improvements to the water system).

³ The total FY08 appropriation is \$17,898,685. In addition, Water Fund revenues are raised and transferred to the Public Investment Fund (\$1,000,000 to cover improvements to the water system).

PARKING FUND

TOTAL \$18,590,200

The Parking Fund is used to record revenue from meter permits, meter collection, resident parking stickers, parking lots and garages, parking fines and interest earnings. These revenues support a wide range of programs in accordance with Chapter 844 of the General Laws. With limited tax revenues, the Parking Fund is a critical source of City revenue, providing funds to 13 budgets including an allocation to capital. It should be noted that no expenditures are charged directly to the Parking Fund; instead transfers are made from the Parking Fund to the General Fund and Public Investment Fund to cover related expenditures. The allocation of \$18,590,200 in Parking Fund revenues (including \$1,500,000 from the Parking Fund Balance) in the FY08 Budget is as follows: transfer to General Fund (\$16,190,200) and the Public Investment Fund (\$2,400,000). \$9,221,865 of the General Fund transfer is used for the Traffic, Parking and Transportation Department and the remaining \$6,968,335 will offset salary costs for other City departments (\$6,301,085), cover state assessments (\$515,060), and pay debt service on street reconstruction projects (\$152,190).

Salaries & Wages
\$ 12,139,510

Other Ordinary Maintenance
\$ 3,819,100

Travel & Training
\$ 19,400

Extraordinary Expenditures
\$ 2,612,190

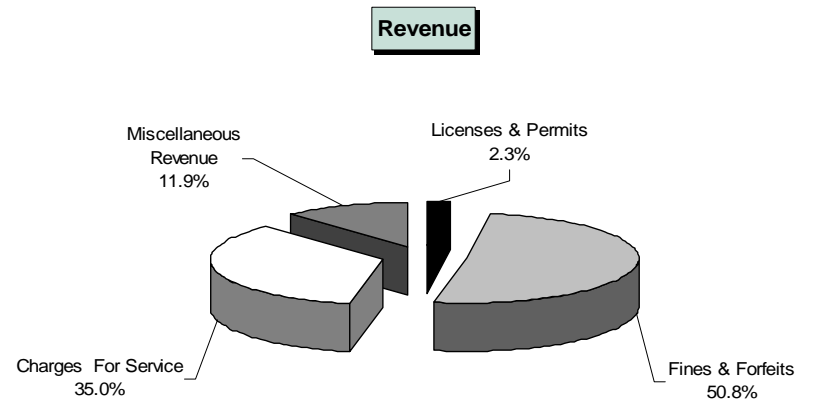
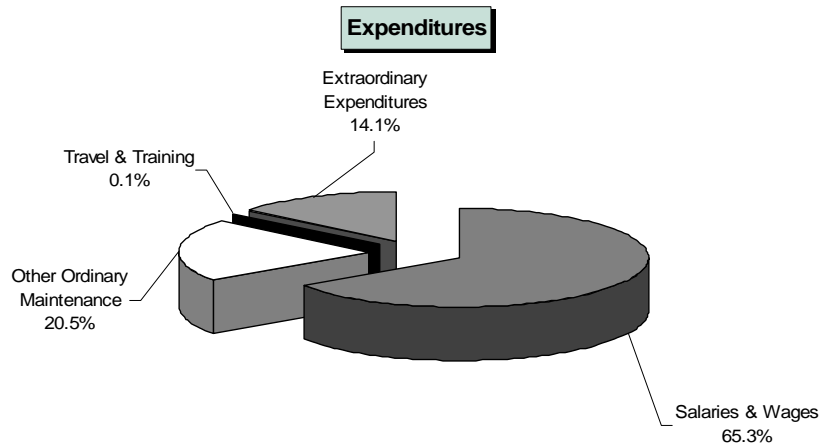
Licenses & Permits
\$ 425,000

Fines & Forfeits
\$ 9,440,200

Charges for Service
\$ 6,510,000

Miscellaneous Revenue
\$ 2,215,000

The appropriations shown above are included in the General Fund and Public Investment appropriation orders.



PARKING FUND THREE YEAR HISTORY

The Parking Fund is used to record revenue from meter permits, meter collection, resident parking stickers, parking lots and garages, parking fines and interest earnings. These revenues support a wide range of programs in accordance with Chapter 844 of the General Laws. With limited tax revenues, the Parking Fund is a critical source of City revenue, providing funds to 13 budgets including an allocation to capital. It should be noted that no expenditures are charged directly to the Parking Fund; instead transfers are made from the Parking Fund to the General Fund and Public Investment Fund to cover related expenditures.

Expenditure Category	FY06 ¹	FY07 ²	FY08 ³
Salaries and Wages	\$10,630,810	\$11,286,665	\$12,139,510
Other Ordinary Maintenance	3,646,040	3,747,480	3,819,100
Travel & Training	19,400	19,400	19,400
Extraordinary Expenditures	837,190	1,612,190	2,612,190
TOTAL BUDGETED EXPENDITURES	\$15,133,440	\$16,665,735	\$18,590,200

Revenue Category	FY06 ¹	FY07 ²	FY08 ³
Licenses & Permits	\$275,000	\$350,000	\$425,000
Fines & Forfeits	8,856,495	9,760,830	9,440,200
Charges For Service	5,700,000	5,993,705	6,510,000
Miscellaneous Revenue	301,945	561,200	2,215,000
TOTAL BUDGETED REVENUES	\$15,133,440	\$16,665,735	\$18,590,200

¹ The allocation of \$15,133,440 in Parking Fund revenues in the FY06 Budget is as follows: transfer to General Fund (\$14,533,440) and the Public Investment (\$600,000). \$8,328,990 is used for the Traffic, Parking and Transportation Department and the remaining \$6,204,450 will offset salary costs for other City departments (\$5,565,260), cover state assessments (\$477,000), and pay debt service on street reconstruction projects (\$162,190).

² The allocation of \$16,665,735 in Parking Fund revenues in the FY07 Budget is as follows: transfer to General Fund (\$15,285,735) and the Public Investment (\$1,380,000). \$8,849,020 of the General Fund transfer is used for the Traffic, Parking and Transportation Department and the remaining \$6,436,715 will offset salary costs for other City departments (\$5,801,085), cover state assessments (\$478,440), and pay debt service on street reconstruction projects (\$157,190).

³ The allocation of \$18,590,200 in Parking Fund revenues (including \$1,500,000 from the Parking Fund Balance) in the FY08 budget is as follows: transfer to General Fund (\$16,190,200) and Public Investment Fund (\$2,400,000). \$9,221,865 of the General Fund transfer is used for the Traffic, Parking, and Transportation Department and the remaining \$6,968,335 will offset salary costs for other City departments (\$6,301,085), cover state assessments (\$515,060), and pay debt service on street reconstruction projects (\$152,190).

PROJECTED FUND BALANCES

The projections that are shown in the following charts are for the three funds for which appropriations will be made in the FY08 budget. The fund balances that are shown as of June 30, 2006 are from the City's FY06 Comprehensive Annual Financial Report (CAFR) while fund balances as of June 30, 2007 and June 30, 2008 are based on projected revenues and expenditures for those two fiscal years. Fund Balance, also referred to as Fund Equity, is the difference between assets and liabilities in a governmental fund. The General Fund budget includes expenditures that are financed through transfers from the Parking, Block Grant, and Health Claims Trust Funds. The Water Fund includes all expenditures related to the operation of the water system including debt service on the bonds issued to finance construction of a new water treatment plant as well as other improvements to the water system and transfers to the Capital Fund to finance certain capital projects. The Capital Budget includes appropriations for a wide range of projects related to the acquisition of fixed assets as well as new construction and improvements to existing City facilities. Appropriations from all revenue sources, including bond proceeds, are made directly to this fund while the debt service on bond-financed projects is included in the General and Water Funds.

Projections are also shown for the Health Claims Trust, Stabilization, and School Debt Stabilization Funds. Although no appropriations are made to these funds, transfers are made from these funds to the General Fund to cover certain costs including a portion of health care costs and debt service on School bonds. The largest fund in this group, the Health Claims Trust Fund, receives revenues primarily from employee health deductions and interest earnings on the fund balance with transfers from General Fund health care surpluses providing additional funds. The School Debt Stabilization Fund has been used primarily to mitigate the effects of receiving reimbursements from the state on certain bond-financed projects prior to incurring to debt service costs on the bonds. The primary purpose of the School Stabilization Fund has been to fund multi-year programs for which revenues have been received prior to costs being incurred for these programs.

The City's Stabilization Fund was established as a reserve to offset a portion of the debt service on large tax-supported projects. The \$2.0 million transferred from this fund to the General Fund in FY06 to cover a portion of the debt service on the February, 2005 bond issue was the first transfer made from this fund since it was established with an additional \$2.0 million transferred to the General Fund in FY07 to cover a portion of the debt service on the February, 2006 bond issue. The FY08 budget includes an additional \$1.5 million transfer to the General Fund to continue to cover a portion of the debt service.

It is important to note that, in the following chart, the amounts shown for the General Fund for July 1, 2005, June 30, 2006, and July 1, 2006 include the balances of the Health Claims Trust, City Stabilization, School Debt Stabilization, and Internal Service Funds. Since these balances are included in the General Fund total in the FY06 CAFR, it is appropriate to include them in this chart.

It should be noted that there are several funds that are included in the City's audited financial statements such as trust, agency, city and school grant funds which are not included in this budget document. This is due to the fact that these funds either do not require appropriation or the specific amounts are not known at the time of budget preparation and therefore cannot be appropriated.

GENERAL, WATER, AND CAPITAL FUNDS FY06-08

	FY08 Budget				FY07	FY06
	General Fund	Water Fund	Capital Fund	Total	Projected All Fund Types	Actual All Fund Types
Revenues and Other Financing Sources:						
Property Taxes	\$246,276,685	-	\$1,200,000	\$247,476,685	\$235,216,350	\$222,986,633
Payments in Lieu of Taxes	4,650,000	-	-	4,650,000	4,550,000	6,579,380
Hotel / Motel Excise Tax	6,350,000	-	-	6,350,000	6,500,000	5,800,992
Motor Vehicle Excise	5,823,840	-	-	5,823,840	5,900,000	6,146,422
Intergovernmental	42,732,475	-	-	42,732,475	42,929,450	44,143,276
Sewer Use	32,857,100	-	1,500,000	34,357,100	34,750,000	33,834,690
Water Use	678,130	\$16,885,425	1,000,000	18,563,555	18,310,000	19,867,939
Investment Income	4,225,000	-	-	4,225,000	7,800,000	7,409,840
Bond Proceeds	-	-	8,510,000	8,510,000	1,850,000	67,710,250
Miscellaneous Revenues	50,782,710	1,013,260	7,838,660	59,634,630	63,033,235	69,625,789
Total Revenues	\$394,375,940	\$17,898,685	\$20,048,660	\$432,323,285	\$420,839,035	\$484,105,211
Expenditures and Other Financing Uses:						
Current:						
General Government	\$46,018,005	-	-	\$46,018,005	\$39,056,655	\$30,533,148
Public Safety	87,326,320	-	-	87,326,320	84,978,130	82,618,591
Community Maintenance & Development	33,691,895	\$17,898,685	-	51,590,580	49,594,555	49,040,204
Human Resource Development	24,060,115	-	-	24,060,115	23,041,425	20,835,810
Education	127,690,960	-	-	127,690,960	123,862,735	120,687,921
Judgments and Claims	250,000	-	-	250,000	250,000	346,008
Intergovernmental	41,084,620	-	-	41,084,620	38,701,730	35,890,415
Capital Outlays	-	-	\$20,048,660	20,048,660	11,368,065	37,237,192
Other Financing Uses	-	-	-	-	-	7,921,580
Debt Service						
Principal	25,381,705	-	-	25,381,705	24,756,125	20,952,766
Interest	8,655,120	-	-	8,655,120	8,096,260	7,027,911
Fees	217,200	-	-	217,200	217,200	202,614
Total Expenditures	\$394,375,940	\$17,898,685	\$20,048,660	\$432,323,285	\$403,922,880	\$413,294,160

General Fund	Water Fund	Capital Fund	Total
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Fund Balances (Actuals for FY06 and Projections for FY07-08)

FY06

Beginning Balances (July 1, 2005) (Actuals)	\$124,254,182	\$86,264,857	\$58,898,201	\$269,417,240
FY06 Revenues (Including Transfers In)	370,305,130	19,867,939	93,932,142	484,105,211
FY06 Expenditures (Including Transfers Out)	357,885,529	14,653,060	72,613,089	445,151,678
Excess (Deficiency) of Revenues (Including Transfers In) Over Expenditures (Including Transfers Out)	12,419,601	5,214,879	21,319,053	38,953,533
Ending Balances (June 30, 2006) (Actuals)	\$136,673,783	\$91,479,736	\$80,217,254	\$308,370,773

FY07

Beginning Balances (July 1, 2006) (Actuals)	\$136,673,783	\$91,479,736	\$80,217,254	\$308,370,773
FY07 Revenues (Including Transfers In)	387,979,450	19,377,255	11,368,065	418,724,770
FY07 Expenditures (Including Transfers Out)	375,168,630	17,386,185	11,368,065	403,922,880
Excess (Deficiency) of Revenues (Including Transfers In) Over Expenditures (Including Transfers Out)	12,810,820	1,991,070	-	14,801,890
Ending Balances June 30, 2007 (Projected)	\$149,484,603	\$93,470,806	\$80,217,254	\$323,172,663

FY08

Beginning Balances (July 1, 2007) (Projected)	\$149,484,603	\$93,470,806	\$80,217,254	\$323,172,663
FY08 Revenues (Including Transfers In)	394,375,940	17,898,685	20,048,660	432,323,285
FY08 Expenditures (Including Transfers Out)	394,375,940	17,898,685	20,048,660	432,323,285
Excess (Deficiency) of Revenues (Including Transfers In) Over Expenditures (Including Transfers Out)	-	-	-	-
Ending Balances June 30, 2008 (Projected)	\$149,484,603	\$93,470,806	\$80,217,254	\$323,172,663

HEALTH CLAIMS TRUST AND STABILIZATION FUNDS

HEALTH CLAIMS TRUST FUND

This fund was established by the City during FY85 to act as a contingency against possible deficits in health insurance allotments due to higher than anticipated claims. Employee deductions for healthcare coverage are deposited into this fund and interest earned by the fund is recorded as income to this trust fund. It has been the City's policy to transfer a portion of the balance of this fund to the General Fund to cover a portion of health insurance costs.

CITY STABILIZATION FUND

This fund is a statutory reserve account which may be used for purposes for which debt would ordinarily be used. Although transfers of \$2,000,000 have been made from this fund in FY06 and FY07, it is projected that the fund balance at the end of FY07 will increase to its highest level ever due primarily to an \$8,000,000 appropriation from Free Cash in FY07. This appropriation, combined with interest earnings of \$240,000, will produce a fund balance of approximately \$13,760,000 at the end of FY07. It is projected that this fund will gradually decrease over the next three years as tax-supported debt increases substantially due primarily to the Library, Public Safety Facility, and West Cambridge Community and Youth Center projects.

SCHOOL DEBT STABILIZATION FUND

This fund is a statutory reserve account which may be used only for the purposes of offsetting future school debt service. For several of the projects that the City received annual reimbursements from the Massachusetts School Building Authority (MSBA) under the previous method of financing school construction and renovation projects, these funds were received prior to the issuance of the bonds to finance the projects. In order to match the revenues and expenditures for these costs, it was necessary to set the revenues aside in this fund until the debt service costs came due. Current balances in the fund, as well as projected future balances, have been transferred from available revenues in other funds and will finance a portion of debt service costs on future bonds to cover the portion of school capital projects that is not covered by grants from the MSBA under the revised method of financing.

Health Claims Trust Fund	City Stabilization Fund	School Debt Stabilization Fund
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Fund Balances (Actuals for FY06 and Projections for FY07-08)

FY06

Beginning Balances (July 1, 2005) (Actuals)	\$12,295,151	\$9,193,915	\$4,625,000
FY06 Revenues (Including Transfers In)	4,896,630	325,763	4,400,000
FY06 Expenditures (Including Transfers Out)	3,860,000	2,000,000	-
Excess (Deficiency) of Revenues (Including Transfers In) Over Expenditures (Including Transfers Out)	1,036,630	(1,674,237)	4,400,000
Ending Balances (June 30, 2006) (Actuals)	\$13,331,781	\$7,519,678	\$9,025,000

FY07

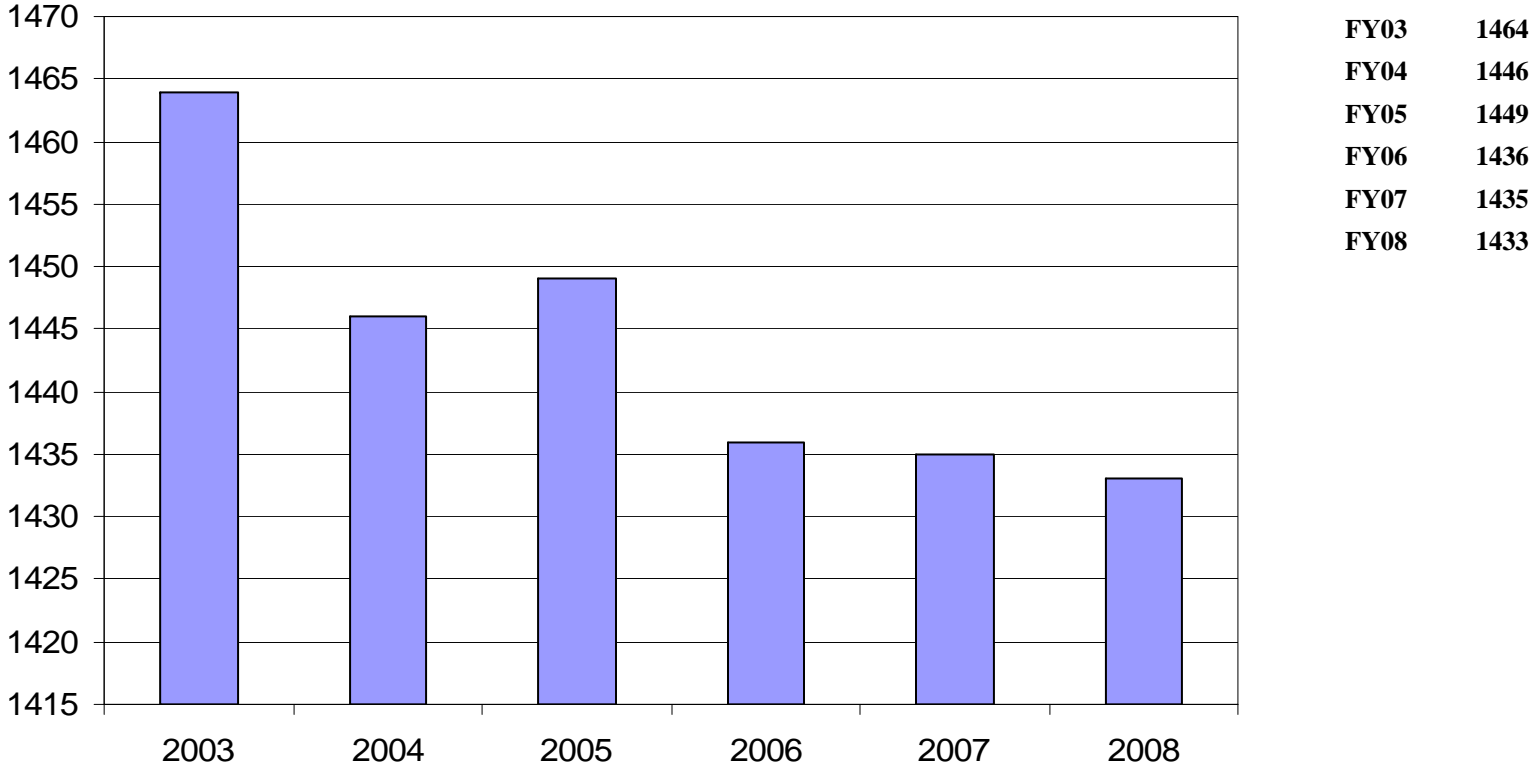
Beginning Balances (July 1, 2006) (Actuals)	\$13,331,781	\$7,519,678	\$9,025,000
FY07 Revenues (Including Transfers In)	4,500,000	8,240,000	2,400,000
FY07 Expenditures (Including Transfers Out)	3,860,000	2,000,000	-
Excess (Deficiency) of Revenues (Including Transfers In) Over Expenditures (Including Transfers Out)	640,000	6,240,000	2,400,000
Ending Balances June 30, 2007 (Projected)	\$13,971,781	\$13,759,678	\$11,425,000

FY08

Beginning Balances (July 1, 2007) (Projected)	\$13,971,781	\$13,759,678	\$11,425,000
FY08 Revenues (Including Transfers In)	5,000,000	550,000	850,000
FY08 Expenditures (Including Transfers Out)	5,000,000	1,500,000	-
Excess (Deficiency) of Revenues (Including Transfers In) Over Expenditures (Including Transfers Out)	-	(950,000)	850,000
Ending Balances June 30, 2008 (Projected)	\$13,971,781	\$12,809,678	\$12,275,000

POSITION LIST COMPARISON

Excluding Schools



Only Full Time Positions Are Included in This Chart

The City created a vacancy committee several years ago consisting of the City Manager, Deputy City Manager, Finance Director, Budget Director and Personnel Director. This committee reviews requests from departments to fill vacancies as they occur. In some cases, position vacancies are held by the committee. This review, in conjunction with the budget process, has yielded a net reduction of 31 positions since FY03.

POSITION LIST	FY06 Staff Pos.	FY07 Staff Pos.	FY08 Staff Pos.	FY 07-08 Variance +/-
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GENERAL GOVERNMENT

MAYOR

Chief Of Staff	1	1	1	-
Manager of Constituent Services	1	1	1	-
Assistant to Vice Mayor	1	1	1	-
Assistant to Mayor	0	1	1	-
Education Liaison	0	1	1	-
Asst. to Mayor/School Liaison	1	0	0	-
Executive Secretary/Mayor	1	0	0	-
TOTAL	5	5	5	-

EXECUTIVE

City Manager	1	1	1	-
Deputy City Manager	1	1	1	-
Asst. to the City Manager	1	1	1	-
Affirmative Action Director	1	1	1	-
Executive Assistant to the City Manager	1	1	1	-
Administrative Assistant	1	1	1	-
Public Information Officer	1	1	1	-
PTDM Planning Officer	1	1	1	-
Senior Management Analyst	0	1	1	-
TOTAL	8	9	9	-

CITY COUNCIL

Assistant to the City Council	1	1	1	-
Administrative Assistant	1	1	1	-
TOTAL	2	2	2	-

CITY CLERK

City Clerk	1	1	1	-
Deputy City Clerk	1	1	1	-
Operations Manager	1	1	1	-
Senior Clerk & Stenographer	6	5	5	-
Administrative Asst./City Clerk	1	2	2	-
TOTAL	10	10	10	-

	FY06 Staff Pos.	FY07 Staff Pos.	FY08 Staff Pos.	FY 07-08 Variance +/-
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LAW

City Solicitor	1	1	1	-
Deputy City Solicitor	1	1	1	-
Legal Counsel	5	5	5	-
Administrative Assistant	1	1	1	-
Senior Clerk & Typist	1	1	1	-
First Assistant to the City Solicitor	1	1	1	-
Office Manager	1	1	1	-
TOTAL	11	11	11	-

FINANCE/ADMINISTRATION

Assistant City Manager/Fiscal Affairs	1	1	1	-
Administrative Asst. to Finance Director	1	1	1	-
TOTAL	2	2	2	-

FINANCE/BUDGET

Bud Dir./Deputy Finance Dir.	1	1	1	-
Capital Project Fiscal Manager	0	1	1	-
Budget Analyst III	1	1	1	-
Principal Budget Analyst	1	0	1	1
Budget Analyst II	1	1	0	(1)
TOTAL	4	4	4	-

FINANCE/PERSONNEL

Personnel Director	1	1	1	-
Manager/Employee Relations	1	1	1	-
Manager/Employment Services	1	1	1	-
Manager/Training & Development	1	1	1	-
Claims Manager	1	1	1	-
Personnel Analyst	1	1	1	-
Personnel Specialist	1	1	1	-
Administrative Assistant	1	1	1	-
Employment Resource Specialist	1	1	1	-
Account Coordinator	1	1	1	-
Deputy Director	0	1	1	-
Employee Benefits Service Rep.	1	1	1	-
Employment Assistant	1	1	1	-
Manager/Benefits & Compensation	1	0	0	-
TOTAL	13	13	13	-

	FY06 Staff Pos.	FY07 Staff Pos.	FY08 Staff Pos.	FY 07-08 Variance +/(-)
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FINANCE/ASSESSORS

Director of Assessment	1	1	1	-
Deputy Director/Principal Assessor	0	1	1	-
Property Lister/Data Collector	3	2	2	-
Customer Service Supervisor	1	1	1	-
Senior Assistant Assessor	2	2	2	-
Assessment Analyst	1	2	2	-
Commercial Review Appraiser	1	1	1	-
Executive Assistant	1	1	1	-
Residential Valuation and Model Specialist	1	1	1	-
Administrative Assistant	1	1	1	-
Assistant to Board of Assessors	1	1	1	-
Operations Manager	0	0	1	1
Account Clerk	1	1	0	(1)
Assessor	1	0	0	-
TOTAL	15	15	15	-

FINANCE/PURCHASING

Purchasing Agent	1	1	1	-
Assistant Purchasing Agent	1	1	1	-
Mngr. Of Construction Procurement	1	1	1	-
Buyer	1	2	2	-
Administrative Assistant	1	1	1	-
Assistant Buyers	3	2	2	-
TOTAL	8	8	8	-

FINANCE/AUDITING

City Auditor	1	1	1	-
Manager/Financial Reports Control	1	1	1	-
Field Auditor	1	1	1	-
Account Clerk	2	2	2	-
General Ledger Accountant	1	1	1	-
Financial Analyst	1	1	1	-
Administrative Assistant	0	1	1	-
Senior Clerk & Typist	1	0	0	-
TOTAL	8	8	8	-

	FY06 Staff Pos.	FY07 Staff Pos.	FY08 Staff Pos.	FY 07-08 Variance +/(-)
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FINANCE/REVENUE

Dir. Of Financial Systems/Operations	1	1	1	-
Manager of Collections	1	1	1	-
Account Clerk	1	1	1	-
Administrative Assistant/Cash Mgmt.	1	1	1	-
Administrative Assistant	1	1	2	1
Cutomer Services Supervisor	0	0	2	2
Customer Service Representative	2	2	0	(2)
Cashier	1	1	0	(1)
TOTAL	8	8	8	-

FINANCE/TREASURY

Director of Payroll	1	1	1	-
Cash Manager	1	1	1	-
Senior Account Clerk	2	2	2	-
Fiscal Manager	1	1	1	-
TOTAL	5	5	5	-

FINANCE/ITD

Chief Information Officer	1	1	1	-
Deputy Director	1	1	1	-
Sr. Programmer/System Analyst	2	1	1	-
Information Systems Specialist II	1	2	1	(1)
GIS Project Manager	1	1	1	-
System Administrator	1	1	1	-
IT Network Engineer	1	1	1	-
GIS Specialist	1	1	1	-
Information Systems Specialist I	4	3	4	1
IT Project Engineer	4	4	4	-
Database Administrator	1	1	1	-
Operating Systems Manager	1	1	1	-
Web Administrator	1	1	1	-
Microsoft System Administrator	0	1	1	-
TOTAL	20	20	20	-

	FY06 Staff Pos.	FY07 Staff Pos.	FY08 Staff Pos.	FY 07-08 Variance +/-
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GENERAL SERVICES/TELEPHONE

Telephone Operator II	1	1	1	-
TOTAL	1	1	1	-

GENERAL SERVICES/PRINTING & MAILING

Supervisor of Printing	1	1	1	-
Laborer	1	1	1	-
Senior Offset Machine Operator	1	1	1	-
Offset Duplicating Machine Operator	2	2	2	-
TOTAL	5	5	5	-

ELECTION

Commissioner	4	4	4	-
Executive Director	1	1	1	-
Operations Manager	0	0	1	1
Administrative Assistant	1	1	1	-
Senior Clerk & Typist	1	1	1	-
Assistant Director	1	1	0	(1)
TOTAL	8	8	8	-

PUBLIC CELEBRATIONS

Executive Director	1	1	1	-
Dir. of Public Arts Program	1	1	1	-
Public Arts Administrator	1	1	1	-
Arts Administrator	1	1	1	-
Events Producer/Comm Arts Dir.	1	1	1	-
TOTAL	5	5	5	-

PUBLIC SAFETY

ANIMAL COMMISSION

Director	1	1	1	-
Animal Control Officer	2	2	2	-
TOTAL	3	3	3	-

	FY06 Staff Pos.	FY07 Staff Pos.	FY08 Staff Pos.	FY 07-08 Variance +/-
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FIRE

Chief	1	1	1	-
Deputy Chief	12	12	12	-
Captain	19	19	18	(1)
Lieutenant	50	50	51	1
Firefighter	194	194	194	-
Apparatus Repairperson	2	2	2	-
Asst. Apparatus Repairperson	1	1	1	-
Administrative Assistant	2	2	2	-
Accounting Manager	1	1	1	-
Budget Analyst	0	0	1	1
Info. System Specialist	1	1	1	-
Account Clerk	1	1	0	(1)
TOTAL	284	284	284	-

POLICE

Commissioner	1	1	1	-
Superintendent	2	2	2	-
Deputy Superintendent	5	6	6	-
Captain	1	1	1	-
Lieutenant	14	14	14	-
Sergeant	34	34	34	-
Police Officer	216	215	215	-
Director of Planning/Budget Personnel	1	1	1	-
Student Intern	4	3	3	-
Administrative Assistant	2	2	2	-
Clerk & Typist	6	5	5	-
Staff Assistant/Legal	1	1	1	-
Junior Accountant	1	2	2	-
Account Clerk	2	2	2	-
Senior Clerk & Typist	2	2	2	-
Clerk/Clerical Aide	2	2	2	-
Training Coordinator	1	1	1	-
Property Clerk/Armorer	2	2	2	-
Domestic Violence/Program Asst.	1	1	1	-
Information Systems Manager	2	1	1	-
Crime Analyst III	1	1	1	-
Automotive Mechanic	2	2	2	-
Fleet Manager	1	1	1	-

	FY06 Staff Pos.	FY07 Staff Pos.	FY08 Staff Pos.	FY 07-08 Variance +/(-)
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POLICE (cont.)

Identification Unit Manager	1	1	1	-
Strategic Analysis Coordinator	1	1	1	-
Personnel & Budget Analyst	0	1	1	-
Information Systems Specialist	0	1	1	-
Motor Equipment Repair Helper	0	1	1	-
Personnel Assistant	1	0	0	-
TOTAL	307	307	307	-

TRAFFIC, PARKING & TRANSPORTATION

Dir/Traffic, Prkg & Transportation	1	1	1	-
Deputy Director	1	1	1	-
Principal Electrical Engineer	1	1	1	-
Traffic Investigator	2	2	2	-
Jr. Traffic Engineering Aide	1	1	1	-
Transportation Planner	1	1	1	-
Manager of Traffic Engineering and Operations	1	1	1	-
Traffic Maintenance Person	12	11	11	-
Working Foreperson/Traffic Maint.	4	4	4	-
Parking Violation Cashier	5	6	6	-
Admin. Hearings Officer	1	1	1	-
Parking Service Coordinator	1	1	1	-
Parking Services Supervisor	1	1	1	-
Asst. Parking Services Coord.	1	1	1	-
Senior Storekeeper	1	1	1	-
Working Foreperson/Parking Meter Maint.	2	2	2	-
Parking Control Officer	33	33	33	-
Parking Control Supervisor	2	2	2	-
Parking Coordinator	1	1	1	-
Operational Foreperson	1	1	1	-
Administrative Assistant	3	3	3	-
Parking Meter Repairperson	1	1	1	-
Fiscal Manager	1	1	1	-
Street Permit Coordinator	1	1	1	-
Parking Ticket Analyst	0	1	1	-
Clerk/Clerical Aide	1	0	0	-
TOTAL	80	80	80	-

	FY06 Staff Pos.	FY07 Staff Pos.	FY08 Staff Pos.	FY 07-08 Variance +/(-)
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POLICE REVIEW & ADVISORY BOARD

Investigator/Outreach Liaison	1	1	1	-
TOTAL	1	1	1	-

INSPECTIONAL SERVICES

Commissioner	1	1	1	-
Deputy Commissioner	0	1	1	-
Assistant Commissioner	1	1	1	-
Assistant Building Inspector	1	1	1	-
Administrative Assistant	1	3	3	-
Senior Clerk & Typist	3	1	1	-
Code Inspector/Constable	1	1	1	-
Sanitary Housing/Inspector	5	6	6	-
Building Inspector	5	5	5	-
Gas Fittings/Plumbing & Gas Inspector	2	2	2	-
Wire Inspector	2	2	2	-
Senior Building Inspector	1	1	1	-
Zoning Specialist	1	1	1	-
Clerk/Clerical Aide	1	1	1	-
Senior Code Enforcement Inspector	1	0	0	-
Assistant to Commissioner	1	0	0	-
Senior Sanitary Inspector	1	0	0	-
TOTAL	28	27	27	-

LICENSE COMMISSION

Chairperson	1	1	1	-
Dir/Consumer Commission	1	1	1	-
Chief Licensing Investigator	1	1	1	-
Senior Clerk & Typist	1	1	1	-
Administrative Assistant	2	2	3	1
Executive Secretary	1	1	1	-
Executive Assistant	1	1	1	-
Information & Referral Assistant	1	1	0	(1)
TOTAL	9	9	9	-

WEIGHTS & MEASURES

Sealer of Weights & Measures	1	1	1	-
TOTAL	1	1	1	-

	FY06 Staff Pos.	FY07 Staff Pos.	FY08 Staff Pos.	FY 07-08 Variance +/(-)
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ELECTRICAL

City Electrician	1	1	1	-
Assistant City Electrician	1	1	1	-
Administrative Assistant	1	1	1	-
Signal Maintainer	1	1	1	-
Electrician	9	9	9	-
Deputy City Electrician	1	1	1	-
TOTAL	14	14	14	-

EMERGENCY MANAGEMENT

Emergency Management Director	1	1	1	-
Administrative Assistant	1	1	1	-
TOTAL	2	2	2	-

EMERGENCY COMMUNICATIONS

Emergency Communications Dir.	1	1	1	-
Chief Supervisor/Emergency	1	1	1	-
Communication Supervisor	6	6	6	-
Fire Alarm Operator	3	4	4	-
Emergency Telecom Dispatcher	25	24	24	-
Info Syst Specialist/Public Safety	1	1	1	-
Admin. Asst./Emergency Communication	1	1	1	-
System Manager	1	1	1	-
TOTAL	39	39	39	-

COMMUNITY MAINTENANCE & DEVELOPMENT

PUBLIC WORKS

Commissioner	1	1	1	-
Asst. Commissioner/Operations	1	1	1	-
Asst. Commissioner/Administration	1	1	1	-
Assistant Commissioner/City Engineer	1	1	1	-
Administrative Assistant	5	6	6	-
Payroll Analyst	1	1	1	-
Information System Manager	1	1	1	-
Operations Manager	1	1	1	-
Community Relations Manager	1	1	1	-
Manager Human Resource	1	1	1	-
Account Clerk	1	1	1	-
Office Manager	0	0	1	1

	FY06 Staff Pos.	FY07 Staff Pos.	FY08 Staff Pos.	FY 07-08 Variance +/(-)
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PUBLIC WORKS (cont.)

Fiscal Director	1	1	1	-
Accounts Payable Assistant	1	1	1	-
Project Fiscal Manager	1	1	1	-
Accounting Manager	1	1	1	-
Engineering Coop Student	3	3	3	-
Senior Clerk & Typist	1	0	0	-
Engineer II	1	1	1	-
Administrative Assistant Engineering	1	1	1	-
Autocad/GIS Technician	1	1	1	-
Engineering Projects Coordinator	1	1	1	-
Senior Construction Engineer	1	1	1	-
Working Foreperson	19	19	19	-
Laborer	62	60	56	(4)
Skilled Laborer	39	40	40	-
MEO III	3	3	2	(1)
Public Works Supervisor	10	10	9	(1)
Construction Utility Inspector	2	2	2	-
Superintendent of Streets	1	1	1	-
Administrative Assistant Permits	1	1	1	-
Compliance Officer	1	1	2	1
MEO II	7	7	7	-
MEO I	6	6	6	-
MEO IIA	9	9	11	2
Refuse & Parks Inspector	1	1	1	-
Supervisor of Solid Waste	1	1	1	-
Director Recycling	1	1	1	-
Program Manager Recycling	1	1	1	-
Superintendent of Parks	1	1	1	-
Project Administrator Landscape	1	1	1	-
Turf and Landscape Manager	1	1	0	(1)
City Arborist	1	1	1	-
Superintendent of Cemeteries	1	1	1	-
Supervisor of Building Operations	1	1	1	-
Supervisor of Building Maintenance	1	1	1	-
Superintendent of Buildings	1	1	1	-
Supervisor of Building Systems	1	1	1	-
Facilities Supervisor	1	1	1	-
Inventory Control Specialist	1	1	1	-

	FY06 Staff Pos.	FY07 Staff Pos.	FY08 Staff Pos.	FY 07-08 Variance +/-
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PUBLIC WORKS (cont.)

Master Mechanic	1	1	1	-
Dispatcher	1	1	1	-
Sewer Use Compliance Officer	2	1	1	-
Senior Engineer	1	1	2	1
Junior Engineer	2	2	2	-
Director of Engineering Services	1	1	1	-
Project Manager/Engineering	2	2	2	-
Sr. Sewer Collection System Engr.	1	1	1	-
Sr. Wastewater/Hydraulic Engr.	1	1	1	-
TOTAL	215	213	211	(2)

WATER

Managing Director	1	1	1	-
Senior Clerk & Typist	2	2	2	-
Administrative Assistant	1	1	1	-
Water Appl. System Administrator	1	1	1	-
Business Manager	1	1	1	-
Assistant Business Manager	1	1	1	-
Meter Technician	0	4	3	(1)
Working Foreperson	5	5	4	(1)
Water Utility Field Inspector	1	1	1	-
Manager of Engr. & Program Dev.	1	1	1	-
Engineer/Water	1	1	1	-
Facilities Manager	1	1	1	-
Cross Connection Inspector	2	2	3	1
Cross Connection Supervisor	1	1	1	-
Reservation Site Supervisor	1	1	1	-
Ranger	1	1	1	-
Chief Ranger	1	1	1	-
Watershed Supervisor	1	1	1	-
Watershed Manager	1	1	1	-
Reservoir Caretaker	2	2	2	-
Water Crafts/Skilled Laborer	7	6	7	1
Team Leader System Operator	4	4	4	-
System Operator	4	4	4	-
Instrumentation and Maint. Mngr.	1	1	1	-
Watershed Resource Manager	1	1	1	-
Water Quality Supervisor	2	2	2	-

	FY06 Staff Pos.	FY07 Staff Pos.	FY08 Staff Pos.	FY 07-08 Variance +/-
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WATER (cont.)

Lab Manager	1	1	1	-
Production Manager	1	1	1	-
Distribution Supervisor	2	2	2	-
Manager of Distribution	1	1	1	-
Asst. Manager of Distribution	1	1	0	(1)
Assistant to Managing Director	1	1	1	-
Construction Inspector	2	2	2	-
MEO IIA	5	5	5	-
Inventory Control Specialist	0	1	1	-
Water Service Inspector	4	0	0	-
Assistant Director	0	0	1	1
TOTAL	63	63	63	-

COMMUNITY DEVELOPMENT

Asst. City Manager/Community Dev.	1	1	1	-
Deputy Director	1	1	1	-
Project Administrator/Administration	2	2	2	-
C.D.B.G. Manager	1	1	1	-
Associate Planner/Block Grant	1	1	1	-
Administrative Assistant/Fiscal	1	1	1	-
Senior Account Clerk	1	1	1	-
Chief Fiscal Officer	1	1	1	-
Accounting Manager	1	1	1	-
Administrative Asst./Econ. Dev.	1	1	1	-
Administrative Asst./Com. Planning	1	1	1	-
GIS Specialist	1	1	1	-
Chief Proj. Planner/ Dir. Community Planning	1	1	1	-
Chief Proj. Planner/Land Use & Zoning	1	1	1	-
Chief Project Planner/Urban Designer	1	1	1	-
Associate Planner/Urban Design	1	1	1	-
Associate Planner/Construction Mngr.	1	1	1	-
Associate Planner/Community Planner	2	2	2	-
Associate Planner/Land Use	1	1	1	-
Associate Planner/Housing	1	1	1	-
Project Planner/Zoning Specialist	1	1	1	-
Project Planner/Data Manager	1	1	1	-
Administrative Assistant/Housing	1	1	1	-
Chief Project Planner/Dir. of Housing	1	1	1	-
Assistant Planner/Housing	1	1	1	-
Project Planner/Housing	4	4	4	-

	FY06 Staff Pos.	FY07 Staff Pos.	FY08 Staff Pos.	FY 07-08 Variance + / (-)
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COMMUNITY DEVELOPMENT (cont.)

Executive Director/JAS	1	1	1	-
Project Planner/Business/Finance Liaison	1	1	1	-
Chief Proj. Planner/Dir. of Econ. Dev.	1	1	1	-
Associate Planner/Economic Dev.	2	2	2	-
Chief Proj. Planner/Dir. of Env. & Trans.	1	1	1	-
Project Planner/Environ. Proj. Mgr.	1	1	1	-
Assoc. Planner/Traffic Calming Proj. Manager	1	1	1	-
Assoc. Planner/Trans. Demand Mgmt. Planner	1	1	1	-
Assoc. Planner/ Trans. Imp. Plan Coord.	1	1	1	-
Project Planner/Transportation	1	1	1	-
Project Planner/ Landscape Architect	1	1	1	-
Project Administrator/Environmental	1	1	1	-
Project Manager/Environmental	1	1	1	-
TOTAL	45	45	45	-

HISTORICAL COMMISSION

Executive Director	1	1	1	-
Assistant Director	1	1	1	-
Preservation Administrator	1	1	1	-
Preservation Planner	1	1	1	-
Oral Historian	1	1	1	-
TOTAL	5	5	5	-

CONSERVATION COMMISSION

Director of Conservation	1	1	1	-
TOTAL	1	1	1	-

PEACE COMMISSION

Executive Director	1	1	1	-
TOTAL	1	1	1	-

CABLE TELEVISION

Director/Cable Television	1	1	1	-
Municipal Production Assistant	1	1	1	-
Cable TV Assistant	1	1	1	-
Video Tape Editor	1	1	1	-
Associate Producer	1	1	1	-
Production Manager	1	1	1	-
TOTAL	6	6	6	-

	FY06 Staff Pos.	FY07 Staff Pos.	FY08 Staff Pos.	FY 07-08 Variance + / (-)
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HUMAN RESOURCE DEVELOPMENT

LIBRARY

Director of Libraries	1	1	1	-
Assistant Director	2	2	2	-
Senior Librarian	8	8	8	-
Administrative Assistant	1	1	2	1
Staff Librarian	15	15	14	(1)
Library Assistant	8	8	7	(1)
Associate Librarian	5	5	5	-
Library Associate	3	3	4	1
Laborer	1	1	1	-
Senior Building Custodian	1	1	1	-
Building Maintenance Person	1	1	1	-
Building Custodian	2	2	2	-
Information System Coordinator	1	1	1	-
Branch Manager	6	6	6	-
Librarian II	2	2	2	-
Literacy Specialist	1	1	1	-
Library Services Representative	1	1	0	(1)
Library Analyst	1	1	1	-
Senior Technician	0	0	1	1
TOTAL	60	60	60	-

HUMAN SERVICES

Asst. City Manager/Human Services	1	1	1	-
Deputy Director/DHSP	1	1	1	-
Project Coordinator	1	1	1	-
Administrative Assistant/DHSP	2	3	3	-
Facilities Equipment/Manager	1	1	1	-
Admin. Asst./Personnel/DHSP	1	1	1	-
Senior Clerk & Typist	2	1	1	-
Senior Account Clerk	2	2	2	-
Division Head/Administrative	1	1	1	-
Personnel Administrator/Fuel Dir.	1	1	1	-
System Administrator	1	1	1	-
Program Assistant/Extended	1	1	1	-
Coordinator/Supervised Activities	1	1	1	-
Coordinator for Literacy	1	1	1	-
Division Head/Workforce Dev.	1	1	1	-

	FY06 Staff Pos.	FY07 Staff Pos.	FY08 Staff Pos.	FY 07-08 Variance +/-
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HUMAN SERVICES (cont.)

Employment Coordinator	1	1	1	-
Program Asst./WDO	1	1	1	-
Youth Services/MSYEP Coordinator	1	1	1	-
Career Counselor/CEP	2	2	2	-
Job Developer/CEP Services	1	1	1	-
Youth Program Director	1	1	1	-
Division Head/Planning & Dev. Planner	1	1	1	-
Grants Manager/DHSP	1	1	0	(1)
Children & Youth Services Planner	1	1	1	-
Grant Assistant/Planning/DHSP	1	1	1	-
Coordinator-ADA/Executive Dir.	1	1	1	-
Disabilities Project Coordinator	1	1	1	-
Executive Director/Kids Council	1	1	1	-
Housing Specialist/Elderly/Disab.	1	1	1	-
Multiservice Center Director Case Manager	1	1	1	-
Haitian Services Coordinator	1	1	1	-
Divison Head/Community & Youth	1	1	1	-
Community School Director	11	11	11	-
Program Manager/Developer	2	2	2	-
Admin. Asst./Community Schools	1	0	0	-
Division Head/Recreation	1	1	1	-
Danehy Site Supervisor	1	1	1	-
Asst. Site Supervisor	3	3	3	-
Youth Program Manager	1	1	1	-
Recreation Activities Manager/Adult Program	2	2	2	-
Division Head/Council on Aging	1	1	1	-
Director/Client Services/COA	1	1	1	-
Intake Information Referrals Specialist Case Manager	1	1	1	-
North Cambridge Senior Center Director	1	1	1	-
Meals Coordinator/COA	1	1	1	-
Food Services Manager/COA	1	1	1	-
Bus Driver/COA	1	1	1	-
Senior Center Director	1	1	1	-
Activities/Volunteer Coordinator	1	1	1	-
Div. Head/Child Care Family Services	1	1	1	-

	FY06 Staff Pos.	FY07 Staff Pos.	FY08 Staff Pos.	FY 07-08 Variance +/-
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HUMAN SERVICES (cont.)

Teacher/Daycare	12	12	12	-
Head Teacher/Daycare	6	6	6	-
Teacher/Director/Childcare	6	6	6	-
Principal Clerk	1	1	1	-
Preschool Manager	1	1	1	-
Afterschool Manager	1	1	1	-
Coordinator/Childcare	1	1	1	-
Director of Golf	1	1	1	-
Greenskeeper	1	1	1	-
Greens Assistant	1	1	1	-
Div. Head/Comm. Learning Center	1	1	1	-
Diploma Consultant	1	1	1	-
Teacher/Community Learning Center	6	6	6	-
Division Head/Youth Program	1	1	1	-
Youth Center Program Director	5	9	8	(1)
Youth Center Director	5	5	5	-
Senior Clerk/Receptionist	1	1	1	-
Asst Director/Youth Programs	0	0	1	1
Senior Food Pantry Coordinator	0	1	1	-
Youth Activities Coordinator	4	0	0	-
Multiservice Center Assistant	0	1	1	-
Information Referral Coordinator	0	0	1	1

TOTAL 127 128 128 -

COMMISION ON THE STATUS OF WOMEN

Executive Director	1	1	1	-
Project Coordinator/Office Manager	1	1	1	-

TOTAL 2 2 2 -

HUMAN RIGHTS COMMISSION

Executive Director	1	1	1	-
Project Coordinator/Office Manager	1	1	1	-

TOTAL 2 2 2 -

VETERANS' BENEFITS/SERVICES

Director of Veterans' Services	1	1	1	-
Deputy Director/Veterans' Services	1	1	1	-
Administrative Assistant	1	1	1	-

TOTAL 3 3 3 -

GRAND TOTAL 1436 1435 1433 (2)

THIS SPACE RESERVED FOR COUNCILLORS' NOTES

SUMMARY: OPERATING BUDGET (all funds)

FY06 ACTUAL	FY07 PROJECTED	PROGRAM EXPENDITURES	FY08 BUDGET
\$34,711,100	\$39,306,655	General Government	\$46,268,005
82,332,045	84,978,130	Public Safety	87,326,320
76,814,280	82,664,140	Community Maintenance & Development	85,844,605
22,139,355	23,041,425	Human Resource Development	24,060,115
119,727,750	123,862,735	Education	127,690,960
<u>35,890,435</u>	<u>38,701,730</u>	Intergovernmental	<u>41,084,620</u>
\$371,614,965	\$392,554,815		\$412,274,625

FINANCING PLAN	FY08 BUDGET
Taxes	\$265,500,525
Licenses & Permits	6,100,700
Fines & Forfeits	9,160,200
Charges for Service	63,360,140
Intergovernmental Revenue	54,699,465
Miscellaneous Revenue	<u>13,453,595</u>
	\$412,274,625

SUMMARY: CAPITAL BUDGET

PROGRAM EXPENDITURES	FY08 BUDGET
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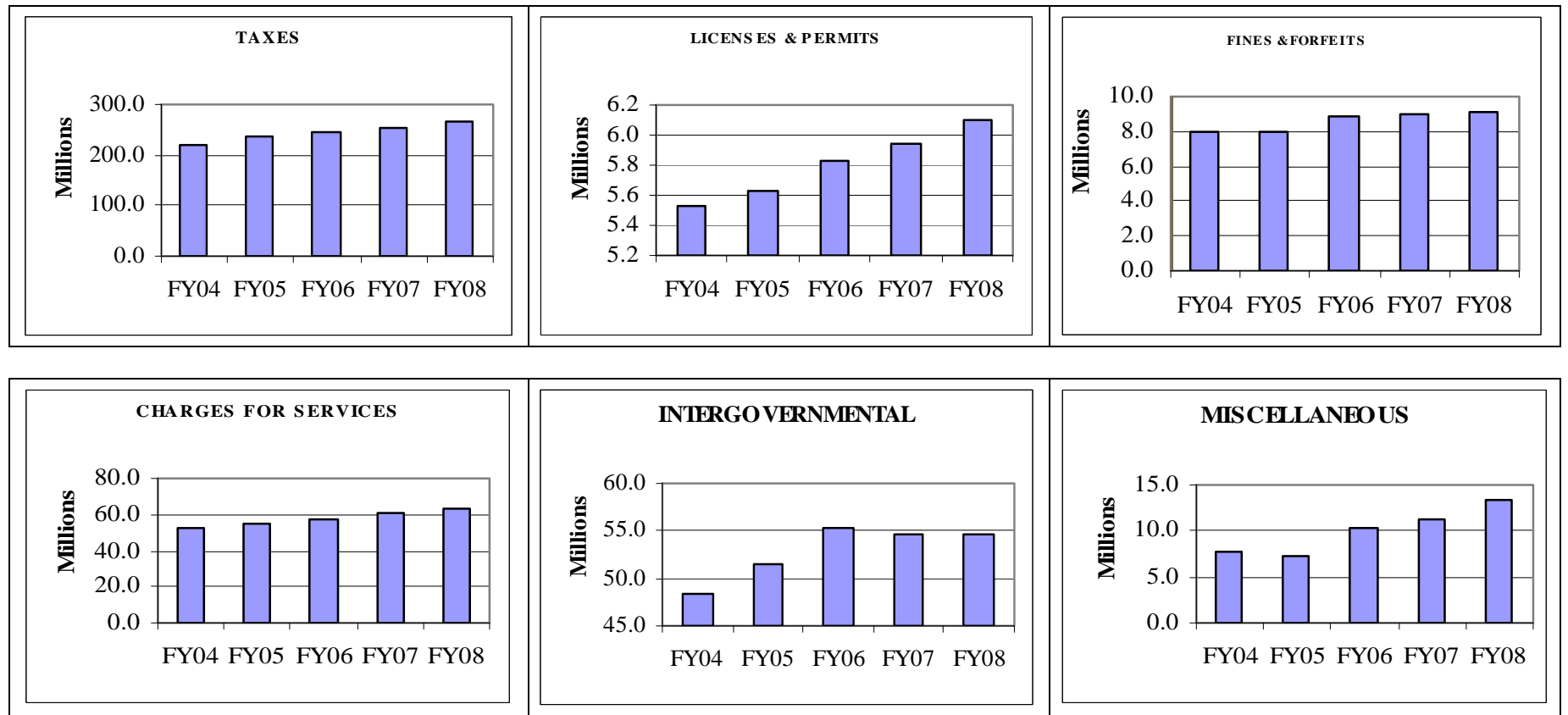
General Government	\$570,000
Public Safety	395,000
Community Maintenance & Development	18,317,295
Human Resource Development	541,365
Education	<u>225,000</u>
	\$20,048,660

FINANCING PLAN	FY08 BUDGET
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Property Taxes	\$1,200,000
Free Cash	1,000,000
Parking Fund	900,000
Fund Balance/Parking	1,500,000
Sewer Service Charge	1,500,000
Water Service Charge	1,000,000
Block Grant	1,658,150
Chapter 90	1,502,940
MWRA Grant	1,250,070
Bond Proceeds	8,510,000
Golf Course Fees	<u>27,500</u>
	\$20,048,660

FIVE YEAR BUDGETED REVENUE ANALYSIS

FISCAL YEAR	TAXES	LICENSES & PERMITS	FINES & FORFEITS	CHARGES FOR SERVICES	INTER-GOVERNMENTAL	MISCELLANEOUS	TOTAL
FY04	\$219,101,405	\$5,525,860	\$7,929,150	\$52,458,415	\$48,428,262	\$ 7,850,575	\$341,293,667
FY05	\$235,234,640	\$5,633,880	\$7,919,670	\$54,826,415	\$51,570,195	\$ 7,241,350	\$362,426,150
FY06	\$242,990,930	\$5,822,615	\$8,880,395	\$56,978,040	\$55,278,340	\$10,236,505	\$380,186,825
FY07	\$254,176,755	\$5,948,335	\$9,009,330	\$60,422,425	\$54,600,140	\$11,312,115	\$395,469,100
FY08	\$265,500,525	\$6,100,700	\$9,160,200	\$63,360,140	\$54,699,465	\$13,453,595	\$412,274,625



Major Revenue Sources

INTRODUCTION

The following narrative is a summary of major revenue sources to the City Budget, including highlights of significant changes. Detailed descriptions for each revenue source including FY06 Actual, FY07 Projected and FY08 Budget are contained in this section.

Of the six basic revenue categories listed on the following pages, taxes, charges for services and intergovernmental revenue represent \$383,560,130 or 93% of the City's total General Fund operating revenues. Generally, over the last five years the percentages of the six revenue categories have remained relatively constant with the tax category averaging 64.4% of total revenues followed by charges for services (15.3%) and intergovernmental revenue (13.3%).

As part of the ongoing effort coordinated by the Finance Department to review permit fees, charges for services and fines charged by City departments, the City was able to implement modest revenue increases. Prior budgets contained significant dollar increases for these revenue items. Although the number of fees increased is not as large, the FY08 Budget contains increases to these revenue types as part of this ongoing effort. In addition, the continued and planned use of reserves and the ongoing analysis of revenue collections in order to budget revenues accurately have also contributed to the increased use of non-property tax revenues to fund the FY08 Budget.

REVENUE ASSUMPTIONS AND PROJECTIONS

Overall, the City's practice is to budget revenues conservatively. Revenue projections for FY08 are based on FY06 actual and FY07 projected collections, historical trends and anticipated changes that impact particular revenue.

The total property tax levy is projected to increase by 5.75% in FY08 or \$13,326,255. Non-property tax revenue is projected to increase by \$3.5 million from a variety of sources that are highlighted below.

In part, the increase in non-tax revenues is based on a review of fees in certain departments, which resulted in fee increases that were implemented in prior fiscal years that continue to grow. In FY08, selected parking fines, Public Works street permit fees, street obstruction permits, sale of graves and lots and sale of compost bins have been increased. However, increased revenues from these fees were not included in the FY08 Budget but will be reflected in the FY09 Budget based on actual revenue collection. As part of this process, the Budget Department continues to construct a database, which will catalogue all fees citywide with amounts, including a citation of the applicable legal authority responsible for setting the fee. This will allow a more efficient and systematic analysis of fees in the future. In addition, a review of possible fee increases in other departments will be continued.

It should also be noted the FY08 Budget does include some increased revenues based on fee increases implemented in the current fiscal year or scheduled for July 1. For example, First Street (East Cambridge) Garage fees have been increased, effective July 1, as an offset to a projected revenue loss of \$600,000 due in part to the temporary relocation (beginning January 2008) of the East Cambridge Courthouse while it is being renovated and to bring fees into line with surrounding facilities. The full-year impact on revenues is estimated at 1.2 million. Cemetery fees have been increased with the additional revenues projected for FY08. Parking lot fees have been increased in certain locations with only a portion of the increased revenue used in FY08. In addition, there are revenue adjustments based on actual increased collections realized in FY07 such as interest income, hotel/motel tax, health claims trust transfer and others.

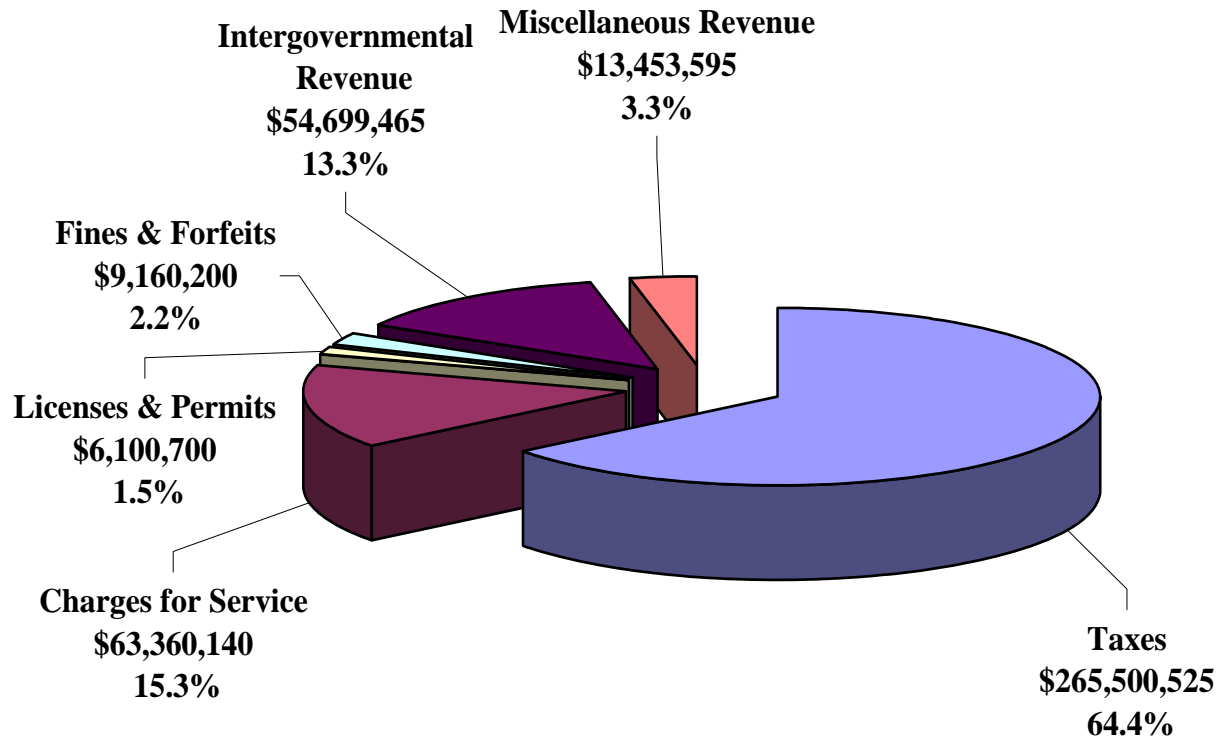
As noted, it is the City's practice to budget non-property tax revenues conservatively. Therefore, for a majority of the revenues that have seen an increase in FY08, the City will carefully review actual revenue collections during the fiscal year to determine if additional revenue can be used as part of the financing plan for the FY09 Budget.

The following table summarizes FY08 revenues by category.

<u>Revenue Category</u>	<u>FY08 Amount</u>	<u>% of Total</u>
Taxes	\$265,500,525	64.4%
License and Permits	6,100,700	1.5%
Fines and Forfeits	9,160,200	2.2%
Charges for Services	63,360,140	15.3%
Intergovernmental	54,699,465	13.3%
Miscellaneous	<u>13,453,595</u>	<u>3.3%</u>
TOTAL	\$412,274,625	100.0%

Major changes in revenues are noted below by category.

REVENUE BY SOURCE



1. TAXES

Overall, FY08 tax revenues total \$265,550,525. The components of this revenue category are Property Taxes (real estate and personal property), Motor Vehicle Excise, Hotel/Motel, Corporation Excise, Penalties and Delinquent Interest and Payments In-Lieu of Taxes. As noted earlier, 64.4% of the Operating Budget is funded from this revenue category. Non-property tax revenues, such as the Hotel/Motel Tax, have shown significant growth in FY07 that has allowed the additional use of these revenues in FY08 to help lessen the growth in the property tax levy.

Real Estate and Personal Property Taxes

The property tax levy is the City's largest and most dependable source of revenue growth. Within the tax category, the real and personal property tax items are the largest at \$246,276,685 and represent 59.7% of the total general fund operating revenues. When non-budget items such as overlay reserve and other offsets (\$4,636,665) are included, plus \$1,200,000 for the Capital Budget, the total FY08 tax levy is \$245,113,350. However, \$2,000,000 in overlay surplus balances accumulated from prior fiscal years is being used to lower the tax levy increase, which is the same amount used in FY07. In addition, \$5 million in Free Cash (see Miscellaneous Section below) is being used to reduce the property tax levy increase in FY08, which is a reduction of \$1 million from FY07 and reflects our financial projections as well as establishes a figure which is sustainable in future years.

Therefore, the total property tax levy required to support the General Fund Operating and Capital Budget is \$245,113,350 which is an increase of \$13,326,255 or 5.75% from FY07. The actual tax levy is determined in the fall as part of the property tax and classification process. In addition, the City can make adjustments to budgeted revenues as part of this process.

As noted above, the overall property tax levy is projected to increase by 5.75% in FY08 and is less than the 5.9% projected increase for FY08 contained in the City's five-year financial plan. It is anticipated that the actual increase in the property tax levy will be below 5% in the fall when the City Council votes the property tax and classification recommendation presented by the City Manager. It is anticipated that the City will be able to use increased non-property tax revenues, such as parking fund revenue, debt stabilization or state aid, at a higher level than what is included in the FY08 Budget once actual FY07 receipts and final state aid figures are known.

As noted above, the Public Investment (Capital) Budget uses \$1,200,000 in property taxes as a revenue source, which is a decrease of \$250,000. The FY08 Budget uses \$1,500,000 from the City's Stabilization Fund to offset the impact of increasing debt service costs on the property tax levy. The total balance in the Stabilization Fund as of June 30, 2007 is projected to be approximately \$13.8 million. This is a planned use of the City's Stabilization Fund, which began in FY06.

Real and personal property taxes are based on values assessed as of each January 1. By law, all taxable property must be assessed at 100% of fair cash value. Also by law, property taxes must be levied at least 30 days prior to their due date. Once levied, these taxes are recorded as receivables, net of estimated uncollectible balances. The City sets its residential and commercial tax rates in the fall of each year. The City bills and collects its property taxes on a semiannual basis following the January 1 assessment. The due dates for those tax billings are

usually November 1 and May 1. Property taxes that remain unpaid after the respective due dates are subject to penalties and interest charges.

The City successfully last completed the state mandated tri-annual valuation process of all property values in FY05. The City is required to perform a “mini” revaluation process in the interim years in order to ensure that it maintains fair market values. The next state certification process for property values will be in FY08. However, the City is preparing for this recertification process during FY07.

Based on the City’s experience, most property taxes (approximately 99%) are collected during the year in which they are assessed. Liening of properties on which taxes remain unpaid occurs annually. The City ultimately has the right to foreclose on all properties where the taxes remain unpaid.

The total property tax levy is impacted by Proposition 2½, which was voted into state law in 1980. Proposition 2½ limits the property tax levy in a city or town to no more than 2.5% of the total fair market value of all taxable real and personal property. In addition, it limits the total property tax levy increase to no more than 2.5% over the prior year’s total levy limit plus new construction.

The City has benefited from new construction over the past several years. This has enabled the City to generate an FY07 excess levy capacity (difference between the property tax levy limit and actual property tax levy) of approximately \$73.7 million. This has been an important factor in the City’s ability to manage reductions in state aid revenue in previous fiscal years.

Please refer to the Tax Facts chart located in the Summaries section for a history of property assessments, levies and tax rates.

Hotel/Motel Taxes

Hotel/Motel tax revenues of \$6,350,000 are included in the FY08 Budget, which is an increase of \$631,100 from FY07. This change is based on an increase in year-to-date revenue collections in FY07, which are projected to total \$6,500,000. The increase in hotel/motel taxes is a result of higher occupancy rates and increased room rates and these trends are expected to continue in FY08. However, based on recent history where revenues were declining, the City has opted to continue to budget these revenues conservatively in FY08.

Payments in Lieu of Taxes

In FY05, the City entered into the first ever written Payment In Lieu of Taxes (PILOT) agreement with the Massachusetts Institute of Technology (MIT). While MIT has made voluntary PILOT payments for many years, this is the first time that this important commitment had been entered into in writing which includes a 40-year term. In addition, the City also renewed its PILOT agreement with Harvard University in FY05, which has a 50-year term.

The MIT agreement for FY05 included a base payment of \$1,254,000 (FY05 voluntary payment plus 2.5%) and a permanent increase of \$250,000 for a total base payment of \$1,504,000. In addition, the agreement contains an escalation of the base payment of 2.5% per year during the term. The FY08 payment is scheduled to be \$1,619,640.

In addition to the increased revenues, the MIT PILOT agreement provides a revenue protection component, which protects the City's tax base into the middle of this century. MIT is the City's largest taxpayer, paying in excess of 10% of the taxes levied by the City. The potential for those now taxable properties to be converted to tax exempt was a very serious concern, not only to the City, but also to MIT. MIT has made investments in Cambridge real estate as a significant portion of their investment portfolio. The well-being of the City's fiscal health is important to the Institute. The agreement provides for a complicated set of revenue protections so that conversions to tax exempt status would not dramatically impact that fiscal health.

The Harvard University agreement included an upfront contribution of \$1 million above the base PILOT payment in FY05 of \$2,007,738 for a total of \$3,007,738. In addition, the agreement contains an escalation of the base payment of 3%. Additionally, Harvard's base PILOT payment will increase by an additional \$100,000 every 10 years. The FY08 payment is scheduled to be \$2,181,922.

Based on these agreements, payments in lieu of tax payments for these two institutions are budgeted \$103,051 higher than FY07. In addition, other institutions such as the Whitehead Institute, Cambridge Housing Authority and Harvard Vanguard, as well as several smaller organizations make in-lieu of tax payments annually. FY07 revenues are projected to be approximately \$4,550,000 which is \$165,220 higher than budgeted. This amount, when added to the FY08 estimated increase in the Harvard and MIT in-lieu of payments results projected total revenue of \$4,650,000, which is an overall budget increase of \$265,220 from FY07.

2. LICENSE AND PERMITS

FY08 License and Permit revenue totals \$6,100,700 and is a result of licenses and permits primarily issued by the Inspectional Services Department and the License Commission. The largest revenue in this category is Building Permits that is budgeted at \$2.8 million in FY08. This is the same amount budgeted in FY07. Projected revenue for FY07 is estimated to be \$7.0 million. The City has traditionally not budgeted higher revenues from this source in order to guard against revenue shortfalls during periods of economic downturns.

In addition, revenue from Street Obstruction Permits issued by the Traffic, Parking and Transportation Department have been increased by \$75,000 in FY08 based on FY07 projected revenues. An increase to the existing fees charged for Street Obstruction Permits issued by the Traffic, Parking and Transportation Department for tool trucks and dumpsters has been implemented for FY08. This includes instituting a \$100 application fee with a \$50 per week charge for tool truck permits and \$75 per week charge for dumpsters. However, the estimated additional receipts of approximately \$90,000 are not included in the FY08 revenue estimate. In addition, fees for Street Permits issued by the Department of Public Works have been increased to \$2 per linear foot from \$2 per square foot and an increase in the administrative fee from \$75 to \$100. In particular, permit fees for sidewalk obstruction and cranes (\$75 to \$100 per day) have been increased which is estimated to raise approximately \$35,000 in additional revenues. These additional revenues have not been included in FY08 in keeping with the City's practice to monitor actual revenues increases for a fiscal year before including them in budgets.

Also, Sprinkler and Plumbing Permits issued by the Inspectional Services Department have been increased by \$51,760 based on FY07 projected receipts. Alcohol License fees have been increased by \$25,000 in FY08 to reflect an increase in FY07 projected revenues.

3. FINES AND FORFEITS

FY08 revenue from Fines and Forfeits totals \$9,160,200. The largest revenue source for this category is parking fines which totals \$8,540,200 in the FY08 Operating Budget which is a decrease of \$140,630 from adjusted FY07 budgeted revenues of \$8,680,830. The \$8,540,200 amount does not include \$900,000 that is used as a funding source for Traffic and Parking related capital projects which when included brings the total projected parking fine revenue in FY08 to \$9,440,200 for a total decrease of \$620,630 from the FY07 Budget. The primary cause of the decrease in the use of parking fine revenues required in FY08 is due to a reduction of \$480,000 needed to fund the FY08 Traffic and Parking Capital Budget, which has been decreased from \$1,380,000 to \$900,000 in FY08. In addition, the City has been more conservative in the use of parking fine revenues in FY08 based on an estimated decrease in receipts from FY06. Parking Fines are reported to the Parking Fund which is used to record several traffic and parking related revenues including parking fines. A review of other Parking Fund revenues is included in the Charges for Services section below.

Not included in FY08 parking fine revenues estimate is an increase in certain parking fines which are scheduled to go into effect at the beginning of FY08. The most serious public safety violations – blocking a hydrant will increase from \$50 to \$55, parking in a fire lane will increase from \$40 to \$50, double parking will increase from \$30 to \$35, parking in a crosswalk or on a sidewalk will increase from \$30 to \$35 and blocking a snow emergency artery will increase from \$30 to \$40. The parking fine associated with street cleaning will increase from \$20 to \$30. Projected revenues from these increases is estimated to exceed \$180,000 annually based on past violation history.

Increases in Traffic and Parking fines could be used to reduce the increase in the property tax levy as well as provide a funding source to perform general street repairs and reconstruction projects once a full year experience has been obtained in keeping with our practice of not over anticipating revenues.

4. CHARGES FOR SERVICES

The Charges for Services category is the second largest revenue stream to the City and totals \$63,360,140 or 15.3% of all operating revenues. The major components of this category include the water usage charge, sewer service charge and Parking Fund revenues.

Water and Sewer

In March of each year, the City Council establishes water and sewer rates, which determine water and sewer revenues for the next fiscal year. Because of the timing requirements, water and sewer rates are set prior to the adoption of both the FY08 City Budget and Massachusetts Water Resource Authority (MWRA) Budget; therefore revenue needs are determined based upon estimated expenditures. Historically, water and sewer rates have been established so that revenues generated by them cover 100 percent of the projected annual costs. For the period beginning April 1, 2007 and ending March 31, 2008, water and sewer rates reflect no increase from FY07.

During the previous year's rate setting process, the projected FY08 rate increases for water, sewer and combined were 4.7%, 8.5%, and 7.2% respectively. Revised revenue and expenditure assumptions for FY08 allowed us to meet FY08 budget requirements without increasing the water and sewer rates. FY07 water and sewer revenues are stronger than originally projected. Because FY07 is the first year with full implementation of the Automated Meter Read System (AMR), the City was conservative in its revenue projections for FY07 due to the transition from a billing system based both on actual and estimated bills and reads from older meters to the new AMR system, which uses only actual reads to determine bills. In addition, expenditures increases for FY08 are smaller than originally estimated.

FY08 estimated sewer revenues will absorb the FY08 estimated Massachusetts Water Resource Authority (MWRA) assessment, which is scheduled to increase by \$2,034,772 to \$18,856,840, or 12.1%. However, the total dollar assessment for FY08 is less than the amount projected last year because of a lower FY07 actual assessment increase of 6.6% instead of 12.1%. The MWRA rate increase provided to the City is subject to change based on the MWRA budget adopted later in the Spring 2007. This large assessment increase is due to rising energy costs, higher interest costs on MWRA debt, additional health insurance costs for MWRA employees and changes in public health and environmental requirements that increase overall spending for the MWRA.

In February 2007, the City issued \$3,425,000 million in bonds to finance several sewer reconstruction projects throughout the City. The annual debt service costs attributable to these bonds are included in the sewer budget.

FY08 estimated water revenues will absorb salary and benefit increases for Water Department employees as well as additional energy costs related to the operation of the water plant. Debt service costs continue to decline by \$105,155. Available Water Fund balance in the amount of \$285,000 is used to offset a rate increase, but at a lower amount than the \$700,000 projected from last year.

The Water Fund is a proprietary fund and accounts for the activities related to the preparation and delivery of water to City residents. In addition to supporting the operations of the Water Department, Water Fund revenues are used to support the operating budgets of the

Finance, Conservation, Public Works and Community Development Departments. In addition, \$1,000,000 in revenues is used to support Water related capital projects.

Sewer Service revenues are not recorded in a separate fund but are part of the General Fund. Sewer Service revenues are used to support the operating budgets of the Finance, Public Works, Debt Service, MWRA and Community Development Departments. In addition, \$1.5 million in revenues is used to support sewer related capital projects.

Total FY08 water revenues are \$18,576,815 and include water usage, miscellaneous water charges, retained earnings (fund balance) and Massachusetts Water Pollution Abatement Trust (MWPAT) subsidies. This is an increase of \$843,640 from FY07. In addition to the \$18.6 million, \$1,000,000 in water revenues is used to fund water related capital projects in FY08, an \$80,000 increase from FY07. Therefore, the net increase in total water revenues is \$923,640.

Beginning five fiscal years ago and continuing for the next several years, a portion of the fund balance from the Water Fund is estimated to be used to offset increases in the operation of the Water Department. In FY08, fund balance support is \$285,000, a decrease of \$865,000 from FY07, which coincides with the decrease in water debt service plus the increase in water revenues. The Water Fund balance as of 6/30/06 was \$5,405,060 and the balance is projected to be \$5,476,935 at the end of FY07 based on the state budgetary basis of accounting.

As is the case with water revenues, sewer revenues are based on estimated expenditures. Sewer revenues for FY08 are budgeted at \$32,857,100 an increase of \$1,435,950 from the FY07 budget. In addition, to the \$32.9 million, \$1,500,000 in sewer revenues has been included in the FY08 Capital Budget, which is a \$600,000 increase from FY07.

Parking Fund

The Parking Fund is used to record revenue from use of meter and street obstruction permits, street meter collections, resident parking stickers, parking lots and garages, parking fines, interest earnings and miscellaneous income. Total revenues from these sources are budgeted to be \$17,090,200 in FY08 to fund the Traffic, Parking and Transportation Department Operating Budget (\$9,221,865), Capital Budget (\$900,000) and support 11 other Operating Budgets (\$6,968,335).

FY08 Parking Fund Usage revenue of \$6,510,000 which is contained in the Charges for Services revenue category includes receipts from Traffic, Parking and Transportation Department activities such as street meters (\$2,575,000), parking lot revenues (\$300,000), parking garage revenues (\$3,140,000), resident stickers (\$360,000), boot removal (\$75,000) and use of meter fees (\$60,000). FY08 revenues from these sources are projected to increase by \$416,295 or 6.8% from the FY07 Budget. The largest increase in these revenues comes from parking lot revenues (\$65,000) and street meters (\$218,210).

In addition to the revenues listed above, FY08 Parking Fund revenues include receipts for street obstruction permits (\$425,000), parking fines (\$9.4 million), interest earnings (\$625,000), rental receipts (\$60,000) and miscellaneous revenue (\$30,000).

As noted above in the License and Permit section above, Street Obstruction Permits issued by the Traffic, Parking and Transportation Department for tool trucks and dumpsters has been increased in FY08. Also, the Traffic, Parking and Transportation Department will be installing multi-space pay stations at the Harvard Square lot prior to the end of the current fiscal year. Rates for each the Harvard Square and the Springfield lot will be increased to \$2 per hour with operating hours from 8:00 a.m. to 10:00 p.m. Annual revenues from these pay stations are estimated to be \$120,000. Of this anticipated revenue \$65,000 has been used for the FY08 Budget. In addition, parking garage fees at the First Street (East Cambridge) garage will be increased at the beginning of FY08 in part to offset the projected loss of revenue of \$600,000 due to the temporary relocation (beginning January 2008) of the East Cambridge Courthouse while it is being renovated and to bring fees into line with surrounding facilities. Monthly fees are being increased from \$140 per month to \$170 (5 day) and from \$160 to \$200 (7 day) with the phasing out of the 5 day fee later in FY08. With these increases, projected garage revenues are estimated to be approximately \$2.5 million which approximates the estimated FY07 total.

The Fund Balance of the Parking Fund as of 6/30/06 was \$11.4 million and is projected to increase to \$12.3 million as of 6/30/07 due to increased revenues from parking fines, street meters, parking lots and interest income.

Other

There are other Charges for Service revenues that have increased in the FY08 Budget. The major changes include:

- \$98,690 in municipal access fees received by the Cable TV Department from Comcast based actual revenues received in FY07. The FY08 budgeted revenue is \$1,225,125.
- \$22,500 in smoke detector/carbon monoxide fees based on projected FY07 revenues.
- \$35,000 in water cross connection fees performed by the Water Department.
- Cemetery Fees are projected to be \$310,000. The Public Works is implementing cemetery fee increases in the current fiscal year which includes increasing the burial fee from \$820 to \$900, a new shrub removal fee of \$75 and a new cremation set-up fee of \$100. The estimated revenue from these fee increases is projected to be \$25,000 which has been included in the FY08 Budget.
- The fee for Sale of Compost Bins has been increased from \$25 to \$50 to better reflect actual costs and is scheduled to increase revenue by \$1,800 but has not been included in FY08 estimates.

- The War Memorial Facility is scheduled to be closed for extensive renovations in the early summer of 2007 for a period of approximately sixteen months. In order to provide some continuity of recreational programming, the Recreation Division has arranged with neighboring institutions and organizations for use of their pools. Consequently, budgeted costs for part-time staffing at the pool have been reduced as well as FY08 associated revenues such as swimming pool and recreation activity fees, which have been decreased by a total of \$34,000.

5. INTERGOVERNMENTAL REVENUES

FY08 Intergovernmental Revenue (\$54,699,465) includes federal and state grants, other governmental revenue and State Cherry Sheet revenue.

State Aid

Total FY08 State Cherry Sheet revenue of \$42,929,305 represents 10.4% of the total FY08 Operating Budget.

Named for the cherry colored paper on which it was originally printed, the Cherry Sheet is the official notification from the Commissioner of Revenue of the next fiscal year's state aid and assessments to communities and regional school districts. State aid to municipalities and regional school districts consists of two major types – distributions and reimbursements. Distributions provide funds based on formulas, while reimbursements provide funds for costs incurred during a prior period for certain programs or services. In addition, communities may receive "offset items" which must be spent on specific programs. Cherry Sheet Assessments are advance estimates of state assessments and charges and county tax assessments. Local assessors are required to use these figures in setting the local tax rate.

Local aid refers primarily to distributions from the Commonwealth to municipal general revenue for Chapter 70 education aid, additional assistance and lottery aid. The amount of these funds to be distributed is listed on each community's cherry sheet along with other relatively smaller Commonwealth programs such as library aid, veteran's benefits, police career incentive, school lunch and other reimbursements. School Building reimbursements which were part of the Cherry Sheet were removed once a new authority (School Building Authority) was created to administer the program from the State Department of Education. However, the reimbursement revenues (\$3,875,350) have remained in this category for budgeting purposes.

In FY07, the City received \$26,623,055 in Additional Assistance and Lottery Aid. FY07 School Aid/Chapter 70 was \$7,772,245. The total of these three revenues is \$34,395,300 or 8.7% of the FY07 Adopted Budget.

The City estimates receiving \$416,395 more in FY08 than it did in FY07 for these three major local aid categories for a total of \$34,811,695. However, there is net decrease of \$196,335 after taking into account decreases in other state aid categories with the largest decrease occurring in Charter School Tuition Reimbursement of \$747,835. These three local aid categories represent 8.4% of total FY08 Operating Budget. This assumption is based on the Governor's FY08 Budget released in February 2007. The House Ways and Means budget proposal contains an increase to the Chapter 70 category with Additional Assistance and Lottery Aid remaining the same.

The Cherry Sheet contains an estimated reimbursement for the cost assessed to cities and towns (also contained on the Cherry Sheet) for students who live in that city or town but attend charter schools based on a formula calculated by the state. Actual reimbursements and assessments are adjusted based on the actual charter school enrollments determined each October 1st. Reimbursements for new charter school students are provided for three years on a declining scale (100%, 60%, 40%, and 0%). Based on the estimated total enrollment of charter school students in FY08 and the declining reimbursement rate as noted above, the Cherry Sheet reimbursement is estimated to decrease by \$747,835 million (FY07 Cherry Sheet vs. FY08 Governor's Budget proposal). This estimate will change based on the actual number of Charter School students.

Other Cherry Sheet items contained in the FY08 State Budget proposals did not change significantly.

Other

The amount received from the Massachusetts Water Pollution Abatement Trust as a subsidy for sewer and water loans is reduced by \$422,540 in FY08 due to the decrease in the balance of the loans.

Community Development Block Grant revenues are projected to remain approximately the same from \$3,266,140 in FY07 to \$3,271,835 in FY08.

6. MISCELLANEOUS

The Miscellaneous Revenue category totals \$13,453,595 in FY08, which is an increase of \$1,391,480 from FY07.

Interest Earnings

An additional \$350,000 in General Fund interest earnings revenue has been included in the FY08 Budget based on higher interest rates received on investments and additional income generated by the use of investment advisory services, bringing the total amount budgeted in FY08 to \$3,600,000. The FY08 Budget reflects \$625,000 in interest earnings from the Parking Fund, an increase of \$75,000. \$45,000 from interest on perpetual care accounts is included in FY08, which remains unchanged from FY07. Total interest earnings are budgeted at \$4,270,000 on FY08. This budgeted revenue amount is significantly less than the \$7.8 million projected for FY07. However, the cash balances available in FY08 which are able to be invested will be significantly lower due to the large expenditures scheduled to be made with

the start of three major construction projects (Main Library Expansion, West Cambridge Youth and Community Center and Public Safety Facility) in the spring of 2007. In addition, this FY08 budget estimate is in keeping with the City's practice of projecting revenues conservatively.

Free Cash

Free Cash are funds remaining from the operations of the previous fiscal year, which are certified by the State Department of Revenue's (DOR) Director of Accounts as available for appropriation. Remaining funds include unexpended Free Cash from the previous year, receipts in excess of estimates shown on the tax recapitulation sheet and unspent amounts in budget line items. Unpaid property taxes and certain deficits reduce the amount of remaining funds, which can be certified as Free Cash. The City's FY06 certified Free Cash figure was \$68.0 million which was \$14.4 million higher than FY05.

The total Free Cash amount used in the FY08 Operating Budget is \$2,000,000 which is the same amount used in the FY07 Budget. In addition, \$1,000,000 in Free Cash has been used in the Capital Budget, which is the same amount from FY07.

In addition, \$6,000,000 in Free Cash was used to reduce the increase in the property tax levy in FY07. It is estimated that the City will use \$5 million in Free Cash in FY08 to lower the property tax levy increase. This \$1 million dollar reduction is consistent with the City's financial plan. It is estimated that the City's FY07 certified Free Cash amount will be less than the FY06 amount of \$68 million. In addition to the \$3 million used in the Budget and the \$6 million used to lower the property tax levy, \$8 million was transferred to the Debt Stabilization Fund in FY07 to offset increases in property tax supported debt in future years.

Debt Stabilization

The FY08 Budget uses \$1,500,000 in Stabilization Funds as a revenue source to offset increases in debt service costs in FY08. This is a \$500,000 decrease from FY07. This planned use of reserves is intended to reduce the increase in property taxes as our debt service costs increased. A larger amount than the \$1.5 is planned for future years to coincide with larger increases in debt service for the Main Library, Public Safety and West Cambridge Youth and Community Center projects.

Other

The Health Claims Trust Fund Transfer has been increased from \$3,860,000 to \$5,000,000 to reflect increased employee health insurance contributions as a result of an increase in the percentage from 12% to 15% in December 2006 for non-union and most unionized employees with a settled contract. The contribution rate for non-union and some unionized employees will increase to 18% in FY08.

Every two years the City performs an actuarial valuation and review for the Contributory Retirement System. The actuarial study determines the level of yearly contributions needed to fully fund the System's actuarial accrued liability by the year 2028, as required by the Commonwealth of Massachusetts. In accordance with the revised funding schedule the City is projected to fully fund the City's unfunded

actuarial liability by 2015. This funding schedule assumes the normal yearly budgeted contribution as part of the General Fund Budget and an annual \$200,000 transfer from the Teachers Retirement Agency Fund. The City receives over \$300,000 yearly from reimbursements from the Massachusetts Teachers Retirement Board which are deposited into this agency fund. This \$200,000 allocation has been included in the FY08 Budget for the first time.

The Police Department receives reimbursements for overtime and services provided by police personnel from various outside agencies. Revenues received from this source will be used to offset these costs. \$64,000 has been included in the FY08 Budget for the first time.

The price for the Sale of Lots and Graves has been increased from \$800 to \$950 in FY08 which is comparable to other municipal cemeteries. The estimated increased revenues of \$15,000 have not been included in the FY08 Budget.

Revenues from the Rental of City Property have been reduced to \$131,480 from \$159,565 in FY08 to reflect the decrease in income due to a vacant commercial space located at the East Cambridge garage as a result of a fire.

The following pages provide a detailed description of specific revenues contained in the six major revenue categories.

THIS SPACE RESERVED FOR COUNCILLORS' NOTES

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
\$236,963,511	\$253,316,350	TAXES	\$265,500,525
\$13,288,627	\$10,626,480	LICENSES AND PERMITS	\$6,100,700
\$11,635,165	\$10,920,400	FINES AND FORFEITS	\$9,160,200
\$62,618,509	\$66,360,015	CHARGES FOR SERVICES	\$63,360,140
\$56,526,938	\$56,905,560	INTERGOVERNMENTAL REV.	\$54,699,465
<u>\$16,047,755</u>	<u>\$18,109,040</u>	MISCELLANEOUS REVENUE	<u>\$13,453,595</u>
\$397,080,505	\$416,237,845		\$412,274,625

**OPERATING BUDGET
- Summary**

GENERAL FUND. City revenues are divided into six basic categories recommended by the National Committee on Governmental Accounting. The categories are: Taxes; Licenses and Permits; Fines and Forfeits; Charges for Services; Intergovernmental Revenue; and Miscellaneous Revenue. The revenues described in this section are received in the general, parking, water and grant funds.

MAXIMIZING NON-TAX REVENUES. The City will continue its policy of seeking alternative revenue sources to lower the tax burden for City services, enforcing its license and permits policies, charging users for specific services where feasible, and aggressively collecting outstanding parking fines.

As part of the ongoing effort coordinated by the Finance Department to review permit fees, charges for services and fines charged by City departments, the City was able to implement modest revenue increases. Prior budgets contained significant dollar increases for these revenue items. Although the number of fees increased is not as large, the FY08 Budget contains increases to these revenue types as part of this ongoing effort. In addition, the continued and planned use of reserves and the ongoing analysis of revenue collections in order to budget revenues accurately have also contributed to the increased use of non-property tax revenues to fund the FY08 Budget.

The total property tax levy is projected to increase by 5.75% in FY08 or \$13,326,255. Non-property tax revenue is projected to increase by \$3.5 million from a variety of sources that are highlighted below.

In part, the increase in non-tax revenues is based on a review of fees in certain departments, which resulted in fee increases that were implemented in prior fiscal years that continue to grow. In FY08, selected parking fines, Public Works street permit fees, street obstruction permits, parking lot fees, cemetery fees, sale of graves and lots and sale of compost bins have been increased. However, increased revenues from these fees were not included in the FY08 Budget but will be reflected in the FY09 Budget based on actual revenue collection. As part of this process, the Budget Department continues to construct a database, which will catalogue all fees citywide with amounts, including a

citation of the applicable legal authority responsible for setting the fee. This will allow a more efficient and systematic analysis of fees in the future. In addition, a review of possible fee increases in other departments will be continued.

It should also be noted the FY08 Budget does include some increased revenues based on fee increases implemented prior to the beginning of the fiscal year or scheduled for July 1. For example, First Street (East Cambridge) Garage fees have been increased, effective July 1, as an offset to a projected revenue loss of \$600,000 due in part to the temporary relocation (beginning January 2008) of the East Cambridge Courthouse while it is being renovated and to bring fees into line with surrounding facilities. The full-year impact on revenues is estimated at 1.2 million. Cemetery fees have been increased with the additional revenues

projected for FY08. Parking lot fees have been increased in certain locations with only a portion of the increased revenue used in FY08. In addition, there are revenue adjustments based on actual increased collections realized in FY07 such as interest income, hotel/motel tax, health claims trust transfer and others.

As noted, it is the City's practice to budget non-property tax revenues conservatively. Therefore, for a majority of the revenues that have seen an increase in FY08, the City will carefully review actual revenue collections during the fiscal year to determine if additional revenue can be used as part of the financing plan for the FY09 Budget.

The chart below shows the revenue breakdown, by percentage, of the six major revenue accounting categories for a five-year period.

FISCAL YEAR	TAXES	LICENSES & PERMITS	FINES & FORFEITS	CHARGES FOR SERVICES	INTER-GOVERNMENTAL	MISCELLANEOUS
FY08	64.4%	1.5%	2.2%	15.3%	13.3%	3.3%
FY07	64.3%	1.5%	2.3%	15.3%	13.8%	2.8%
FY06	64.0%	1.5%	2.3%	15.0%	14.5%	2.7%
FY05	65.0%	1.6%	2.2%	15.0%	14.2%	2.0%
FY04	64.2%	1.6%	2.3%	15.4%	14.2%	2.3%

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
\$207,066,627	\$221,610,500	REAL PROPERTY TAX	\$233,470,297
\$10,447,916	\$12,155,850	PERSONAL PROPERTY TAX	\$12,806,388
\$5,876,448	\$5,900,000	MOTOR VEHICLE EXCISE TAX	\$5,823,840
\$5,800,992	\$6,500,000	HOTEL/MOTEL EXCISE TAX	\$6,350,000
\$2,091,600	\$1,800,000	CORPORATION EXCISE TAX	\$1,600,000
\$1,192,160	\$800,000	PENALTIES & DELINQ. INT.	\$800,000
<u>\$4,487,768</u>	<u>\$4,550,000</u>	IN-LIEU OF TAX PAYMENTS	<u>\$4,650,000</u>
\$236,963,511	\$253,316,350		<u>\$265,500,525</u>

**TAXES
- Summary**

REAL PROPERTY TAX. The primary source of revenue for municipalities in the Commonwealth is the real property tax. For purposes of taxation, real property includes land and buildings and improvements erected or affixed to the land. The City's Board of Assessors determines the value of all taxable land which is revalued at fair market

value every three years. During FY07, the City is preparing for the next full revaluation which will be the basis of the state recertification process for FY08.

PERSONAL PROPERTY TAX. This tax is imposed on the personal property (stock, inventory, and laboratory or business equipment, furniture, fixtures and machinery) of business firms located in the City. Manufacturing corporations pay personal property tax to the City on poles, wires and conduits.

MOTOR VEHICLE EXCISE TAX. The motor vehicle excise tax is collected by the city or town in which a vehicle is garaged at the time of registration. State law sets the rate of this tax at \$25 per \$1,000 valuation.

HOTEL/MOTEL EXCISE TAX. Massachusetts law permits cities and towns to impose a local room occupancy excise tax of four percent upon the transient rental of rooms in hotels, motels and lodging houses.

CORPORATION EXCISE TAX. State law entitles each city or town to receive proceeds from the urban development excise tax paid on its local projects.

PENALTIES AND DELINQUENT INTEREST. This category includes delinquent interest on all taxes and water/sewer accounts. It also contains demand fees on late real and personal property tax payments as well as demands and warrants on late motor vehicle excise tax payments.

IN-LIEU OF TAX PAYMENTS. In-lieu of tax payments from tax exempt property owners is included in this category. Harvard University and the Massachusetts Institute of Technology are traditionally the principal in-lieu of tax sources in the city.

ACTUAL FY06	PROJECTED FY07	BUDGET FY08	
\$207,066,627	\$221,610,500	REAL PROPERTY TAX \$233,470,297	

**TAXES
- Real Property Tax**

TAX LEVIES AND COLLECTIONS. The following table shows the tax levies, amounts added as

overlay reserve for abatements, and the amount of taxes actually collected as of the end of each fiscal year. The total tax levy for each year includes personal property taxes.

<u>Fiscal Year</u>	<u>Tax Levy</u>	<u>Overlay Reserve Abatements</u>	<u>Net Tax Levy (1)</u>	<u>Collections During Fiscal Year Payable (2)</u>	
				<u>Amount</u>	<u>% of Net Levy</u>
FY07	\$231,787,094	\$4,427,094	\$227,360,000	-	-
FY06	\$222,960,291	\$4,510,291	\$218,450,000	\$217,514,543	99.9%
FY05	\$222,953,435	\$4,515,930	\$218,437,505	\$214,120,685	98.0%
FY04	\$209,599,396	\$4,499,396	\$205,100,000	\$203,031,386	99.0%
FY03	\$197,720,546	\$4,145,298	\$193,575,248	\$192,373,785	99.4%

(1) Tax levy less overlay reserve for abatements.

(2) Actual collection of levy less refunds and amounts refundable including proceeds of tax titles and tax possessions but not including abatements or other credits.

The following table shows the net tax levy and the amount added as a reserve for abatements attributed to each levy for the most recent fiscal years:

<u>Fiscal Year</u>	<u>Net Tax Levy (1)</u>	<u>Overlay Reserve</u>		<u>During Fiscal Year of Each Tax Levy Abatements</u>
		<u>Amount</u>	<u>% of Total Levy</u>	
FY07	\$227,360,000	\$4,427,094	1.9	-
FY06	\$218,450,000	\$4,510,291	2.1	\$1,404,625
FY05	\$218,437,505	\$4,515,930	2.0	\$3,419,088
FY04	\$205,100,000	\$4,499,396	2.2	\$1,781,210
FY03	\$193,575,248	\$4,145,298	2.1	\$1,779,074

ACTUAL FY06	PROJECTED FY07		BUDGET FY08																		
\$10,447,916	\$12,155,850	PERSONAL PROPERTY TAX																			
		<p data-bbox="625 196 1182 228">PERSONAL PROPERTY TAX</p> <p data-bbox="625 305 1934 488">property for 2,723 accounts. The personal property tax is projected to produce roughly four percent of the City's total property tax revenue. The delinquency rate has rarely exceeded one percent, mainly because the ten largest accounts pay a majority of the total personal property tax. Traditionally, utility companies are the highest personal property taxpayers but Cambridge has a good biotechnology and high tech base as well.</p> <p data-bbox="842 526 1734 558" style="text-align: center;">TEN HIGHEST PERSONAL PROPERTY TAXPAYERS (FY07)</p> <table data-bbox="695 638 1808 997" style="width: 100%; border-collapse: collapse;"> <tr><td data-bbox="695 638 1654 670">NSTAR Services Co. (Utility)</td><td data-bbox="1654 638 1808 670" style="text-align: right;">\$3,160,016</td></tr> <tr><td data-bbox="695 670 1654 703">Novarties Institute for Biomedical Research (Pharmaceuticals)</td><td data-bbox="1654 670 1808 703" style="text-align: right;">\$2,010,354</td></tr> <tr><td data-bbox="695 703 1654 735">Southern Energy Kendall (Power Plant)</td><td data-bbox="1654 703 1808 735" style="text-align: right;">\$1,143,222</td></tr> <tr><td data-bbox="695 735 1654 768">Verizon New England (Telecommunications)</td><td data-bbox="1654 735 1808 768" style="text-align: right;">\$ 560,787</td></tr> <tr><td data-bbox="695 768 1654 800">Millenium Pharmaceuticals, Inc. (Pharmaceuticals)</td><td data-bbox="1654 768 1808 800" style="text-align: right;">\$ 473,800</td></tr> <tr><td data-bbox="695 800 1654 833">Level 3 Communications (Telecommunications)</td><td data-bbox="1654 800 1808 833" style="text-align: right;">\$ 388,232</td></tr> <tr><td data-bbox="695 833 1654 865">Amgen, Inc. (Pharmaceuticals)</td><td data-bbox="1654 833 1808 865" style="text-align: right;">\$ 364,338</td></tr> <tr><td data-bbox="695 865 1654 898">Cingular Wireless (Telecommunications)</td><td data-bbox="1654 865 1808 898" style="text-align: right;">\$ 252,971</td></tr> <tr><td data-bbox="695 898 1654 930">Vertex Pharmaceuticals, Inc. (Pharmaceuticals)</td><td data-bbox="1654 898 1808 930" style="text-align: right;">\$ 228,720</td></tr> <tr><td data-bbox="695 930 1654 963">Shire Hgt (Pharmaceuticals)</td><td data-bbox="1654 930 1808 963" style="text-align: right;">\$ 143,600</td></tr> </table>	NSTAR Services Co. (Utility)	\$3,160,016	Novarties Institute for Biomedical Research (Pharmaceuticals)	\$2,010,354	Southern Energy Kendall (Power Plant)	\$1,143,222	Verizon New England (Telecommunications)	\$ 560,787	Millenium Pharmaceuticals, Inc. (Pharmaceuticals)	\$ 473,800	Level 3 Communications (Telecommunications)	\$ 388,232	Amgen, Inc. (Pharmaceuticals)	\$ 364,338	Cingular Wireless (Telecommunications)	\$ 252,971	Vertex Pharmaceuticals, Inc. (Pharmaceuticals)	\$ 228,720	Shire Hgt (Pharmaceuticals)
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TAXES
- Personal Property Tax

PERSONAL PROPERTY TAX.

The Board of Assessors determines the value of all taxable personal property for 2,723 accounts. The personal property tax is projected to produce roughly four percent of the City's total property tax revenue. The delinquency rate has rarely exceeded one percent, mainly because the ten largest accounts pay a majority of the total personal property tax. Traditionally, utility companies are the highest personal property taxpayers but Cambridge has a good biotechnology and high tech base as well.

TEN HIGHEST PERSONAL PROPERTY TAXPAYERS (FY07)

NSTAR Services Co. (Utility)	\$3,160,016
Novarties Institute for Biomedical Research (Pharmaceuticals)	\$2,010,354
Southern Energy Kendall (Power Plant)	\$1,143,222
Verizon New England (Telecommunications)	\$ 560,787
Millenium Pharmaceuticals, Inc. (Pharmaceuticals)	\$ 473,800
Level 3 Communications (Telecommunications)	\$ 388,232
Amgen, Inc. (Pharmaceuticals)	\$ 364,338
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Shire Hgt (Pharmaceuticals)	\$ 143,600

ACTUAL FY06	PROJECTED FY07	BUDGET FY08
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TAXES
- Motor Vehicle Excise Tax

\$5,876,448	\$5,900,000
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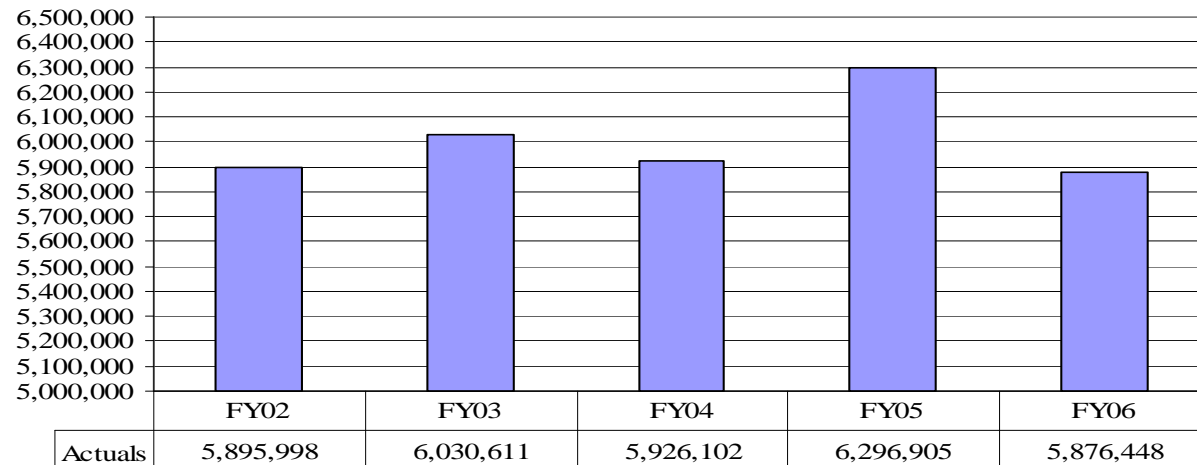
MOTOR VEHICLE EXCISE TAX **\$5,823,840**

EXCISE TAX RECEIPTS. State law sets the motor vehicle excise rate at \$25 per \$1,000 valuation. These monies are based on data provided by the Massachusetts Registry of Motor Vehicles. Valuations are determined by the Registry using a statutory formula based on a manufacturer's list price and year of manufacture. Accounts are updated nightly, all processes and delinquent notices are automated and information is provided to the deputy collectors on a quicker and more accurate basis. In FY07, the City sent out approximately 65,000 excise bills.

REGISTRY NON RENEWAL SYSTEM. The Registry of Motor Vehicles implemented a computer tracking system that forces auto owners to pay their excise taxes. Those who do not pay are not allowed to renew registrations and licenses. Cities and towns must notify the registry of delinquent taxpayers and Cambridge currently prepares an excise collection activity computer tape for the registry at regular intervals.

ONLINE EXCISE TAX PAYMENT SYSTEM. The City implemented a Web-based payment system that allows excise taxpayers to pay their bill online. Taxpayers can use their American Express, Visa or MasterCard credit cards.

FIVE YEAR HISTORY MOTOR VEHICLE EXCISE TAX



ACTUAL FY06	PROJECTED FY07	BUDGET FY08
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TAXES
- Hotel/Motel Tax

\$5,800,992

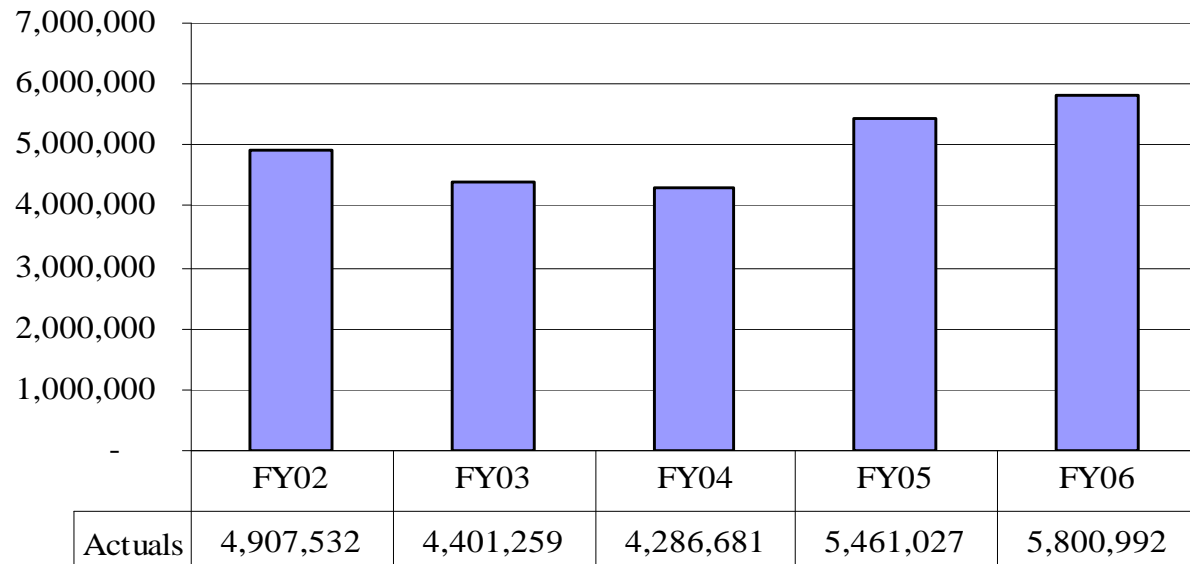
\$6,500,000

HOTEL/MOTEL EXCISE TAX \$6,350,000

HOTEL/MOTEL EXCISE TAX.
Chapter 64G of the Massachusetts
General Laws, section 3A, states

that any city or town has authorization to impose a local excise tax upon the occupancy fee of any room or rooms in a hotel or motel located within its limits. The fee shall not exceed four percent of the total amount of the room and shall not be imposed if the total amount of the room is less than fifteen dollars per day. The hotel operator is responsible for collecting the tax from the customer and the Massachusetts Department of Revenue has the legal responsibility for collecting the tax receipts from the hotel operator. Once collected, the state turns the tax receipts over to the City on a quarterly basis. Based on increased occupancy and room rates, FY07 revenues are projected to be \$6.5 million which is \$781,100 more than budgeted. However, based on recent history, where revenues were declining, the City has opted to budget these revenues conservatively in FY08.

FIVE YEAR HISTORY HOTEL/MOTEL TAX



ACTUAL FY06	PROJECTED FY07	BUDGET FY08
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TAXES
- Corporation Excise Tax

\$2,091,600

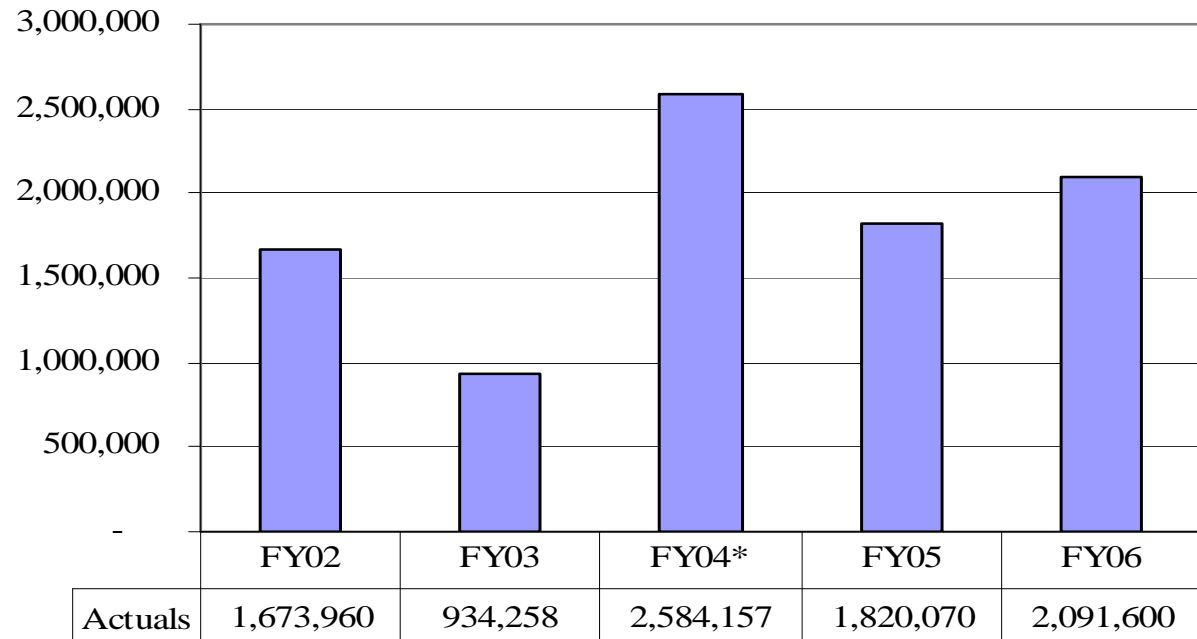
\$1,800,000

CORPORATION EXCISE TAX \$1,600,000

CORPORATION EXCISE TAX.

Chapter 121A, section 10 of the Massachusetts General Laws, states that each city or town is entitled to receive proceeds from the urban development excise tax paid on its local projects. This excise tax is only valid for an original 15 year period and may be extended for an additional period not to exceed, in the aggregate, 40 years of the corporation's existence in the municipality. The excise tax is composed of an amount equal to five percent of its gross income in the preceding year and an amount equal to \$10 per thousand of agreed valuation.

FIVE YEAR HISTORY CORPORATION EXCISE TAX



* The City received an \$800,000 payment in FY04 for FY03 which accounts for the variance

ACTUAL FY06	PROJECTED FY07		BUDGET FY08	TAXES - Penalties and Delinquent Interest
\$1,192,160	\$800,000	PENALTIES AND DELINQ. INT.	\$800,000	<p>DELINQUENT INTEREST. The City receives interest on overdue taxes and water/sewer service rates. State law dictates the interest rate for taxes, whereas City ordinance sets the rate for water/sewer charges. Overdue real and personal property taxes are charged 14 percent from the original billing date. Tax title accounts are charged 16 percent from the tax-taking date or the certification date. The interest rate for delinquent excise tax accounts is 12 percent from the due date. The interest rate on delinquent water/sewer services is 18 percent per annum. Water interest is reported in the Water Fund and is not included in the above estimate.</p> <p>PENALTY CHARGES. If real and personal property taxes are not paid within 30 days for the second billing (usually May 1st) in the year of the tax, a demand for payment notice (\$5) is sent to all delinquent taxpayers. Delinquent motor vehicle taxpayers are sent a demand (\$5), a warrant (\$10) and two separate notices from a deputy tax collector (\$12, \$17). The deputy collectors' earnings come solely from delinquent penalty charges in-lieu of a salary. Demands and warrants are not issued for delinquent water/sewer service accounts but are subject to a lien on the corresponding real estate tax bill.</p> <p>Once a delinquent real estate account goes into the process of tax title, there are numerous fees added to the property tax bills. These charges include: an advertising fee per account (\$75), preparation and recording of the tax-taking document (\$75), actual posting of the notice (\$4), the certificate of redemption fee (\$75), land court registration fee (\$310) and legal fees (\$500).</p> <p>This revenue source was budgeted at \$800,000 in FY07 and has not been increased in FY08 based on projected FY07 revenues. The City continues its emphasis on collecting outstanding real estate, personal property and excise taxes and sewer charges. However, these revenues are budgeted conservatively since there is some variability from year to year in these revenues.</p>

ACTUAL FY06	PROJECTED FY07		BUDGET FY08	TAXES - In-Lieu of Tax Payments
\$4,487,768	\$4,550,000	IN-LIEU OF TAX PAYMENTS	\$4,650,000	<p data-bbox="1465 196 1940 228">IN-LIEU OF TAX PAYMENTS.</p> <p data-bbox="1465 237 1940 302">Cambridge taxpayers are constrained by the fact that 51.9% of the total property value in the City is tax-exempt. The “in-lieu of tax” payments program was adopted in 1971 to partially offset the loss of tax revenue due to non-taxable property. The City Assessor’s Office mails out requests each year for payments, calculated at 20 cents per square foot of land area. However, Harvard University and the Massachusetts Institute of Technology (MIT) remain the major in-lieu of taxpayers in Cambridge.</p> <p data-bbox="625 529 1940 708">In FY05, the City entered into the first ever written Payment In Lieu of Taxes (PILOT) agreement with the Massachusetts Institute of Technology (MIT). While MIT has made voluntary PILOT payments for many years, this is the first time that this important commitment had been entered into in writing which includes a 40-year term. In addition, the City also renewed its PILOT agreement with Harvard University in FY05, which has a 50-year term.</p> <p data-bbox="625 748 1940 886">The MIT agreement for FY05 included a base payment of \$1,254,000 (FY05 voluntary payment plus 2.5%) and a permanent increase of \$250,000 for a total base payment of \$1,504,000. In addition, the agreement contains an escalation of the base payment of 2.5% per year during the term. The FY08 payment is scheduled to be \$1,619,640.</p> <p data-bbox="625 927 1940 1065">The Harvard University agreement included an upfront contribution of \$1 million above the base PILOT payment in FY05 of \$2,007,738 for a total of \$3,007,738. In addition, the agreement contains an escalation of the base payment of 3%. Additionally, Harvard’s base PILOT payment will increase by an additional \$100,000 every 10 years. The FY08 payment is scheduled to be \$2,181,922.</p> <p data-bbox="625 1105 1940 1357">Based on these agreements, payments in lieu of tax payments for these two institutions are budgeted \$103,051 higher than FY07. In addition, other institutions such as the Whitehead Institute, Cambridge Housing Authority and Harvard Vanguard, as well as several smaller organizations make in-lieu of tax payments annually. FY07 revenues are projected to be \$4,550,000 which is \$165,220 higher than budgeted. This amount, when added to the FY08 estimated increase in the Harvard and MIT in-lieu of payments results projected total revenue of \$4,650,000, which is an overall budget increase of \$265,220 from FY07.</p>

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
\$2,083,575	\$2,051,475		
<u>\$11,205,052</u>	<u>\$8,575,005</u>		
\$13,288,627	\$10,626,480	<p data-bbox="1031 198 1178 263">LICENSE PERMITS</p>	<p data-bbox="1247 198 1394 302">\$2,032,400 <u>\$4,068,300</u> \$6,100,700</p>

**LICENSES AND PERMITS
- Summary**

LICENSES. License revenues arise from the City's regulation of certain activities (e.g., selling alcoholic beverages or driving a taxicab). A person or organization pays a licensing fee to engage in the activity for a speci-

fied period. The primary licensing agency in the City is the License Commission, which consists of a Police Department representative, the Fire Chief and the chairperson of the License Commission. All fees are set by one of three methods: State law, City ordinance or License Commission regulation. The most common licenses are briefly described on the following pages. A complete fee structure is available at the License Commission Office at 831 Mass. Ave.

PERMITS. Permits are required when a person or business wants to perform a municipally regulated activity (e.g., building, electrical, or plumbing services). The bulk of permit revenue is brought in through building permits, collected by the Inspectional Services Department. All construction and development in the city must be issued a building permit based on the cost of construction. The following pages provide brief descriptions of major City permit revenue. A complete fee schedule is available at the Inspectional Services Department at 831 Mass. Ave.

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
\$6,961	\$7,000	MILK	\$7,000
\$771,162	\$777,000	ALCOHOLIC BEVERAGES	\$765,000
\$37,579	\$38,500	COMMON VICTUALER	\$38,500
\$41,438	\$5,000	BUILDERS/BUILDING	\$6,000
\$201,747	\$189,000	LODGING HOUSE	\$189,000
\$286,988	\$287,000	GARAGE/GASOLINE	\$287,000
\$4,369	\$4,200	SHOPS AND SALES	\$4,200
\$78,672	\$84,500	HACKNEY	\$84,500
\$78,456	\$78,450	MOTOR VEHICLE RELATED	\$78,450
\$182,533	\$185,000	ENTERTAINMENT	\$185,000
\$105,894	\$102,000	HEALTH RELATED	\$79,500
\$32,600	\$32,800	MARRIAGE	\$32,500
\$11,916	\$11,200	DOG LICENSES	\$11,200
\$12,055	\$13,000	STREET PERFORMERS	\$13,000
\$171,760	\$171,800	POLE AND CONDUIT	\$171,800
\$12,700	\$15,000	TOBACCO	\$15,000
\$2,500	\$2,500	DISPOSAL	\$2,500
\$19,976	\$21,000	MISCELLANEOUS	\$21,000
\$700	\$700	RECREATION CAMPS	\$1,000
\$23,569	\$15,325	NEWSPAPER BOXES	\$12,000
\$0	\$3,000	MULTI-FAMILY INSPECTIONS	\$20,000
\$0	\$7,500	PROPERTY USE	\$8,250
<u>\$2,083,575</u>	<u>\$2,051,475</u>		<u>\$2,032,400</u>

**LICENSES AND PERMITS
- Licenses**

MILK LICENSES. The Inspectional Services Department issues and renews licenses to serve and/or sell dairy products. The yearly fee is \$10.

ALCOHOLIC BEVERAGES. Under Chapter 138 of the Massachusetts General Laws and Chapter 95 Special Acts of 1922, the City is empowered to grant licenses regulating the sale of alcoholic beverages. License fees vary depending upon the type of establishment, closing hours, number of days open and whether the license is for all types of alcohol or beer and wine. The following chart is an estimate of FY08 revenues from liquor licenses.

TYPE	NO.	FEE	REVENUE
All Alcoholic Brewery	2	\$3,160	\$ 6,320
All Alcoholic Restaurant, 7 days, 1 a.m.	80	\$3,160	\$252,800
All Alcoholic Restaurant, 7 days, 1:30 a.m.	1	\$3,530	\$ 3,530
All Alcoholic Restaurant, 7 days, 2 a.m.	46	\$3,905	\$179,630
Wine/Malt Brewery 7 days	1	\$2,000	\$ 2,000
Wine/Malt Restaurant 7 days	50	\$2,000	\$100,000
Wine/Malt Restaurant 6 days	1	\$1,632	\$ 1,632
All Alcoholic Package Store	22	\$2,000	\$ 44,000
Wine/Malt Package Store	18	\$1,500	\$ 27,000
All Alcoholic Hotels, over 100 rooms	11	\$6,300	\$ 69,300
All Alcoholic Hotels, under 100 rooms	1	\$5,815	\$ 5,815

All Alcoholic Veterans Club	3	\$1,945	\$ 5,835
Other All Alcoholic Clubs	12	\$2,700	\$ 32,400
All Alcoholic Private Club, 3 days	1	\$ 810	\$ 810
Wine/Malt Educational Institute	5	\$2,040	\$ 10,200
Total Fees generated from annual licenses			\$741,272
Fees generated from one day licenses/ transfer fees			\$ 23,728
Total Projected Alcohol Fees			\$765,000

COMMON VICTUALER. The common victualer license, issued by the License Commission, allows food and non-alcoholic beverages to be sold and consumed on the premises. Under special legislation, Cambridge is allowed to set the fee according to seating capacity: 1-25: \$35, 26-49: \$50, 50-99: \$80, up to a maximum fee of \$990 for 1,300 persons and over.

BUILDERS LICENSES. The Inspectional Services Department issues a builders license to qualified individuals for specific construction categories. The initial annual license fee is \$30 and a one-year renewal is \$20.

LODGING HOUSE. The License Commission issues lodging house licenses to property owners who rent rooms. The rate is \$18.15 for the first four rooms (total) and \$18.15 for each additional room. Colleges and universities must obtain a lodging house license for the purpose of maintaining student dormitories. There are currently 136 active lodging houses in the City, 111 being college/university dormitories and houses. A review of the current fee structure is underway which is expected to generate a recommendation to the City Council for adoption.

GARAGE/STORAGE OF FLAMMABLES. The fee for this permit, which is issued by the License Commission, is graduated and based on the capacity of fuel stored and, in parking garages, the number of cars licensed to be parked on the premises. The majority of the revenue in this category is generated from large

parking garages located throughout the city; the balance is collected from gas stations, research labs and other facilities with flammable storage.

SHOPS AND SALES. The License Commission issues licenses for approximately 35 antique stores (\$91), 4 auctioneers (\$60), and 18 second hand dealers (\$60). One day auction sales, which are charged at a rate of \$31 per day, are also covered by this category. The total revenue for these categories is budgeted at \$4,200 in FY08.

HACKNEY. The annual hackney inspection fee (\$190) accounts for 60% of the revenue in this category. Two hundred and fifty-five (255) taxis are inspected each April & Oct. Also included is the issuance/renewal of approximately 800 hackney drivers' licenses (\$32/yr. or \$75/3 yr.)

MOTOR VEHICLE RELATED. The License Commission issues licenses for automobile rental agencies (\$121), open-air parking lots (\$12.10 per space), used auto dealers (\$100) and limousine services (\$121).

ENTERTAINMENT. Entertainment licenses are issued for live performances, movie theaters, automatic amusement machines, billiard tables, bowling alleys and several other forms of entertainment. Theater licenses are based on annual attendance and number of screens or stages.

HEALTH RELATED. The Inspectional Services Department issues a wide variety of licenses primarily related to the serving, processing and disposal of food.

MARRIAGE RELATED. The City Clerk issues marriage licenses to couples intending to marry. The fee is \$25 per license.

DOG LICENSES. The Animal Commission issues dog licenses, registering the name, address, and telephone number of the dog owner and a complete description of the dog. The Animal Commission charges \$5.00 spayed/neutered and \$10.00 male/female.

STREET PERFORMERS. A \$40 fee is required from each street performer to offset costs incurred by the Arts Council staff in ensuring compliance with the articles listed in the City's Street Performer Ordinance.

POLE AND CONDUIT. The City charges a fee for each conduit site and/or pole authorized by the Pole and Conduit Commission. The cost per application and permit is \$110 per street for residential, \$180 for commercial. An annual maintenance fee is charged to all corporations who have conduits in the public way.

TOBACCO. Inspectional Services issues a license for the selling of tobacco products by commercial establishments (\$100 per year).

DISPOSAL COMPANIES. Pursuant to City Ordinance 5.24, all private garbage/salvage/trash companies operating in Cambridge require a license. The fee for each company is \$125.

MISCELLANEOUS LICENSES. The License Commission includes a number of smaller licensing categories in this revenue. Licenses for fortune tellers, carnivals, festivals and noise violations are included in this estimate.

RECREATION CAMPS. The State has set minimum sanitation and safety standards for recreational camps for children. Camps schedule inspections prior to opening and are charged a \$50 fee. There are approximately 40 camps in the City. These inspections are conducted by the Inspectional Services Department.

NEWSPAPER BOX FEES. The City charges a newspaper box fee for all newspaper or publication boxes located on public ways. Each publisher is assessed a \$200 fee plus \$25 per box.

MULTI-FAMILY INSPECTION. Periodic inspections (5 year cycle) of multi-family structures were initiated in February 2000 as required by the Massachusetts State Building Code. Buildings with more than 3 units are charged a fee of \$75 plus \$2 per dwelling unit. There is no fee for buildings with three units.

PROPERTY USE. A \$750 license fee was adopted by the License Commission in FY06 to allow restaurants and hotels to have outdoor seating. In FY08, \$8,250 in revenue has been budgeted from this new license fee which is an increase of \$1,500 from FY07.

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
\$9,651,711	\$7,000,000	BUILDING	\$2,800,000
\$49,011	\$50,000	GAS	\$45,000
\$362,044	\$300,000	WIRING	\$200,000
\$153,317	\$150,000	PLUMBING	\$100,000
\$163,772	\$167,560	STREET OPENING	\$100,000
\$363,692	\$425,000	STREET OBSTRUCTION	\$425,000
\$58,455	\$97,445	PLAN REVIEW	\$55,000
\$72,585	\$100,000	SPRINKLER	\$85,000
\$177,524	\$159,000	PLACE OF ASSEMBLY	\$159,000
\$18,367	\$20,000	OCCUPANCY CERTIFICATIONS	\$13,000
\$15,152	\$8,000	AIR RIGHTS/PUBLIC WAYS	\$7,300
\$2,975	\$3,500	FIREARM	\$3,500
\$925	\$500	SUNDAY	\$500
\$115,522	\$94,000	FIRE	\$75,000
<u>\$11,205,052</u>	<u>\$8,575,005</u>		<u>\$4,068,300</u>

**LICENSES AND PERMITS
- Permits**

BUILDING PERMITS. The Inspectional Services Department issues building permits to qualified individuals to do repairs, alterations, new construction, or demolition in the City. The cost of permits is based on the estimated cost of the project: \$10 per thousand with a \$20 minimum. The City traditionally conservatively estimates building permit revenue to guard against potential economic downturns.

GAS PERMIT. The Inspectional Services Department issues permits to licensed individuals to perform

gas-fitting work. The permit fee is based on the cost of the installations.

WIRING PERMITS. The Inspectional Services Department issues wiring permits to licensed electricians to perform specific electrical wiring. The cost of the permit is dependent on the number of switches, lights, alarms and other electrical work included in the job.

PLUMBING PERMITS. The Inspectional Services Department issues plumbing permits to licensed plumbers to install and repair piping for a specific job. The fee is based on the amount and type of work being done. For example, a plumbing permit for new plumbing is \$25 for up to five fixtures plus \$5 for each additional fixture.

STREET OPENING AND SIDEWALK OBSTRUCTION PERMITS. The Public Works Department issues permits for the obstruction and excavation of public rights of way and for the obstruction of sidewalks. Sidewalk obstruction (\$2/sq./ft. to \$2 l/ft.) and crane excavation fees (\$75 to \$100 per day) have been increased for FY08 to be comparable to other municipalities. The estimate for FY08 is based on approximately 1,350 excavation permits at an average price of \$100.

STREET OBSTRUCTION PERMITS. The Traffic, Parking & Transportation Department issues over 5,500 permits to close a street or to occupy the street for special events, moving vans, tool trucks, dumpsters and other temporary uses. FY08 revenues have been increased by \$75,000 based on FY07 projected revenues. Also, the fee for a street obstruction permit for a tool truck has been changed to \$50 per week with the permit fee for dumpsters increasing to \$75 per week in addition to a \$100 application/processing fee for each.

PLAN REVIEW PERMIT. Special permit fees will be generated by the Community Development Department. Project applicants requesting a special permit from the Planning Board are required to pay a \$0.10 per square foot fee to offset staff and other professional service costs associated with project review. FY07 revenues are projected to be \$97,445. FY08 revenues are budgeted at \$55,000, which is consistent with expectations for the coming year.

SPRINKLER PERMIT. The Inspectional Services Department issues permits for the installation of sprinklers and standpipes.

PLACE OF ASSEMBLY. The Inspectional Services Department inspects the capacity of churches, dormitories, hospitals, clinics, apartment houses, and schools and issues Certificates of Inspection (CIs). Inspections are made as required under the provision of the State Building Code to ensure that buildings have emergency lighting, proper egresses, and other safety requirements. The fee is based on building capacity.

OCCUPANCY CERTIFICATION. The Inspectional Services Department issues Certificates of Occupancy (COs) after

completion of construction or a change in use to certify that the structure complies with the Building Code and Zoning Ordinance. COs are also issued upon the owner's request for those older structures that predate the Building Code. The fee is \$50 for residential building. An additional amount of \$2 for each unit over five is charged.

PRIVATE BRIDGES OVER PUBLIC WAYS. The Inspectional Services Department inspects private bridges built over public ways for pedestrian travel. Calculation of the permit fee is based on the cubic footage of the bridge.

LICENSE TO CARRY/FIREARMS IDENTIFICATION CARDS. The Police Department issues licenses to carry a firearm to individuals meeting the requirements established by statute (\$100 for four years). The Department also issues firearms identification cards (\$100 for six years), which allows the holder to possess and carry non-large capacity rifles or shotguns and to possess mace or pepper spray.

SUNDAY PERMITS. The Police Department issues Sunday permits (\$25 per Sunday) allowing a business to operate on Sunday due to unusual or extenuating circumstances.

FIRE PERMITS. The Fire Department issues fire alarm, fire suppression, sprinkler, fuel storage, and other types of permits as required by state law and local ordinance.

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
\$36,047	\$31,000		
\$10,722,321	\$10,300,000		
\$739,097	\$500,000	LIBRARY	\$30,000
\$131,730	\$84,000	PARKING	\$8,540,200
\$1,330	\$1,400	MOVING VIOLATIONS	\$500,000
\$4,640	\$4,000	FALSE ALARMS	\$84,000
<u>\$11,635,165</u>	<u>\$10,920,400</u>	ANIMALS	\$2,000
		BICYCLE	\$4,000
			<u>\$9,160,200</u>

**FINES & FORFEITS
-Summary**

LIBRARY FINES. A fine of \$.10 per day is charged on overdue adult library materials except for DVD's which are \$1.00 per day. Also included here is payment for lost or damaged items.

PARKING FINES. The largest revenue source for this category is

Parking Fines which totals \$8,540,200 in the FY08 Operating Budget which is a decrease of \$140,630 from FY07 Operating Budget revenues of \$8,680,830. The \$8,540,200 amount does not include \$900,000 that is used as a funding source for Traffic and Parking related capital projects which when included brings the total projected parking fine revenue in FY08 to \$9,440,200 for a total decrease of \$620,630 from the FY07 Budget.

The collection of parking fines continues to be an important source of revenue to the City. Parking fund revenues are used to partially fund the budgets of 11 City departments, not including the Traffic, Parking and Transportation Department. The timely collection of fines is supported by a computerized collection and processing database, the boot program and the fact that violators are prohibited from renewing their drivers' license, registration, or getting a resident permit until all outstanding tickets are paid in full.

MOVING VIOLATIONS. Non-parking offenses result in fines for moving violations. Among the violations included in this category are speeding, passing in the wrong lane, and failing to stop at a traffic signal. These fines, collected by the Third District Court of Eastern Middlesex County, are distributed to the City on a monthly basis and used as revenue in the Police Department budget.

FALSE ALARM FINES. The Fire Department charges for false alarms exceeding three in any six month period. After the third fire response, the following fines are assessed: fourth response (\$50), fifth response (\$75), sixth response (\$100), seventh response (\$150), eight and subsequent response (\$200).

The Police Department charges for false alarms exceeding three in a calendar year. On the fourth police response, the following fines are assessed: fourth alarm (\$50), fifth alarm and subsequent false alarm in a calendar year is \$100 for each police response.

DOG FINES. The Animal Commission collects fines for unleashed and unlicensed dogs and for failure to dispose of dog waste properly. Failure to license one's dog results in a \$25 fine. The failure to restrain and properly dispose of dog waste is a \$10 fee for the first offense, \$25 for the second and \$50 for the third.

BICYCLE FINES. Since July 1996, the Police Department has been issuing violations of bicycle laws. These fines (\$20) are to be used for the development and implementation of bicycle programs.

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
\$6,304,359	\$6,435,000		
\$17,210,825	\$18,310,000	PARKING	\$6,510,000
\$32,536,651	\$35,122,955	WATER UTILITY REVENUE	\$17,563,555
\$5,079,804	\$4,947,470	SEWER SERVICE CHARGE	\$32,882,100
<u>\$1,486,870</u>	<u>\$1,544,590</u>	FEEES	\$4,805,695
\$62,618,509	\$66,360,015	OTHER CHARGES FOR SERVICE	<u>\$1,598,790</u>
			\$63,360,140

**CHARGES FOR SERVICES
- Summary**

SERVICE CHARGES/USER FEES. Charges for services are an important revenue source for the City to maintain the level of services provided to the community. With a limit on tax revenues, the City must impose charges for the delivery of some services that were formerly financed through the

property tax. In FY08, service charges and user fees will account for 15.3% of the total general fund revenues.

BENEFITS OF USER FEES. Based on a review of current charges for services, the City has moderately increased fees and the increased revenues are reflected in the FY08 Budget.

Massachusetts cities and towns have traditionally relied too heavily on the property tax and have under-used service charges, particularly in comparison with other regions. The clearest advantage to user fees is their potential as an additional or alternative funding source. Fees are very flexible and adjustable in accordance with inflation and demand levels. User charges are often a more equitable funding mechanism than taxes because those who benefit from the service directly pay for that service. The user fees also allow the City to recover the cost of providing services, such as water and sewer, to tax exempt institutions.

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
\$2,477,756	\$2,575,000	METER COLLECTION	\$2,575,000
\$250,230	\$275,000	PARKING LOTS	\$300,000
\$3,090,709	\$3,090,000	PARKING GARAGES	\$3,140,000
\$33,766	\$60,000	USE OF METERS	\$60,000
\$365,505	\$360,000	RESIDENT STICKERS	\$360,000
\$86,393	\$75,000	BOOT REMOVAL FEES	\$75,000
\$6,304,359	\$6,435,000		\$6,510,000

**CHARGES FOR SERVICES
- Parking**

PARKING FUND. An important source of revenue for the City is the parking fund. This fund consists of revenue from meter permits, meter collections, resident parking stickers, parking lots and garages, parking fines (see fines and forfeits) and interest earnings (see miscellaneous revenue). These revenues are

then distributed to help fund programs permitted under Chapter 844 of the Massachusetts General Laws. With limited tax revenues, the parking fund is a critical source of City revenue, providing funds to 12 budgets. The following chart shows a three-year history of the distribution of parking fund revenues, excluding the Capital Budget:

PARKING FUND ALLOCATIONS	FY06	FY07	FY08
Finance	\$ 23,950	\$ 23,950	\$ 23,950
Law	100,000	100,000	100,000
Police	3,841,845	3,841,845	3,841,845
Traffic, Parking & Transportation	8,328,990	8,849,020	9,221,865
Public Works	671,460	1,571,460	1,571,460
Community Development	421,895	421,895	421,895
General Services	4,000	4,000	4,000
School	100,000	100,000	100,000
Cherry Sheet Assessments	477,000	478,440	515,060
Executive	215,000	215,000	215,000
Employee Benefits	164,175	-	-
Debt Service	162,190	157,190	152,190
Electrical	22,935	22,935	22,935
	\$14,533,440	\$15,785,735	\$16,190,200

ON-STREET PARKING METER COLLECTIONS. This revenue is derived from on-street meter collections. The rate is \$0.25 per half hour. Time limits vary by location.

OFF-STREET PARKING LOT METER COLLECTIONS. The revenue received from nine off-street metered parking lots accounts for this source of revenue. The off-street rate is \$0.25 per half hour, 8 a.m. to 6 p.m. and applies to seven lots. The other two lots, Springfield and Windsor Street, have the new Luke pay stations in operation. In FY08, the Harvard Square lot is scheduled to have a Luke pay station installed. Where the pay stations have been installed, the rates have been extended until 10 p.m. Patrons pay \$0.50 per half hour with a two-hour maximum, except for the Harvard and Springfield lots which are scheduled to increase to \$2 per hour in FY08. The Traffic department plans on installing pay stations in the six remaining lots.

PARKING GARAGES. Revenue is raised from the following: Green Street Municipal Parking Garage (\$1 per hour) and the East Cambridge Municipal Parking Garage (\$2 first hour / \$1 for 2nd & 3rd hours/\$2 each remaining hour). There are 1,384 parking spaces in these facilities. The rates for monthly parking at the First Street

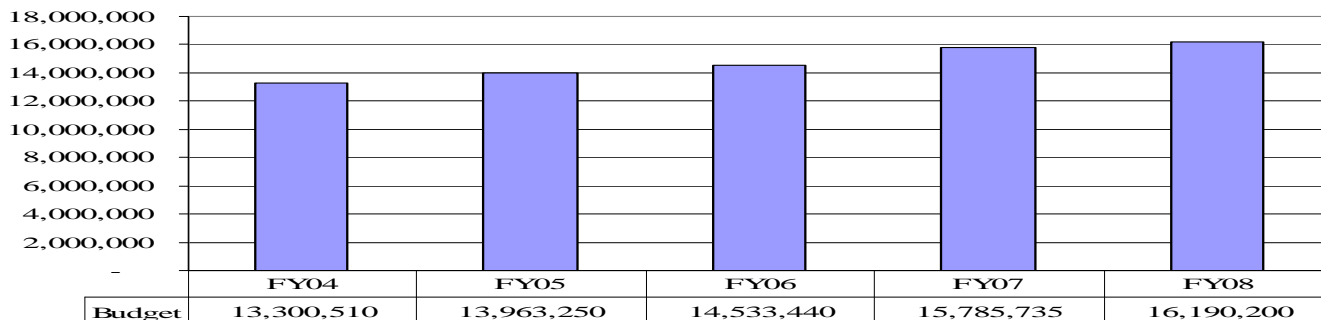
(East Cambridge) Parking Garage has been increased from \$140 per month to \$170 (5 day) and from \$160 to \$200 (7 day) with the phasing out of the 5 day fee later in FY08.

USE OF METERS. Payment is received when a request is made to use meter spaces in conjunction with a street obstruction or closing permit when granted by the department; for example, when a company requests the use of the meter spaces for construction work. The fee is \$5/meter/day. The Traffic Department with the IT Department has implemented a new permit database that has improved efficiency, customer service, and revenue collection.

RESIDENT STICKERS. To control commuter parking in residential areas, the Traffic, Parking & Transportation Department issues resident parking stickers to Cambridge residents to allow them to park in permit only areas. The resident parking permit fee is \$8.

BOOT REMOVAL FEE. This fee is assessed by the Traffic, Parking & Transportation Department for the removal of boot devices used to immobilize cars belonging to parking ticket scofflaws with five or more outstanding tickets.

FIVE YEAR PARKING FUND REVENUE ANALYSIS (OPERATING)



ACTUAL FY06	PROJECTED FY07		BUDGET FY08	CHARGES FOR SERVICES - Water																				
\$16,552,761 \$658,064 <u> \$0</u> \$17,210,825	\$17,700,000 \$610,000 <u> \$0</u> \$18,310,000	WATER USAGE MISC. WATER CHARGES RETAINED EARNINGS	\$16,693,555 \$585,000 <u>\$285,000</u> \$17,563,555	WATER USAGE. The municipally owned and operated public water utility system provides water to the residents of Cambridge. The City currently bills users on a quarterly sewer use, is used to encourage																				
<p>water conservation and to provide a more equitable billing system. The FY08 rates, effective for all water consumed as of April 1, 2007, represent a 0% increase in water rates and a 0% increase in sewer rates.</p>																								
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<table border="1"> <thead> <tr> <th data-bbox="646 553 831 643">BLOCK</th> <th data-bbox="831 553 1325 643">ANNUAL CONSUMPTION</th> <th data-bbox="1325 553 1654 643">WATER RATE</th> <th data-bbox="1654 553 1923 643">SEWER RATE</th> </tr> </thead> </table>					BLOCK	ANNUAL CONSUMPTION	WATER RATE	SEWER RATE																
BLOCK	ANNUAL CONSUMPTION	WATER RATE	SEWER RATE																					
<table border="1"> <tbody> <tr> <td data-bbox="646 643 831 683">1</td> <td data-bbox="831 643 1325 683">0-40 Ccf</td> <td data-bbox="1325 643 1654 683">\$2.84</td> <td data-bbox="1654 643 1923 683">\$6.44</td> </tr> <tr> <td data-bbox="646 683 831 724">2</td> <td data-bbox="831 683 1325 724">41-400 Ccf</td> <td data-bbox="1325 683 1654 724">3.05</td> <td data-bbox="1654 683 1923 724">6.82</td> </tr> <tr> <td data-bbox="646 724 831 764">3</td> <td data-bbox="831 724 1325 764">401-2 000 Ccf</td> <td data-bbox="1325 724 1654 764">3.23</td> <td data-bbox="1654 724 1923 764">7.32</td> </tr> <tr> <td data-bbox="646 764 831 805">4</td> <td data-bbox="831 764 1325 805">2001-10 000 Ccf</td> <td data-bbox="1325 764 1654 805">3.44</td> <td data-bbox="1654 764 1923 805">7.89</td> </tr> <tr> <td data-bbox="646 805 831 829">5</td> <td data-bbox="831 805 1325 829">over 10 000 Ccf</td> <td data-bbox="1325 805 1654 829">3.72</td> <td data-bbox="1654 805 1923 829">8.39</td> </tr> </tbody> </table>					1	0-40 Ccf	\$2.84	\$6.44	2	41-400 Ccf	3.05	6.82	3	401-2 000 Ccf	3.23	7.32	4	2001-10 000 Ccf	3.44	7.89	5	over 10 000 Ccf	3.72	8.39
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<p>All consumption is measured in hundreds of cubic feet. The rates are per hundred cubic feet. One hundred cubic feet equals approximately 750 gallons of water.</p>																								
<p>In addition to funding the Water Department Budget, Water Fund revenues will also be used in four City departments in FY08: Finance (\$225,000); Conservation (\$23,130); Public Works (\$400,000); and Community Development (\$30,000). Not included in the above amount is \$1,000,000 in water usage used in the funding of City capital projects.</p>																								
<p>MISCELLANEOUS WATER CHARGES. The Water Department receives miscellaneous revenue from service renewals, hydrant rentals, cross connection inspections, and meter replacements, water works construction permits, fines, meter transmitter unit installation and other services.</p>																								
<p>RETAINED EARNINGS. The City has allowed year-end retained earnings in the Water Fund to grow the fund balance with the expectation that the fund balance would be gradually drawn down to offset increased costs brought on by the debt service associated with the new water treatment plant. For FY08, \$285,000 will be used to offset costs which is an \$865,000 decrease which is attributable to stronger than anticipated water service revenues.</p>																								

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
\$32,252,841	\$34,750,000		
<u>\$283,810</u>	<u>\$372,955</u>	SEWER SERVICE CHARGE	\$32,857,100
<u>\$32,536,651</u>	<u>\$35,122,955</u>	SEWER CONNECTION FEE	<u>\$25,000</u>
			<u>\$32,882,100</u>

**CHARGES FOR SERVICES
- Sewer Service**

SEWER SERVICE CHARGE. Each year, the City authorizes a sewer service charge to shift sewer expenditures away from property taxes. Initiation of this charge makes

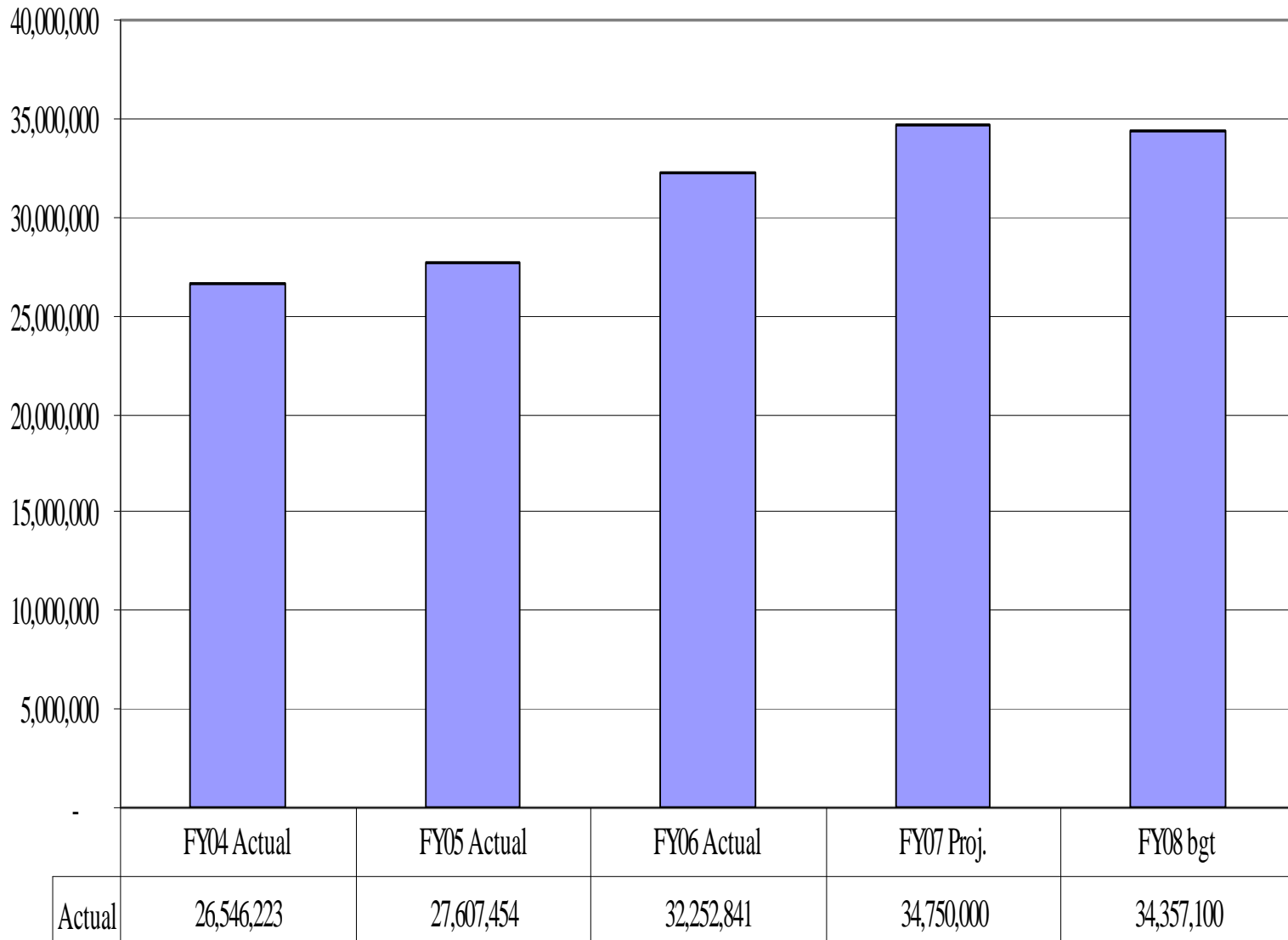
The City eligible for sewer construction grants and low-interest loans from the Environmental Protection Agency and the Department of Environmental Protection. The sewer charge shifts some of the burden to the tax-exempt institutions in the city, which are among the largest water users. Not included in the above amount is \$1,500,000 in sewer revenues used in the funding of City capital projects. The FY08 sewer rate can be found on the preceding Water revenue page. The sewer service revenue is allocated as follows:

SEWER SERVICE CHARGE ALLOCATIONS	AMOUNT
Finance	\$225,000
Public Works	2,330,745
Debt Service	11,400,015
Massachusetts Water Resources Authority	18,856,840
Community Development	<u>44,500</u>
TOTAL	\$32,857,100

SEWER CONNECTION FEE. The City charges a sewer connection fee for every new plumbing connection into the City wastewater system. The fee is based on the number of plumbing fixtures, such as sinks or toilets, within the structure that is being connected to the sewer. Due to fluctuations in the amount of this revenue generated each year, the City will continue its conservative revenue approach by estimating \$25,000 in FY08.

The following chart reflects actual sewer revenues from all sources for FY04 through FY06, projected revenues for FY07 and budgeted revenues for FY08.

FIVE YEAR SEWER SERVICE REVENUE ANALYSIS (OPERATING AND CAPITAL)



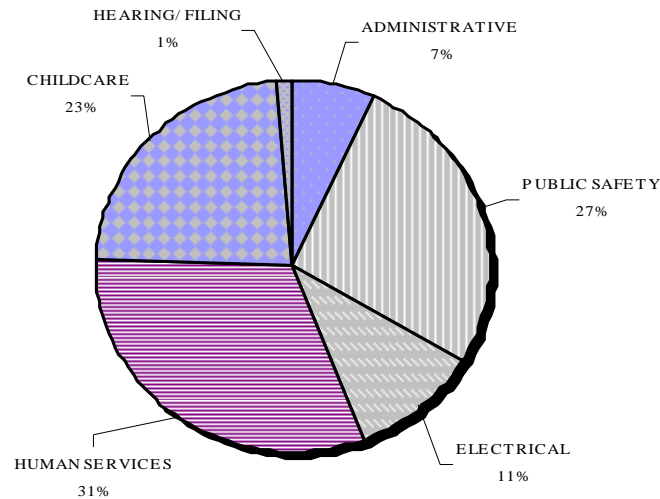
ACTUAL FY06	PROJECTED FY07	BUDGET FY08
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\$378,460	\$340,090	ADMINISTRATIVE \$328,100
\$1,402,882	\$1,326,500	PUBLIC SAFETY \$1,290,500
\$574,155	\$560,000	ELECTRICAL \$545,000
\$1,566,807	\$1,543,650	HUMAN SERVICES \$1,465,365
\$1,092,357	\$1,115,230	CHILDCARE \$1,115,230
\$65,143	\$62,000	HEARING/FILING \$61,500
<u>\$5,079,804</u>	<u>\$4,947,470</u>	<u>\$4,805,695</u>

**CHARGES FOR SERVICES
- Fees**

FEES. The City charges fees for a wide variety of services and programs, including copies of birth certificates, golf course green fees, ambulance rescue service and childcare. Fees have been grouped in major categories and are detailed on the following eight pages.

FEES ANALYSIS



ACTUAL FY06	PROJECTED FY07		BUDGET FY08
\$199,461	\$203,500	CERTIFIED COPIES	\$201,000
\$5,108	\$910	MORTGAGE CERTIFICATES	\$100
\$96,302	\$90,000	MUNICIPAL LIENS	\$80,000
\$12,503	\$9,025	DOCUMENT SALES	\$6,700
\$18,642	\$9,900	PHOTOCOPY/REPRODUCTION	\$9,950
\$805	\$755	DOMESTIC PARTNERS	\$350
<u>\$45,639</u>	<u>\$26,000</u>	MISC. CLERK'S FEES	<u>\$30,000</u>
\$378,460	\$340,090		\$328,100

**CHARGES FOR SERVICES
- Fees/Administrative**

CERTIFIED COPIES OF DOCUMENTS. The City Clerk's Office issues a wide variety of certified copies of official documents. The Clerk's Office charges \$10 for birth certificates, death, marriage certificates and domestic partnership certificates. FY08 revenues have been budgeted at \$201,000.

MORTGAGE CERTIFICATES. The Uniform Commercial Code filings at the local level were eliminated on June 30, 2001. Reimbursement has been received from the State for Mortgage Certificates. However, this office still receives a small amount of revenue for the filing of Declaration of Trusts.

MUNICIPAL LIEN CERTIFICATES. The Finance Department issues a certificate indicating any tax or utility charge outstanding on a particular parcel of property to an individual requesting the information, within 10 days of the request. The cost ranges from \$25 to \$100 depending on the type of property. It is estimated that \$80,000 in revenue will be received in FY08 from municipal liens.

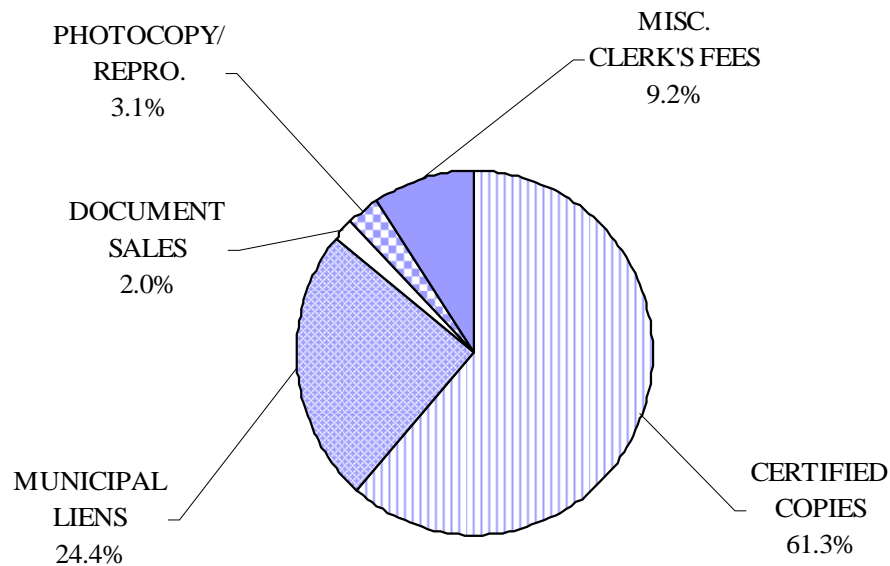
DOCUMENT SALES. The Public Works Engineering division is reimbursed for maps and other documents requested by the public. The Election Commission receives revenue from the sale of the annual street listing book. The total amount anticipated from this source in FY08 is \$6,700.

REPRODUCTION SERVICES. A number of departments charge for the reproduction of department records and reports. In accordance with the regulations of the State Supervisor of Public Records (950 CMR 32.06, authorized by the Massachusetts General Laws Chapter 66, section 1, par. 10), the City limits the fee for photocopying public records to 20 cents per page, with certain exceptions. Exceptions include the Police and Fire Departments, which charge \$5 for copies of official reports. This fee is in accordance with General Laws Chapter 477, Acts of 1982. The breakdown by department: Police \$6,000; Fire \$1,500; Inspectional Services \$2,000; and License \$450.

DOMESTIC PARTNERS. The City Clerk issues a certificate of Domestic Partnership. The fee is \$25 per certificate for filing domestic partnerships.

MISCELLANEOUS CITY CLERK CHARGES. The City Clerk collects fees for the issuance of miscellaneous certificates such as physician and business registrations and constable swearing in fees. The estimated revenue from these fees in FY08 is \$30,000. A miscellaneous charge also includes service and sporting fees, zoning and municipal ordinance fees and filing fee for a zoning petition.

MAJOR ADMINISTRATIVE FEES ANALYSIS



ACTUAL FY06	PROJECTED FY07		BUDGET FY08
\$24,400	\$26,500	SEALING INSPECTION	\$27,500
\$71,296	\$75,000	TOWING SURCHARGE	\$75,000
\$451,652	\$430,000	POLICE DETAIL SURCHARGE	\$400,000
\$28,057	\$18,000	AGENCY FEE	\$18,000
\$900	\$2,000	BOARDING/RAZING FEES	\$20,000
\$57,815	\$75,000	SMOKE DETECTORS	\$50,000
\$649,551	\$600,000	RESCUE SERVICE FEES	\$600,000
\$9,875	\$10,000	INSPECTIONAL DETAILS	\$10,000
\$109,336	\$90,000	FIRE DETAIL SURCHARGE	\$90,000
<u>\$1,402,882</u>	<u>\$1,326,500</u>		<u>\$1,290,500</u>

**CHARGES FOR SERVICES
- Fees/Public Safety**

SEALING INSPECTION. In accordance with Massachusetts General Laws, Chapter 48, the Sealer of Weights and Measures tests for accuracy and seals commercially used measurement devices.

TOWING SURCHARGE. The City receives \$7 of each towing charge paid in the City. The revenue is used to fund the Police budget and is estimated at \$75,000 for FY08.

POLICE DETAIL SURCHARGE. The City receives a 10 percent surcharge for the private use of off-duty police officers. The money derived from the surcharge is used to administer the police detail office.

AGENCY FEE. This fee is paid by other agencies and private businesses for having Cambridge police officers assist in arrests made by their security personnel.

BOARDING/RAZING FEE. Inspectional Services charges property owners for the boarding and razing of a building.

SMOKE DETECTORS. A \$50 fee is charged for a smoke/ carbon monoxide detector, compliance inspection as mandated by MGL Chapter 148.

RESCUE SERVICE FEES. A new Emergency Medical Services (EMS) paramedic plan was approved in FY05 for the Fire Department by the State. The Region 4 medical panel approved a model plan for improving Advanced Life Support services in the City of Cambridge. The approved system will utilize firefighters/paramedics from the Fire Department and Professional Ambulance to dramatically improve response capabilities throughout the City. This will allow the City to increase its third party payments for transport fees and advanced life support services.

INSPECTIONAL DETAILS. The Inspectional Services Department charges businesses requiring an inspection that is not an emergency and does not occur during normal working hours.

FIRE DETAIL SURCHARGE. The City receives a 10 percent surcharge for the private use of off-duty firefighters. The funds derived from the surcharge are used to administer the fire detail program.

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
\$138,635	\$140,000	FIRE ALARM BOX CHARGE SIGNAL MAINTENANCE FEE CUT-OUT/PLUG-OUT FEE	\$130,000 \$400,000 <u>\$15,000</u> \$545,000
\$402,520	\$388,000		
<u>\$33,000</u>	<u>\$32,000</u>		
\$574,155	\$560,000		

CHARGES FOR SERVICES
- Fees/Electrical

FIRE ALARM BOX CHARGE. The Electrical Department receives an annual fee of \$400 for every private master fire alarm box connected to the City's alarm system.

SIGNAL MAINTENANCE FEE. The Electrical Department assesses a fee to disconnect or reconnect a privately-owned master box on private buildings if the service was provided after hours. This fee reimburses the City for overtime costs.

CUT-OUT/PLUG-OUT FEE. The Electrical Department assesses a fee of \$25 to private concerns for the disconnection and reconnection of private systems to the City's system for repairs and maintenance to the private system. This fee is assessed for disconnects and reconnects that exceed three in one week.

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
\$55,887	\$45,000	SWIMMING POOLS	\$40,000
\$694,696	\$696,000	GOLF COURSE	\$661,715
\$73,722	\$74,000	RECREATIONAL ACTIVITIES	\$60,000
\$14,575	\$13,650	ATHLETIC LEAGUES	\$13,650
\$7,745	\$8,000	SPECIAL NEEDS	\$8,000
\$19,815	\$18,000	SENIOR ACTIVITIES	\$20,000
\$73,065	\$68,000	FIELD PERMITS	\$62,000
\$452,131	\$465,000	COMMUNITY SCHOOLS	\$465,000
\$23,504	\$22,000	SENIOR CENTER MEALS	\$20,000
\$48,039	\$34,000	YOUTH PROGRAMS	\$30,000
<u>\$103,628</u>	<u>\$100,000</u>	KING OPEN EXTENDED DAY	<u>\$85,000</u>
\$1,566,807	\$1,543,650		\$1,465,365

**CHARGES FOR SERVICES
- Fees/Human Service Programs**

POOLS. The Department of Human Service Programs receives revenue for the use of the War Memorial and Gold Star swimming pools. The Gold Star, open in July and August, charges a flat rate of \$0.75 cents per admission. The War Memorial Facility is scheduled to be closed for extensive renovations in the early summer of 2007 for a period of approximately sixteen months. In order to provide some continuity of recreational programming, the Recreation Division has arranged

with neighboring institutions and organizations for use of their pools. Consequently, FY08 revenue has been reduced to \$40,000 from the FY07 budgeted amount of \$60,000.

GOLF COURSE. In FY08, the Thomas P. O'Neill, Jr. Golf Course at Fresh Pond will again be a self-supporting operation. The following chart illustrates the green fees and membership rates for the coming season, which began in March 2007. Not included in the FY08 revenue estimates are Golf Course fees used in the Capital Budget: \$27,500.

	<u>RESIDENT</u>	<u>NON RESIDENT</u>
weekdays (9 holes)	\$ 18.00	\$ 21.00
weekdays junior/senior (9 holes)	\$ 14.00	n/a
weekdays (18 holes)	\$ 28.00	\$ 31.00
weekends/holidays (9 holes)	\$ 25.00	\$ 25.00
weekends/holidays (18 holes)	\$ 37.00	\$ 37.00
monthly	\$325.00	\$ 550.00
yearly	\$680.00	\$1,040.00
juniors	\$275.00	\$ 420.00
seniors	\$325.00	\$1,040.00
senior plus	\$480.00	n/a

RECREATIONAL ACTIVITIES. The Department of Human Service Programs provides year-round evening adult classes and after-school childrens' activities at the War Memorial Fieldhouse. The revenue from this wide range of classes is used to pay instructors and cover minimum equipment costs. As noted above, the War Memorial Facility is scheduled to be closed for extensive renovations in the early summer of 2007. However, the Recreation Division will continue to provide some classes at the Fieldhouse. Consequently, FY08 revenue has been reduced to 60,000 from the FY07 budgeted amount of \$74,000.

ATHLETIC LEAGUES. In FY08, the Department of Human Service Programs will sponsor men's and women's softball leagues (42 teams) in the summer. The Recreation division charges \$300 per softball team.

SPECIAL NEEDS. Revenues from various special needs recreational programs such as Camp Rainbow, the after school program and other school-year activities are generated through participant registration fees.

SENIOR ACTIVITIES. These funds are generated from ceramic classes, the Walking Club and various other senior recreational/leisure activities. This also includes classes and activities at the Citywide Senior Center.

FIELD PERMITS. A fee of \$75 per two-hour period is required for permits. A waiver of fees will be granted to all schools, youth leagues and City sponsored fund-raising events.

COMMUNITY SCHOOL REVENUES. This category includes revenues received from the various classes, camps, programs and activities of the 11 community schools throughout the city.

SENIOR CENTER MEALS. Funds are received from Somerville Cambridge Elder Services to support the breakfast and lunch program for seniors, which is operated by the Council on Aging 365 days a year.

YOUTH PROGRAMS. These funds are generated from tuition for the pre-teen year round program, summer and vacation camps and from teen membership fees and are used to offset program expenses.

KING OPEN EXTENDED DAY PROGRAM. The Department of Human Service Programs jointly administers an Extended Day Program with the King Open School. Revenue from tuition is used to fund the program.

ACTUAL FY06	PROJECTED FY07		BUDGET FY08									
\$1,092,357	\$1,115,230	CHILDCARE TUITION	\$1,115,230									
<p style="text-align: right;">CHILDCARE TUITION. The Department of Human Service Programs administers childcare programs serving approximately 290 children throughout the city. Pre-school programs are held full-time at King, Kennedy/Longfellow, Morse, Peabody and King Open and part-time at the Haggerty. After-school programs are located at the Morse, King, Fletcher/Maynard Academy and Peabody Schools. The fees projected for FY08 are \$290 per month for after-school care and \$750 per month for full-time pre-school enrollment. Revenue from tuition is used to fund teachers' salaries and benefits, classroom and teaching supplies, equipment purchases, food, substitute teachers, special events, and field trip transportation.</p>												
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**CHARGES FOR SERVICES
- Fees/Childcare Tuition**

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
\$41,363	\$35,000	BOARD OF ZONING APPEALS CONSERVATION COMMISSION LICENSE HEARING FEES	\$35,000 \$1,500 <u>\$25,000</u> \$61,500
\$1,722	\$2,000		
<u>\$22,058</u>	<u>\$25,000</u>		
\$65,143	\$62,000		

**CHARGES FOR SERVICES
- Hearing/Filing Fees**

BOARD OF ZONING APPEALS. Fees are collected for petitioning the Board of Zoning Appeals for variances, special permits and appeals relating to the Zoning Ordinance.

CONSERVATION COMMISSION. Under Massachusetts General Laws, Chapter 131, section 40, any individual who proposes to alter lands adjacent to water bodies, bordering vegetated wetlands, or within 100 feet of same, or land subject to flooding, must apply to the local conservation commission for a permit. The state regulations define the filing fees associated with these applications on a sliding scale based on location and the nature of the proposed alteration. Fifty percent of the filing fee, in excess of \$25, is payable to the city. The list of project categories and associated fees can be found at 801 CMK 4.02 (310). 310 CMR 10.03 (7) (c) describes all the activities in each fee category.

LICENSE HEARING FEES. The License Commission charges a hearing and advertising fee for all applicants who apply for a hearing before the Commission. There are an estimated 200 hearings per year.

ACTUAL FY06	PROJECTED FY07		BUDGET FY08	CHARGES FOR SERVICES - Other
\$16,486	\$27,620	COMMERCIAL RUBBISH FEES	\$25,000	RUBBISH TICKETS. Commercial establishments in Cambridge pay a fee based on a sliding scale for rubbish pick-up by the Public Works Department.
\$286,960	\$263,730	CEMETERY FEES	\$310,000	
\$969	\$900	ANIMAL BOARDING	\$1,000	
\$1,144,882	\$1,217,270	MUNICIPAL ACCESS FEES	\$1,225,125	
\$35,002	\$32,585	WHITE GOODS	\$35,000	
\$2,571	\$2,485	SALE OF COMPOSTING BINS	\$2,665	CEMETERY FEES. The Public Works Department maintains the Cambridge Cemetery. Burial fees
<u>\$1,486,870</u>	<u>\$1,544,590</u>		<u>\$1,598,790</u>	
		for FY08 are being increased from \$820 to \$900, which is comparable to other nearby municipal cemeteries. In addition, a new shrub removal fee of \$75 and a cremation set-up fee have been instituted.		for FY08 are being increased from \$820 to \$900, which is comparable to other nearby municipal cemeteries. In addition, a new shrub removal fee of \$75 and a cremation set-up fee have been instituted.
		ANIMAL BOARDING. The Animal Commission is reimbursed by dog owners for kennel costs when a dog has been picked up by the City Animal Control Officer.		CEMETERY FEES. The Public Works Department maintains the Cambridge Cemetery. Burial fees
		MUNICIPAL ACCESS FEE. The payments to the City are derived through revenues received from Comcast. As Comcast Cable television revenues increase the municipal access fees received by the City will increase proportionately and are used to support municipal programming.		for FY08 are being increased from \$820 to \$900, which is comparable to other nearby municipal cemeteries. In addition, a new shrub removal fee of \$75 and a cremation set-up fee have been instituted.
		WHITE GOODS. City residents wishing to have their large appliances picked up and disposed of by Public Works are required to obtain an orange-colored sticker, costing \$20 per appliance or \$15 for senior citizens. There are approximately 47 appliances picked up each week.		CEMETERY FEES. The Public Works Department maintains the Cambridge Cemetery. Burial fees
		SALE OF COMPOSTING BINS. The Recycling Division of the Department of Public Works sells home composting bins to residents. The price for FY08 has increased from \$25 to \$50 in order to meet the City's cost of purchasing the bins, whose prices have increased dramatically over the past several years.		for FY08 are being increased from \$820 to \$900, which is comparable to other nearby municipal cemeteries. In addition, a new shrub removal fee of \$75 and a cremation set-up fee have been instituted.

THIS SPACE RESERVED FOR COUNCILLORS' NOTES

**INTERGOVERNMENTAL REV.
- Summary**

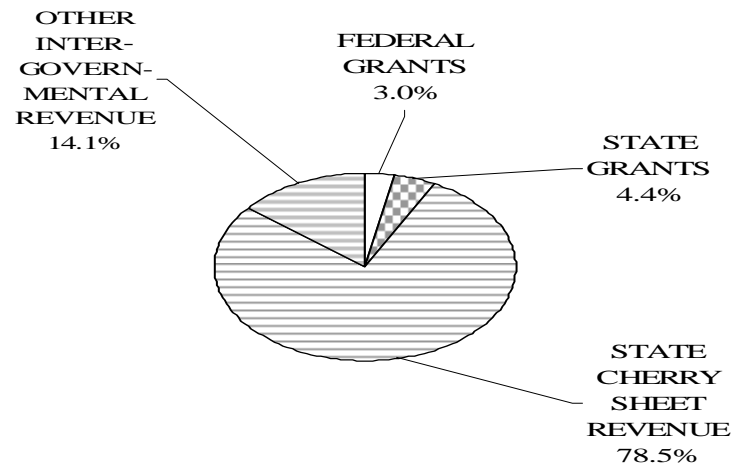
ACTUAL FY06	PROJECTED FY07		BUDGET FY08
\$4,766,743	\$3,303,300	FEDERAL GRANTS	\$1,651,490
\$2,955,266	\$2,808,330	STATE GRANTS	\$2,384,130
\$41,284,019	\$43,125,640	STATE CHERRY SHEET REV.	\$42,929,305
<u>\$7,520,910</u>	<u>\$7,668,290</u>	OTHER INTERGOV. REVENUE	<u>\$7,734,540</u>
\$56,526,938	\$56,905,560		\$54,699,465

GRANT FUND. In FY08, the City will continue to accept, appropriate, and expend grants in a special revenue fund. Grants are accepted and appropriated year-round by the City Council at the time of notification by the grantor to the City.

However, a small number of federal and state grants, imperative to the operating budgets of some departments, will be appropriated in the General Fund budget process.

CHERRY SHEET REVENUE. State Cherry Sheet revenue funds are the primary intergovernmental revenue. Cherry Sheet revenue consists of direct school aid, local aid, and specific reimbursements and distributions such as aid to public libraries, veterans' benefits, police career incentives and a number of school related items. Due to a reduction in state revenues, state cherry sheet revenue to the City has declined in recent years. However, the revenue assumption used in the FY08 budget is based on the Governor's Proposed State Budget which calls for a increase in local aid (Chapter 70, additional assistance and lottery funds).

INTERGOVERNMENTAL REVENUE ANALYSIS



ACTUAL FY06	PROJECTED FY07		BUDGET FY08
\$4,727,663	\$3,266,140	COM. DEV. BLOCK GRANT	\$1,613,685
\$31,580	\$33,160	HOME GRANT REIMBURSEMENT	\$33,305
<u>\$7,500</u>	<u>\$4,000</u>	VETERANS' REIMBURSEMENT	<u>\$4,500</u>
\$4,766,743	\$3,303,300		\$1,651,490

**INTERGOVERNMENTAL REV.
- Federal Grants**

FEDERAL GRANTS. The following federal grants will be appropriated in the FY08 General Fund budget process. All other federal grants will be accepted and appropriated individually by the City Council upon receipt of the grant award notice to the City.

COMMUNITY DEVELOPMENT BLOCK GRANT. The primary objectives of the federally funded Community Development Block Grant are the funding of programs that develop viable urban communities by providing decent housing, enhancing the City's physical environment, preserving the City's diversified employment base and improving the quality of public services. The FY08 allocation of the CDBG fund is as follows: Community Development, \$1,079,410, Department of Human Service Programs, \$529,275 and Historical Commission, \$5,000. The FY08 budgeted amount represents only that portion of CDBG funds used in operating budgets; the Public Investment Budget includes an additional \$1,658,150.

HOME GRANT. In FY08, a HOME Grant reimbursement for a portion of the time spent by Community Development staff supporting the grant administratively and fiscally has been included. The HOME grant is a federal grant that supports affordable housing production.

VETERANS' GRANT. In FY08, the Department of Veterans' Services and Benefits will receive approximately \$4,500 in reimbursements from the U.S. Department of Veterans Affairs for burial plot payments, which can vary.

ACTUAL FY06	PROJECTED FY07		BUDGET FY08	INTERGOVERNMENTAL REV. - State Grants
\$0	\$23,220	ADDITIONAL VOTING HOURS	\$11,610	<p>STATE GRANTS. The following state grants will be appropriated in the General Fund in FY08. All other state grants will be appropriated in the grant fund during the course of the fiscal year.</p> <p>ADDITIONAL VOTING HOURS. In FY08, the state will fund additional voting hours for the March 2008 Pre-presidential Elections. The budgeted FY08 reimbursement is \$11,610.</p> <p>STATE REIMBURSEMENT FOR NON-CONTRIBUTORY PENSIONS. The state reimburses the Employee Benefits budget for cost-of-living increases granted to non-contributory pensioners. The FY08 Budget amount is \$50,000 which is a decrease of \$50,000 from the amount budgeted in FY07. Projected FY07 revenues are estimated to be \$51,050. Adjustments were made by the state as a result of incorrect payments received in previous fiscal years. The actual FY07 adjustment was significantly larger than initially estimated by the state as evidenced by the FY07 projected revenues. FY08 revenues have been budgeted accordingly.</p> <p>CONSUMERS' COUNCIL. The Massachusetts Attorney General's Office annually awards a grant to the Cambridge Consumers' Council to offset Council operating costs. The Consumer Council is budgeted as part of the License Commission.</p> <p>STATE WATER POLLUTION ABATEMENT TRUST SUBSIDY. The City currently receives subsidies from the state for 11 sewer loans and two water loans. The subsidies on the sewer loans cover approximately 47% of the FY08 debt service costs with subsidies on water loans covering approximately 34% of the FY08 principal and interest on the two loans for the construction of the water treatment plant. These subsidies are scheduled to decrease from \$2,662,860 in FY07 to \$2,240,320 in FY08 due to the decrease in the balances of the existing loans.</p> <p>MASSACHUSETTS CULTURAL COUNCIL (MCC). The Arts Council receives a state grant to provide operating support to offset administrative and programming costs.</p>
\$108,733	\$51,050	REIMB/NON-CONTRIB PENSIONS	\$50,000	
\$39,000	\$39,000	CONSUMERS' COUNCIL GRANT	\$50,000	
\$2,778,111	\$2,662,860	STATE MWPAT SUBSIDY	\$2,240,320	
\$13,584	\$17,200	MASS. CULTURAL COUNCIL	\$17,200	
\$15,838	\$15,000	STATE GRANTS/NUTRITION	\$15,000	
\$2,955,266	\$2,808,330		\$2,384,130	

Because MCC grant amounts are reflective of state funding, the FY08 Budget amount is based on the FY07 grant amount and assumes that the MCC is level funded in FY08.

BUREAU OF NUTRITION. Funds are received from the Department of Education's Bureau of Nutrition to pay for snacks for after school programs at the Youth Centers and School Age Child Care programs as well as breakfasts and snacks for the Pre-Schools. This revenue has been reduced from \$20,000 to \$15,000 based on projected FY07 revenues.

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
\$32,617,273	\$34,395,300	SCHOOL/LOCAL AID	\$34,811,690
\$7,106,008	\$7,084,475	EDUCATION REIMBURSEMENT	\$6,337,045
<u>\$1,560,738</u>	<u>\$1,645,865</u>	GEN. GOVT REIMB/DISTRIB	<u>\$1,780,570</u>
\$41,284,019	\$43,125,640		\$42,929,305

**INTERGOVERNMENTAL REV.
- State Cherry Sheet Revenue**

CHERRY SHEET. Every year the Commonwealth sends to each municipality a “Cherry Sheet” named for the pink colored paper on which it was originally printed. The Cherry Sheet comes in two parts, one listing

the state assessments to municipalities for MBTA, MAPC, air pollution control districts and the other state programs; the other section lists the financial aid the City will receive from the state for funding local programs. Each Cherry Sheet receipt is detailed on the following pages. Cherry Sheet revenue is used in the funding of 21 City departmental operating budgets and for Cherry Sheet Assessments.

<u>DEPARTMENT</u>	<u>FY08</u>	<u>DEPARTMENT</u>	<u>FY08</u>
Mayor’s Office	\$ 32,000	Weights & Measures	17,925
Executive	163,865	Electrical	207,865
City Council	14,110	Public Works	2,281,130
City Clerk	19,300	Community Development	16,185
Law	50,000	Peace Commission	23,450
Finance	605,635	Library	422,150
Employee Benefits	5,471,875	Human Services	266,265
General Services	94,825	Women’s Commission	9,960
Elections	82,250	Veterans’ Benefits	196,830
Public Celebrations	16,500	School Department	25,428,550
Police	2,275,065	Cherry Sheet Assessments	<u>5,233,570</u>
		TOTAL	\$42,929,305

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
\$7,122,205	\$7,772,245	SCHOOL AID/CHAPTER 70 LOCAL AID/LOTTERY & ADDITIONAL ASSISTANCE	\$8,074,395
<u>\$25,495,068</u>	<u>\$26,623,055</u>		<u>\$26,737,295</u>
\$32,617,273	\$34,395,300		\$34,811,690
<p>LOCAL AID. The two major state Cherry Sheet line items are “Additional Assistance” to communities, estimated to be \$17,956,060 and Lottery estimated to be \$8,781,235 in FY08. Again, based on preliminary state budget proposals, the City is projecting an increase in FY08 of \$114,240.</p> <p>The City is estimating to receive \$416,390 more in FY08 as it did in FY07 for these three major local aid categories. These three local aid categories represent 8.4% of the total Operating Budget.</p> <p>Approximately 75% (\$13,452,765) of additional assistance funds support the School Budget.</p>			

**STATE CHERRY SHEET REV.
- School/Local Aid**

SCHOOL AID. In FY08, the City anticipates receiving \$8,074,395 in Chapter 70 school aid. This is based on a preliminary State budget proposal that provides an increase of \$302,150 in FY08 for Chapter 70 school aid.

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
\$72,979	\$0	SCHOOL TRANSPORTATION	\$0
\$4,572,716	\$3,875,350	SCHOOL CONSTRUCTION	\$3,875,350
\$27,615	\$25,635	SCHOOL LUNCH PROGRAM	\$26,040
		CHARTER SCHOOL TUITION	
<u>\$2,432,698</u>	<u>\$3,183,490</u>	REIMBURSEMENT	<u>\$2,435,655</u>
\$7,106,008	\$7,084,475		\$6,337,045

**STATE CHERRY SHEET REV.
- Education Reimbursement**

SCHOOL TRANSPORTATION. Prior to FY06, municipalities were reimbursed for prior year expenses for general pupil transportation. Reimbursement was provided only for pupils transported more than 1.5 miles, one way, to and from school.

This category of reimbursement was eliminated by State in FY06 and has not been reinstated. A residual reimbursement was received from the state in FY06.

SCHOOL CONSTRUCTION. The School Building Assistance (SBA) Acts (Chapter 511) provides for the reimbursement of school construction projects that involve: the replacement of unsound or unsafe buildings; the prevention or elimination of overcrowding; prevention of the loss of accreditation; energy conservation projects; and the replacement of, or remedying of, obsolete buildings. The law establishes formulas for reimbursement of costs that include fees, site development, construction, and original equipping of a school. The state has made significant changes to the program in FY06, the largest being the administration of the program, which has been transferred from the Department of Education to the Office of the State Treasurer - School Building Authority. Payments are made through this new authority and not the cherry sheet. However, for FY08 the revenues have remained in this revenue category.

LUNCH PROGRAM. Under MGL, Chapter 871, Cambridge will receive reimbursement for a portion of the cost of providing school food services. This reimbursement varies according to the number and type of meals provided. The Commonwealth reimburses the local school department less than two percent of total program costs. Federal reimbursements and revenues from sale of meals comprise the major sources of funding for school lunch programs.

CHARTER SCHOOL TUITION. This revenue, which first appeared on the Cherry Sheet in FY05 is intended to partially reimburse local communities for the cost of Charter School tuitions which are assessed to local communities through the Cherry Sheet. The state reimburses increased costs over a three-year period at a declining rate of 100%, 60%, 40%, and then zero. The FY08 initial Cherry Sheet reimbursement amount is \$2,435,655, a decrease of \$747,835 from the FY07 amount of \$3,183,490. Estimated Charter School costs assessed on the Cherry Sheet are initially estimated at \$7,501,785 for FY08, an increase of \$68,360 over the FY07 Cherry Sheet assessment of \$7,433,425.

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**STATE CHERRY SHEET REV.
- General Governmental
Reimbursement/Distribution**

\$117,038	\$118,005		\$110,620
\$1,054,562	\$1,159,950	LIBRARY AID	\$1,310,470
\$217,417	\$196,190	POLICE CAREER INCENTIVE	\$196,830
\$108,971	\$108,970	VETERANS' BENEFITS	\$97,390
\$62,750	\$62,750	REAL ESTATE ABATEMENTS	\$65,260
\$1,560,738	\$1,645,865	ELDERLY TAX EXEMPTIONS	\$1,780,570

LIBRARY AID. This sum includes a Library Incentive Grant of 50 cents per capita, a Municipal Equalization Grant apportioned according to the lottery distribution formula including equalized property valuation, and Non-Residents Recompense for each loan

made to residents of other Massachusetts towns and cities. The rate for recompense per loan is determined by dividing the amount appropriated by the legislature by the statewide total of non-resident loans in the previous year and was \$0.1068 per loan in FY07. All of this Library Aid funding is contingent upon the municipal library being certified annually by the Mass. Board of Library Commissioners as meeting the minimum standards of library service as established for its population category.

POLICE CAREER INCENTIVE. Under MGL, Chapter 41, members of participating police departments receive a salary increase predicated on the amount of college credits earned towards a law enforcement degree. The Commonwealth will reimburse the City for one-half of this salary increase. Under the revised law, officers will be awarded a 10 percent increase in their base pay for an associate's degree, a 20 percent increase for a bachelor's degree and 25 percent increase for a master's degree. This revenue is estimated to increase by \$150,520.

VETERANS' BENEFITS AND AID TO NEEDY DEPENDENTS OF VETERANS. Under MGL, Chapter 115, section 6, each municipality can submit an application to the state Department of Veterans' Benefits for reimbursement of amounts expended for veterans' benefits. The State Secretary of Veterans' Services shall assign to the City the amount of three-quarters (75%) of the total expenditures of veterans' benefits.

REAL ESTATE ABATEMENTS. The State Cherry sheet reimburses the City for loss of taxes due to real estate abatements to veterans, surviving spouses and the legally blind. Under MGL, Chapter 59, section 5, Clauses 22, 22A, 22B, 22C, and Chapter 58, section 8A, municipalities are reimbursed for amounts abated in excess of \$250 of taxes for veterans with disabilities or Purple Hearts. The base exemption amount is \$250 and can be increased to as much as the full amount of tax depending upon the extent of the veteran's disability. The Veterans Administration certifies eligibility. Once certified,

the veteran simply files an application each year with the Assessing Department. When a veteran dies, the widow must obtain a statement from the Veterans Administration certifying the veteran's eligibility at the time of death.

MGL, Chapter 59, section 5, clause 17D, provides tax relief to certain persons over age 70, minors, and surviving spouses. Under the provisions of this clause, the estate of the applicant must not exceed \$49,968, with the value of that portion of the applicant's domicile which exceeds three dwelling units having to be counted in the calculation of total assets. The base amount of the exemption allowed is \$251 for fiscal year 2007. Each year this base amount is increased by the cost of living. This amount can be increased to as much as double, depending upon the tax increase experienced by the applicant from the prior fiscal year. Clause 37A provides an abatement of \$500 for a legally blind person which can be increased to a maximum of \$1,000 depending upon the tax increase over the prior year. Again, the State reimburses the City for abatement amounts up to the base amounts of the exemptions.

ELDERLY EXEMPTION. Under Clause 41C, persons over age 65 with yearly maximum earnings of \$20,660 for a single person or \$30,990 for a married couple, minus minimum social security receipts, domiciled in the property for five years and in the state for 10 years, with assets, if single, not in excess of \$41,320, or married, in excess of \$56,815 excluding the first three dwelling units of the domicile, receive a base exemption of \$1,000. This can be increased up to \$2,000 depending upon the amount of the applicant's tax increase.

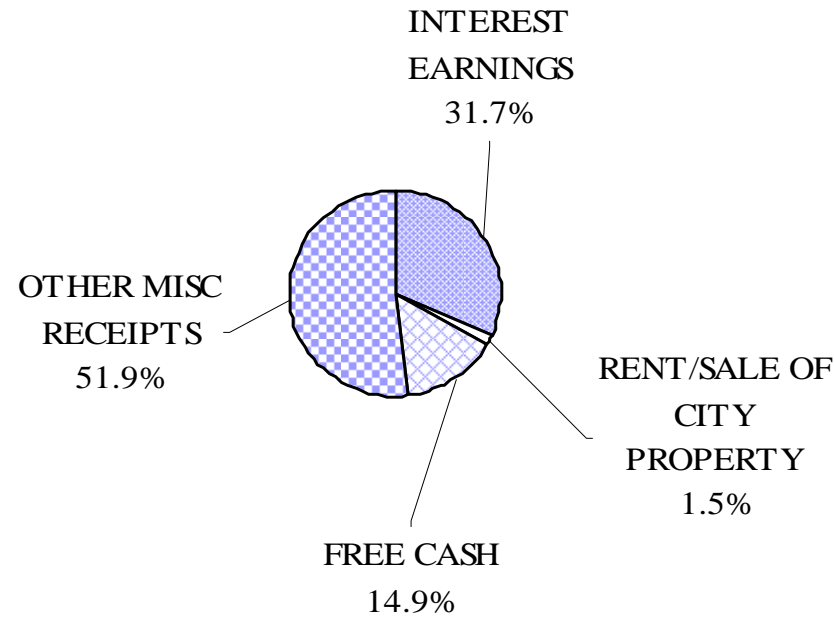
ACTUAL FY06	PROJECTED FY07		BUDGET FY08	INTERGOVERNMENTAL REV. - Miscellaneous Intergovernmental Revenue
\$793,858	\$900,000	MEDICAID REIMBURSEMENT	\$900,000	SCHOOL MEDICAID REIM-
<u>\$6,727,052</u>	<u>\$6,768,290</u>	CAMBRIDGE HEALTH	<u>\$6,834,540</u>	BURSEMENT. This revenue source
<u>\$7,520,910</u>	<u>\$7,668,290</u>	ALLIANCE	<u>\$7,734,540</u>	reflects reimbursements of special
		<p data-bbox="625 492 1938 743">CAMBRIDGE HEALTH ALLIANCE. Bonds issued in the past for renovations to the Cambridge Hospital and construction of a new ambulatory care center are legal obligations of the City and principal and interest payments on these loans are included in the Debt Service budget. In FY08, this category includes the fourth debt payment for the construction of the new ambulatory care center. Reimbursement for its share of contributory retirement system costs is budgeted in the Employee Benefits Department. The detail distribution is: Employee Benefits, \$4,592,040; and Debt Service, \$2,242,500.</p>		<p data-bbox="1451 345 1938 451">education medical costs for Medicaid eligible students. In FY08, the reimbursement estimate is \$900,000.</p>

**MISCELLANEOUS REVENUES
- Summary**

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
\$6,839,785	\$7,845,000	INTEREST EARNINGS	\$4,270,000
\$228,824	\$202,840	RENT/SALE OF CITY PROPERTY	\$202,180
\$2,731,000	\$2,000,000	FREE CASH	\$2,000,000
<u>\$6,248,146</u>	<u>\$8,061,200</u>	OTHER MISC. RECEIPTS	<u>\$6,981,415</u>
\$16,047,755	\$18,109,040		\$13,453,595

MISCELLANEOUS REVENUES.
The General Fund includes a variety of revenues that cannot be categorized in the other five accounting designations. Interest earnings on investments, rental income from City property and transfers from non-operating budget funds comprise the bulk of revenues in this category. Miscellaneous revenues total 3.3% of the FY08 General Fund budget.

MISCELLANEOUS REVENUE ANALYSIS



ACTUAL FY06	PROJECTED FY07		BUDGET FY08	MISCELLANEOUS REVENUES - Interest Earnings
\$6,839,785	\$7,845,000	INTEREST EARNINGS	\$4,270,000	<p>INTEREST EARNINGS. The City regularly invests temporarily idle cash and receives interest on these investments. Interest rates and interest earnings are subject to market conditions. Interest from the Parking Fund is included in the above estimate, but interest received from trust and agency fund investments are not included. Also included is interest on perpetual care. A person purchasing a lot in the Cambridge Cemetery may make a perpetual care contribution.</p> <p>An additional \$350,000 in General Fund interest earnings revenue has been included in the FY08 Budget based on higher interest rates received on investments and additional income generated by the continued use of investment advisory services, bringing the total amount budgeted in FY08 to \$3,600,000. In addition to this amount, \$625,000 in interest earnings from the Parking Fund and \$45,000 from interest on perpetual care accounts have been budgeted in FY08.</p> <p>Total interest earnings are budgeted at \$4,270,000 on FY08. This budgeted revenue amount is significantly less than the \$7.8 million projected for FY07. However, the cash balances available in FY08 which are able to be invested will be significantly lower due to the large expenditures scheduled to be made with the start of three major construction projects (Main Library Expansion, West Cambridge Youth and Community Center and Public Safety Facility) in the spring of 2007. In addition, this FY08 budget estimate is in keeping with the City's practice of projecting revenues conservatively.</p> <p>Interest income is used to offset expenditures in: Finance (\$3,600,000); Community Development/ Parking Fund (\$150,000); Traffic, Parking & Transportation (\$475,000); and Public Works (\$45,000).</p>

ACTUAL FY06	PROJECTED FY07		BUDGET FY08	MISCELLANEOUS REVENUES - Rent/Sale of City Property
\$153,214	\$138,480			
<u>\$75,610</u>	<u>\$64,360</u>	RENT OF CITY PROPERTY	\$131,480	RENT OF CITY PROPERTY. In
<u>\$228,824</u>	<u>\$202,840</u>	SALE OF CITY PROPERTY	<u>\$70,700</u>	FY08, the City will receive rent from
			\$202,180	the newsstand in Harvard Square and
				the New School of Music in the total
				amount of \$71,480. These funds are
				used as an offset to the Public Works budget. In addition, the City will receive \$60,000 from the rental
				of the retail space located at the First Street garage.
				SALE OF CITY PROPERTY. Revenue is received from the sale of lots and graves at the City
				cemetery. The price of a single lot is \$950 and an individual must be a resident of Cambridge at the
				time of death. Revenue from this source is \$70,000 in FY08. The Animal Commission has an
				adoption program for animals that are picked up and not claimed by their owners. These animals are
				brought to a veterinarian for testing, vaccinations and a complete examination before they are placed
				in new responsible homes. The Animal Commission has adoption fees for these animals that reflect
				the costs of the veterinary care that has been completed. The FY08 revenue estimate is \$700. Also, in
				FY08 the sale of video tapes (\$300) by the Cable TV Office as a revenue source has been eliminated
				because of declining sales.

ACTUAL FY06	PROJECTED FY07		BUDGET FY08	MISCELLANEOUS REVENUES - Free Cash
\$2,731,000	\$2,000,000	<p>FREE CASH \$2,000,000 APPROPRIATING FREE CASH.</p> <p>Under Massachusetts General Laws, Chapter 80, “free cash” is certified at the beginning of each fiscal year by the State Bureau of Accounts. A community’s Free Cash or budgetary fund balance is the surplus amount of funds that are unrestricted and available for appropriation. This figure is usually generated by actual revenues that exceed estimates and actual expenditures that are less than budgeted amounts. The City carefully limits its use of free cash in operating budgets. The surplus prevents short-term borrowing, bolsters the City’s bond rating and earns interest that is used to fund programs. In FY08 a portion of Free Cash will be used as a revenue in the Police Department (\$1,700,000), and the School Department (\$300,000) budgets. Not included in the above amount is \$1,000,000 in revenue used in the funding of City Capital Projects.</p> <p>In addition, \$6,000,000 in Free Cash was used to reduce the increase in the property tax levy in FY07. It is estimated that the City will use \$5 million in Free Cash in FY08 to lower the property tax levy increase. This \$1 million dollar reduction is consistent with the City’s financial plan. It is estimated that the City’s FY07 certified Free Cash amount will be less than the FY06 amount of \$68 million, primarily due to the \$8 million that was transferred to the Debt Stabilization Fund in FY07 to offset increases in property tax supported debt in future years.</p>		

ACTUAL FY06	PROJECTED FY07		BUDGET FY08	MISCELLANEOUS REVENUES - Other Miscellaneous Revenue
\$83,925	\$1,000	RESTITUTION	\$1,000	<p>RESTITUTION. This revenue source represents restitution payments made by defendants to the court and is based on an average of \$43.49 per hour for court time costs for a police officer.</p>
\$1,998	\$2,000	TELEPHONE COMMISSIONS	\$1,000	
\$16,298	\$8,000	ROYALTIES	\$5,000	
\$3,860,000	\$3,860,000	CLAIMS TRUST TRANSFER	\$5,000,000	
\$2,000,000	\$2,000,000	DEBT STABILIZATION TRANSFER	\$1,500,000	
\$0	\$1,889,400	TEACHER RETIREMENT TRANSFER	\$200,000	
\$26,467	\$52,550	SECTION 108 LOAN PAYMENT	\$37,415	
\$50,000	\$30,000	TRAFFIC MITIGATION FUNDS	\$30,000	
\$209,458	\$200,000	RECYCLING	\$125,000	
\$0	\$18,250	BUS SHELTER ADVERTISING	\$18,000	
\$0	\$0	OVERTIME REIMBURSEMENT	\$64,000	<p>TELEPHONE COMMISSIONS. Verizon pays the City a commission on public telephones. The Electrical Department receives the revenue for all outdoor public telephones and the revenue from indoor public phones goes to the department in which the phone is located.</p>
\$6,248,146	\$8,061,200		\$6,981,415	
<p>ROYALTIES. The Historical Commission offsets expenditures with income and royalties received from sales of its publications to members of the public and to book stores. The Commission anticipates earning \$5,000 less in budgeted revenues from FY07 due primarily to decreased sales of the East Cambridge oral history book, <i>All in the Same Boat</i>. Income is also earned from fees for paint research and color consultations, the sale of photographic prints from the archives, and photocopying.</p>				
<p>CLAIMS TRUST TRANSFER. In an effort to lessen the impact of Employee Benefit increases on the property tax levy, \$5,000,000 in interest earnings and employee contributions from the Health Claims Trust Fund will be used as a revenue to offset health insurance, dental, and life insurance costs. The use of these funds is in accordance with the objective of the fund to be used as a contingency against higher than anticipated health insurance costs. The increase of \$1,140,000 in FY08 reflects the increase in employee contributions from non-union and most settled unionized employees.</p>				
<p>DEBT STABILIZATION TRANSFER. In FY08, \$1,500,000 in Stabilization Funds is being used as a revenue source to offset increases in debt service costs, which is a decrease of \$500,000 based on our five-year financial plan. This planned use of reserves, which began in FY07, is intended to reduce the increase in property taxes as our debt service costs increase. The total fund balance for the Debt Stabilization Fund is estimated to be \$13.8 million as of June 30, 2007.</p>				

TEACHER RETIREMENT TRANSFER. Every two years the City performs an actuarial study determines the level of yearly contributions needed to fully fund the System's actuarial accrued liability by the year 2028, as required by the Commonwealth of Massachusetts. In accordance with the revised funding schedule the City is projected to fully fund the City's unfunded actuarial liability by 2015. This funding schedule assumes the normal yearly budgeted contribution as part of the General Fund Budget and an annual \$200,000 transfer from the Teachers Retirement Agency Fund. The City receives over \$300,000 yearly from reimbursements from the Massachusetts Teachers Retirement Board which are deposited into this agency fund.

SECTION 108 LOAN REPAYMENT. During FY94, the City entered into a loan guarantee agreement with the Department of Housing and Urban Development (HUD) for \$1,000,000, which was loaned to Brookline Street Limited Partnership to cover a portion of the costs of the Brookline Street Housing Development. As principal and interest payments come due, the Partnership will repay the City, which will then repay HUD. The loan will be repaid over 20 years. The amount shown as revenue in this section will cover payments due in August of 2007 and February 2008 which are lower than previous years due to the City taking advantage of a refinancing opportunity through HUD to lower interest payment costs.

TRAFFIC MITIGATION FUNDS. The New England Development Company and their subsidiaries will contribute approximately \$30,000 to the City in FY08 to implement traffic mitigation measures set forth in their development agreement with the City.

RECYCLING. The City receives revenue for the recyclable materials collected in our curbside collection and drop-off programs. The amount the City receives is based on the market prices per ton of the paper and cardboard collected minus a \$36 per ton processing fee. \$125,000 is budgeted for FY08 based on prior year revenues and the forecast for continued strong worldwide demand for paper, cardboard and scrap metal.

BUS SHELTER ADVERTISING. This revenue reflects the income received by the City for advertising located on new bus shelters recently installed.

OVERTIME REIMBURSEMENT. The Police Department receives reimbursements for overtime and services provided by police personnel from various outside agencies. For the first time, revenues received from this source will be budgeted to offset these costs. This will also provide for a better tracking of funds received from outside agencies.

SUMMARY: GENERAL GOVERNMENT

FY06 ACTUAL	FY07 PROJECTED	PROGRAM EXPENDITURES	FY08 BUDGET
\$435,160	\$613,215	Office of the Mayor	\$725,905
\$1,499,200	\$1,630,205	Executive	\$1,654,445
\$1,009,430	\$1,056,990	City Council	\$1,101,055
\$749,580	\$794,235	City Clerk	\$825,930
\$1,897,055	\$1,896,820	Law Department	\$1,919,740
\$9,626,700	\$9,807,720	Finance	\$10,143,375
\$16,988,185	\$20,896,490	Employee Benefits	\$27,043,360
\$1,021,270	\$1,056,865	General Services	\$1,068,505
\$750,210	\$775,415	Election Commission	\$911,630
\$734,310	\$778,700	Public Celebrations	\$836,560
\$0	\$0	Reserve	\$37,500
<u>\$34,711,100</u>	<u>\$39,306,655</u>		<u>\$46,268,005</u>

FINANCING PLAN	FY08 BUDGET
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Taxes	\$25,095,395
Charges For Services	\$786,900
Licenses and Permits	\$48,000
Fines & Forfeits	\$316,500
Intergovernmental Revenue	\$11,221,210
Miscellaneous Revenue	\$8,800,000
	<u>\$46,268,005</u>

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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\$342,470	\$378,380
\$17,290	\$158,810
\$72,795	\$75,025
<u>\$2,605</u>	<u>\$1,000</u>
\$435,160	\$613,215

ADMINISTRATION
GOVERNMENTAL RELATIONS
CEREMONIAL FUNCTIONS
COMMUNITY LEADERSHIP

\$369,495
\$280,350
\$70,500
\$5,560
\$725,905

PURPOSE & OVERVIEW: The Mayor is selected by the City Council from among its membership, and serves a two-year term. In the City of Cambridge, the Mayor serves as Chairperson for both the City Council and the School Committee. As the official leader of the City, the Mayor fulfills political, ceremonial and community leadership functions on behalf of the City.

ADMINISTRATION: The Mayor’s Office is a significant center of governmental leadership in Cambridge. The Mayor, Vice Mayor and City Councillors work together to serve the various needs of the city. Teamwork is a theme of the current Mayor’s Office and the goal is to be responsive to the requests of citizens, guests and to work with City Councillors to provide the best representation possible. The Mayor’s staff responds to requests for jobs, housing assistance and school related matters.

GOVERNMENTAL RELATIONS: The Mayor attends a variety of conferences and participates in municipal and educational policy bodies. The current Mayor participates in the U. S. Conference of Mayors, the National Conference of Black Mayors, the National League of Cities, the International Gay and Lesbian Elected Officials (INGLO), the National School Board Association, the Black A.I.D.’s Institute, the Congressional Black Caucus Annual Meeting, the National Association of School Boards Association and the Children’s Defense Fund. The Mayor is also a member of the Massachusetts Mayor’s Association and the Massachusetts Municipal Association.

CEREMONIAL FUNCTIONS: The Mayor’s Office hosts and organizes many ceremonial and social public events. The largest events include an annual holiday party in December and two celebrations for Cambridge seniors in conjunction with Harvard University and the Massachusetts Institute of Technology in spring and summer. Each month of the year has its own special theme and events, which are coordinated with or by the Mayor’s Office. For example, there is a month-long Black History celebration coordinated in conjunction with the Employees’ Diversity Committee, a Women’s History Month celebration, St. Patrick’s Day Luncheon, Italian Heritage Month, a Holocaust Remembrance, Dance Month celebration, a Gay Pride Breakfast, Fair Housing Month, Student Art Exhibits and many other events. Each occasion celebrates Cambridge’s diversity and the rich heritage of the city’s many groups. The Mayor’s Office also worked with the Massachusetts Biotech Council to promote Cambridge at the BIO 2007 International Convention in May 2007.

COMMUNITY LEADERSHIP: It might be said that the Mayor’s most important function is to generate and promote unifying structures throughout the city. In order to achieve this goal, the Office of the Mayor, when public sentiment calls for it, appoints commissions or task forces, which pursue policy discussions about issues

which are of concern to our citizens. The Community Leadership Fund is used for printing, mailing and other organizational and public information-related expenses. Also included in this section is funding for the Sister Cities Program, which maintains relationships and fosters exchange between the City of Cambridge and six cities around the world.

FY08 GOALS

This year, the Mayor’s Office participated in an internal goal setting process to choose several initiatives that the office can undertake for the balance of the 06/07 City Council term. The chosen initiatives are to:

- Co-Chair, with the City Manager, a citywide Committee on Neighborhood Safety.
- Focus on the achievement gap, serious science/math vigor in the Cambridge Public Schools.
- Focus on Cambridge’s Baby Boomers and support for Cambridge retirees’ lifestyles and living options.
- Envision a new square in Central Square.
- Focus on Cambridge’s planning and zoning pitfalls.
- Focus on Criminal Offender Records Information and re-integration of ex-offenders into the community.
- Promote greater civic engagement by high school and area college and university students.

FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$693,905
Real Estate Taxes	\$680,505	
Hotel/Motel Excise Tax	\$13,400	
INTERGOVERNMENTAL REVENUE		\$32,000
State Cherry Sheet Revenue	\$32,000	
TOTAL FY08 BUDGETED REVENUE		\$725,905

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$588,275
OTHER ORDINARY MAINTENANCE	\$117,130
TRAVEL & TRAINING	\$20,500
EXTRAORDINARY EXPENDITURES	\$0
TOTAL FY08 BUDGETED EXPENDITURES	\$725,905

FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	5	5	5

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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\$903,260
 \$355,000
 \$150,590
\$90,350
 \$1,499,200

\$1,013,490
 \$355,000
 \$167,755
\$93,960
 \$1,630,205

LEADERSHIP \$1,040,890
TOURISM \$355,000
PUBLIC INFORMATION OFFICER \$161,305
AFFIRMATIVE ACTION \$97,250
\$1,654,445

PURPOSE & OVERVIEW: The City Manager, as Chief Executive Officer of the City, is responsible for providing leadership to and administration of all City departments and services. The Manager and his staff are responsible for the enforcement of all

relevant laws and City ordinances; the appointment of department heads and members of the numerous boards and commissions; and for the submission of the Annual Budget to the City Council. The City Manager also recommends policies and programs to the City Council and implements Council decisions. The City Manager and his staff respond to citizen inquiries and requests regarding City services and departmental policies and conduct numerous neighborhood meetings regarding community issues. Included in this department are the Affirmative Action Office and the Public Information Office. The Cambridge Office for Tourism, a non-profit agency, receives City funds budgeted in this department and the Deputy City Manager serves as a board member.

FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:

- Responsible for Project Management of many significant new public construction projects, including the Robert W. Healy Public Safety Facility, the Main Library renovation and construction, the West Cambridge Youth and Community Center/VFW, and the War Memorial renovation.
- The General Contractor began soil remediation of the 238 Broadway site after approval from DEP, with remediation completion anticipated for March 2007. Demolition of the buildings and parking lots and the closure of a portion of Clark Street are complete and will enable construction of an expanded 238 Broadway/Harvard Street Park. Improvements will include an expanded lawn area, a new tot lot and water play features, resurfacing of the existing tennis courts, improvements to the existing community garden and new plantings and furnishings. The project will also include utility improvements, sidewalk reconstruction on the Harvard Street side, and sidewalk and roadway improvements on Dickinson Street. Park construction is expected to begin upon completion of remediation, with completion anticipated in late fall 2007.
- Completed the construction design process, through the architect, and with the Police and Emergency Communications Departments, for the new Robert W. Healy Public Safety Facility on Sixth Street in East Cambridge. Went out to bid and selected the General Contractor for the construction, which will begin in February 2007. Anticipate construction completion in summer 2008.
- Recognized by Common Cause as being one of only 41 cities and towns in the Commonwealth that maintains its Web site to include essential documents such as, Governing Body's Agenda and Minutes, City/Town Budget and General Bylaws and Ordinances.

- Substantially completed construction of the Little Fresh Pond Renovation and Drainage project, which will restore and stabilize the natural shoreline, control erosion of the shoreline and adjacent pathways, enhance wetlands and natural habitat and address stormwater and flood control drainage. The construction costs associated with the ecological restoration, habitat improvements and passive recreation components have been partially funded by the Community Preservation Act (CPA) Open Space Fund (\$250,000).
- Construction of the new William G. Maher Park and ecological restoration project for the Northeast Sector of Fresh Pond Reservation, adjacent to Neville Manor, is under way. Completion of a youth soccer field, community garden, constructed wetland, natural habitat area and passive recreation pathways are scheduled for summer 2007, with a total estimated project cost of \$4.1 million. The construction costs associated with the ecological restoration and habitat improvements have been funded by the Community Preservation Act (CPA) Open Space Fund (\$1.8 million of the \$4.1 million).
- Worked in partnership with the Henry P. Kendall Foundation to create the non-profit Cambridge Energy Alliance, a large-scale energy efficiency implementation project designed to reduce peak power demand by all city (public and private) sectors by 50 Megawatts (15% of current demand). This unique 5-year program is a public/private partnership that will result in significant new jobs and economic development, while reducing fossil fuel use and greenhouse gas emissions.
- Organized the Second Annual Fresh Pond Stewardship Award, recognizing two people with long histories of support and concern for the City's watershed and the environment at Fresh Pond. The 2006 Award was given posthumously to long-time Water Board President Dr. Joseph Harrington and to Albe Simenas, Co-Chair of the Conservation Commission and a long-time member of the Fresh Pond Advisory Board.
- Site utilities were upgraded and installed in preparation for construction of the new Main Library Renovation and Construction Project. A new prequalification process for contractors and subcontractors for the project was undertaken in spring 2006, as was value engineering of the design, in preparation for rebidding the project in fall 2006. Bids for construction of the project were opened and a joint venture of two contractors was selected as General Contractor. Construction began in February 2007, with completion anticipated for fall 2008.
- The Architects completed the design of the West Cambridge Youth and Community Center/VFW through a programmatic and schematic design process with Human Services' Youth Division and the Mount Auburn VFW. In addition to youth programming space and athletic facility space, the design includes a large theatre/performance space which will enable use by a wide variety of users of a large community gathering space. The project went out to bid in fall 2006 and a General Contractor was awarded the bid. Construction began in March 2007 and will proceed in two phases, with construction completion anticipated for summer 2008.
- Convened public meetings of the Community Preservation Act (CPA) Committee; made formal recommendations to the City Council for additional funding for affordable housing, historic preservation and open space acquisition under the CPA, consistent with the City Council's goal of an 80-10-10

percentage split amongst the three categories. With the latest appropriation for FY07 of \$12.5 million, the City has been able to appropriate/reserve \$59.6 million in CPA funds, of which approximately \$25.5 million was derived from state matching funds.

- Participated in the Open Space Committee, which reviews open space needs and provides long term planning for improving and acquiring open space throughout the city.
- Collaborated with the MIT Museum, Cambridge Public Schools, Cambridge Public Libraries, WGBH, the Museum of Science and others in the development and production of the First Annual Cambridge Science Festival, a celebration and exploration of science learning and career opportunities, which took place over nine days in April 2007 in locations throughout Cambridge.
- Worked with the Mayor's Office to coordinate Cambridge's participation in conjunction with the BIO 2007 International Convention, a convention of 20,000 representatives of Biotech businesses and research institutions throughout the world, which was held in Boston in May 2007.
- Convened the Second Senior Town Meeting, in collaboration with the City Council's Neighborhood and Long Term Planning Committee and the Council on Aging, at which over 150 seniors participated in workshops and a forum to share their concerns and views with City officials.
- Through the efforts of the Recreation Division of the Department of Human Service Programs, established the Cambridge Youth Sports Commission, which provides forums for sports and fitness providers and promotes opportunities for sharing resources and helping families take advantage of the wide variety of sports and fitness activities available for children.
- Cambridge was recognized by Common Cause Massachusetts' Campaign for Open Government as one of the few communities in the Commonwealth whose Web site contained all of the essential elements for an open government online.
- Cambridge was recognized for the second time by America's Promise - The Alliance for Youth as one of the 100 Best Communities for Young People, for its many programs and services for the young people in the community.
- Worked with the Affordable Housing Trust to: fund production of new home ownership and rental opportunities, including new projects at 2495 Massachusetts Avenue, Columbia and Broadway, and the former print shop site on Harvard Street; provide financial backing for the first-time homebuyer Financial Assistance Program; provide funding support for rehabilitation of the city's rental housing stock; preserve the affordability of expiring use properties; and provide policy support of the Inclusionary Zoning Ordinance.
- Organized the 11th Annual Danehy Park Family Day in September 2006. Many City employees generously volunteered their Saturday to help make this event a success. Family Day provides Cambridge residents an opportunity to enjoy free amusement rides, kites, T-shirts and food, experience the arts, learn about public safety, and enjoy the outdoors at our award winning recycled open space facility.
- Solicited and received over 100 nominations for the 12th Annual Outstanding City Employee Awards

and presented awards to 13 City employees representing an array of City departments.

- Worked with the City Council and other City departments in coordinating community events and programs including the Citywide Dance Party and a Taste of Cambridge.
- Collaborated with the IT Department to expand the Cambridge Request System, to include all City departments. This Web-based interdepartmental system tracks resolution of a variety of requests reported by the public and City employees. This is consistent with the City Council goal to provide high quality service to residents and improve access to these services.
- Continued participation, in cooperation with chief executives from neighboring communities as a member of the Metropolitan Mayor's Organization, in a planning process to determine areas for future mutual coordinated efforts such as emergency management planning and response, energy consumption, and group health insurance.
- Represented Cambridge on the Tri-Community Watershed Council, a committee of Cambridge, Arlington and Belmont representatives and citizens, whose purpose is to jointly address enhanced stormwater management in the Alewife Brook watershed.
- Worked with the WiFi Committee to explore development of public wireless Internet in Cambridge.
- Produced the biannual magazine, *The Cambridge Life*, published in September and March, which serves as a forum to highlight successful City programs and initiatives and provides a helpful City resource and reference section for newcomers, residents and businesses. Additional resident outreach efforts continued through the publication of the 8-page community newsletter, *CityView*, which is direct-mailed to over 48,000 Cambridge households in November and May.
- Prepared and issued the weekly Cambridge E-Line newsletter, which is a snapshot of the City's homepage and includes City news and information, special alerts for snow emergencies, street cleaning and other important messages, and optional subscriptions to a variety of online City publications.
- Produced the FY06 City of Cambridge Annual Report.
- The Public Information Officer prepares and posts helpful and timely information on the City's Web site, www.cambridgema.gov, on a daily basis and posts employee information on the City's Intranet site, *Common Ground*, on a regular basis.
- The PIO office collaborated with the Bio 2007 Planning Committee and participated on a subcommittee to produce a Cambridge portal Web site for biotech and life sciences information pertinent to Cambridge. Secured the domain name: www.CambridgeBiotech.org for the new site.
- The PIO office collaborated with the Cambridge Public Health Department to produce a new Emergency Preparedness brochure, which was direct mailed to 48,000 Cambridge households in November.
- Continued to produce the *PIO Update*, the weekly employee e-mail newsletter.
- The Office of Affirmative Action, with the assistance of the Affirmative Action Advisory Committee (AAAC), updated the City's affirmative action plan goals for 2007-2010. This was achieved by analyzing

new hire and vacancy information by position title and department.

- The Affirmative Action Director assisted major City departments with affirmative action hiring goals based on U.S. census figures and local labor market statistics.
- Collaborated with the State Human Resources Division and several City departments to promote the Municipal Police Officer examination, launching a recruitment campaign targeting under-represented, protected status groups. Special outreach efforts to over 150 community organizations were undertaken to encourage Cambridge residents to apply and prepare for the examination.
- Monitored recruitment and hiring processes for official/administrator and professional (01/02) positions.
- Redesigned the Tourism Office Web site to incorporate more functionality and create a fresher look. The renewed site includes a Press Room, a Meeting Planner section and will include a mobile tourism feature enabling visitors to download information onto a cellular phone (expected to be live by March 1, 2007).
- Attended IBEX, an international trade show in Frankfurt in April 2007. Participated, with the Greater Boston Convention and Visitors Bureau (GBCVB) and the Red Sox organization, in an initiative to capture the expected influx of Japanese visitors resulting from the Red Sox signing of pitcher Daisuke Matsuzaka.
- The COT Director participated in Biotech 2007 Planning Committee: played a prominent role on the planning committee for a series of events surrounding the Biotech 2007 Conference at the new Boston Convention and Exhibition Center (BCEC) in May 2007, serving on both the Boston and Cambridge planning committees.
- Expanded Cambridge's presence in the leadership of Greater Boston tourism: the COT Director became President of SKAL International Boston, an international organization comprised of top tourism executives, with a worldwide membership of over 22,000. The COT Director was elected to the Executive Committee of the GVCVB Board of Directors. In this capacity, Cambridge will have a direct impact on policy development, marketing strategies and the direction and efforts of the GBCVB.

FY08 GOALS

- *GOAL 1: Respond to citizen and City Council inquiries, complaints and requests regarding City services and departmental policies.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of requests tracked in automated complaint system	703	1,150	1,250	1,300

■ *GOAL 1: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
2. Number of requests resolved	630	1,025	1,100	1,150
3. Number of requests outstanding	73	125	150	150

- *GOAL 2: The City Manager will continue to chair the Affordable Housing Trust Fund, which over the years has leveraged millions of dollars in private and other public funds resulting in the creation or rehabilitation of over 1,800 family units, single room occupancies, and special needs housing.*
- *GOAL 3: Provide oversight for all capital construction and renovation projects including all open space projects, elementary school design and renovations, roadway improvements, and municipal facilities. The Deputy City Manager chairs the designer selection process for all capital projects.*
- *GOAL 4: Oversee the Annual Budget and Capital Budget processes, ensuring that departmental budgets and benchmarks are in accordance with City Council goals.*
- *GOAL 5: Work with the Finance Department annually to prepare presentations for the major credit rating agencies with the goal of maintaining the City's AAA credit ratings.*
- *GOAL 6: Oversee construction of the new Robert W. Healy Public Safety Facility, West Cambridge Youth and Community Center/VFW, Main Library Renovation and Construction and the War Memorial Renovation projects.*
- *GOAL 7: Complete construction of the Northeast Sector at Fresh Pond and Little Fresh Pond.*
- *GOAL 8: Work towards identifying suitable locations for new off-leash dog runs.*

TOURISM

PURPOSE & OVERVIEW: The Cambridge Office for Tourism (COT), a non-profit agency that receives City funding, serves as the central clearinghouse for all tourism marketing and visitor information in Cambridge. The COT seeks to enrich the City of Cambridge by promoting its many special attractions and cultural amenities for the enjoyment of both residents and visitors. By coordinating tourism marketing efforts, the COT seeks to

increase recognition of Cambridge as an important component of the Greater Boston destination, thereby developing a stable and consistent tourism base in the local economy. The Office produces information to help visitors including a Cambridge bookstore guide, a seasonal Calendar of Events, a marketing brochure, a dining guide, a historical walking guide and a comprehensive Visitors Guide. The COT also produces sales and marketing materials for the hotels to use to attract convention and conference business to Cambridge. This collaborative effort between the Cambridge hotels and meeting sites is called the Cambridge Conference Collection, and it has received wide acclaim from the hotels and the Greater Boston Convention and Visitors Bureau (GBCVB).

This year, the COT marks its 12th anniversary. The 2006/2007 tourism industry has been the most profitable year in over five years. Occupancy and room rates are back to the levels they had achieved prior to the decline that began before 9/11. International travel continues to rebound as confidence returns and security procedures are integrated into the travel routine. Hotel and air travel rates have shown a significant stabilization, indicating the steady demand for both. This year, the COT focused its marketing efforts to the corporate meetings market and international marketing. Several strategic partnerships with the GBCVB and the Massachusetts Office of Travel and Tourism have proven fruitful and allowed us to increase our outreach to these markets through e-mail marketing and print ads. The COT also continues to form strategic alliances with restaurants, hotels and attractions to develop enticing packages for all markets.

Over the past seven years, COT has been fortunate to appropriate additional funding from outside grant sources that has enabled it to produce many useful marketing tools for Cambridge. In FY07, as in FY06, the City approved funding for international marketing in conjunction with a matching funds grant from the Greater Boston Convention and Visitors Bureau. This allowed the COT to participate in two international trade shows this year, EIBTM in Barcelona and IMEX in Frankfurt, which increased Cambridge's visibility in the international meetings market. Additional projects funded this year from outside sources include media exposure in all of the top meetings and incentive publications.

This year, the COT updated its Web site to incorporate more functionality and create a fresher look to correspond with the printed collateral and advertising. The new site includes a Press Room with downloadable images and press releases; a Meeting Planner section with the ability to submit RFPs directly to Cambridge hotels; a map of Cambridge with links to Google maps for more detailed directions to Cambridge hotels, restaurants and attractions; and many other features that will provide expandability for the future.

The COT has taken a strong role on the planning committee for a series of events surrounding the BioTech 2007 conference coming to the new Boston Convention and Exhibition Center (BCEC) in May 2007. The focus of the events, as well as the City's trade show participation, will be to showcase Cambridge as the "brains of biotechnology" and to feature the wealth of internationally renowned biotech firms located in Cambridge. The COT is also represented on the committee for marketing and public relations for the first annual Cambridge Science Festival to be held at the end of April 2007.

The Executive Director of the Cambridge Office for Tourism continues to serve on numerous Boards including: President, SKAL International Boston; Executive Committee, Greater Boston Convention & Visitors Bureau; and the Cambridge Chamber of Commerce. These affiliations offer incomparable networking opportunities and exposure for the COT.

Under the direction of the Assistant Director, the COT ran a series of destination ads on the MBTA's subways and city buses to encourage the large meetings market in Boston to cross the river to experience all that Cambridge has to offer. The COT also ran its first series of ads promoting retail shopping in several popular local and regional publications. The Assistant Director also participates on several local boards and committees such as the Friends of the Longfellow House and Cambridge Camping Association.

FY08 GOALS

- *GOAL 1: Ensure that visitors to Cambridge receive timely, accurate and comprehensive information on the city's accommodations, dining, events and attractions. Increase awareness of Cambridge attractions by hosting familiarization tours for both domestic and international journalists, travel agents and tour operators.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Total number of visitor requests for information via telephone, e-mail, and at information booth	66,110	90,000	70,000	72,000
2. Number of brochures distributed at state visitor centers and area hotels	154,668	147,000	150,000	150,000
3. Number of Calendar of Events distributed to visitors and local residents	48,000	48,000	48,000	48,000
4. Number of journalists, travel agents, and tour operators who participated in a tour	293	250	250	250
5. Total number of hits on the Tourism Web site	2,442,809	2,500,000	2,000,000	2,100,000
6. Total number of detailed visits to the Cambridge Tourism Web site	n/a	160,000	180,000	190,000

- *GOAL 2: Assist hotels in their marketing and sales efforts to attract convention and conference business to Cambridge by promoting partnerships with Boston meeting facilities, including the new Convention Center.*

- *GOAL 3: Continue to identify additional sources of income through grant applications, sponsorships and private sector donations.*

AFFIRMATIVE ACTION

PURPOSE & OVERVIEW: A part of the Executive Department, the Affirmative Action Office assists the City in achieving workforce parity. The goal is to reflect at all levels, and in all types of positions, the race, sex, disability or other protected status of the labor markets from which employees are recruited. It provides prompt, fair and impartial processing of complaints of discrimination and provides counseling as needed in an effort to mediate interpersonal disputes or conflicts with Equal Employment Opportunity implications.

The Affirmative Action Director assists department heads in setting and achieving affirmative action goals, specifically in recruiting, hiring, promoting and retaining qualified employees. The director also reviews and signs-off on all employment transactions; submits annual workforce analysis reports to the Massachusetts Commission Against Discrimination (MCAD); and prepares biannual reports for the Equal Employment Opportunity Commission (EEOC).

The Affirmative Action Director monitors construction contracts in excess of \$50,000 to ensure compliance of federal, state and local laws regulating municipal construction including the state’s new construction reform law that outlines specific thresholds and goals for participation of SOMWBA certified minority owned and women owned businesses.

The City’s Affirmative Action recruitment goals are linked with local labor market statistics and utilize the latest projections derived from both the metropolitan statistical area and Cambridge as recorded by the U. S. Census Bureau. Goals are set for each of the eight Equal Employment Opportunity (EEO-4) categories based on this information.

FY08 GOALS

- *GOAL 1: Maintain the level of employees with protected status in proportion to their representation in the City's labor market. Take affirmative steps to ensure that the City's workforce, at all levels and in all positions, reflects the race or other protected status of the labor market from which such employees are drawn.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Percent people of color in Cambridge workforce (reflects the goals of the City's Affirmative Action Plan)	27.0%	27.0%	27.0%	27.0%

■ *GOAL 1: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
2. Percent people of color employed by the City	31.0%	27.0%	30.0%	27.0%
3. Percent women in Cambridge workforce	49.5%	49.5%	49.5%	49.5%
4. Percent women employed by the City	43.0%	49.5%	42.0%	49.5%
5. Percent people of color in EEO categories: Officials & Administrators	14.0%	19.6%	16.0%	19.6%
6. Percent people of color in EEO categories: Professionals	21.0%	22.5%	21.9%	22.5%
7. Percent people of color in EEO categories: Technicians	15.0%	27.0%	17.7%	27.0%
8. Percent people of color in EEO categories: Protective Services	29.0%	28.0%	28.9%	27.0%
9. Percent people of color in EEO categories: Paraprofessionals	40.0%	38.0%	40.0%	27.0%
10. Percent people of color in EEO categories: Administrative support	35.0%	33.8%	36.0%	27.0%
11. Percent people of color in EEO categories: Skilled craft	18.75%	23.3%	21.0%	23.3%
12. Percent people of color in EEO categories: Service Maintenance	38.0%	42.0%	38.9%	27.0%

■ *GOAL 2: Work with departments to determine Affirmative Action goals for the hiring of people with protected status in each department; this analysis will take labor market statistics and the anticipated number of vacancies into consideration. Assist departments in recruiting and hiring processes to ensure a diverse pool of qualified applicants.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of departments met with to set goals	24	20	29	20
2. Meet with all departments that are hiring Department Heads, Professionals and Administrators	100%	100%	100%	100%

PUBLIC INFORMATION OFFICER

PURPOSE & OVERVIEW: The Public Information Officer (PIO) serves as the City's liaison to the media, helps promote City programs and services, and manages the information posted on the City's Web site. In addition, the PIO produces various City publications, including the Annual Report, the biannual community newsletter *CityView*, and the biannual magazine and City resource guide, *The Cambridge Life*. The PIO also communicates relevant City information to employees and various external audiences on a regular basis.

FY08 GOALS

- *GOAL 1: Proactively communicate City news/information to the media and the public.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Develop news releases, Web site informational pieces	210	235	235	240
2. Produce CityView biannual community newsletter	2	2	2	2
3. Produce the Cambridge Life biannual City magazine and resource guide	2	2	2	2

- *GOAL 2: Prepare the City's Annual Report in a thorough and timely manner.*

- *GOAL 3: Communicate City news/information to employees.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Publish PIO Update, weekly E-mail bulletin for employees	60	70	70	70
2. Post employee related items on the Common Ground Intranet Page	24	48	48	50

- *GOAL 4: Respond to media inquiries in a timely manner.*

- *GOAL 5: Manage daily flow of information on the front page of City's Web site and identify improvements to the main information sections for residents, businesses and visitors. Encourage departments to post information on the City's Web site, the Web calendar as well as on their department Web page.*

- *GOAL 6: Respond to community inquiries via Web, e-mail and telephone in a timely manner. Identify community relations opportunities or customer service improvements that can be made.*

- *GOAL 7: Maintain City publications and information in the City Hall Information Area.*

FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$1,275,580
Real Estate Taxes	\$523,790	
Hotel/Motel Excise Tax	\$751,790	
FINES & FORFEITS		\$215,000
Parking Fines	\$215,000	
INTERGOVERNMENTAL REVENUE		\$163,865
State Cherry Sheet Revenue	\$163,865	
TOTAL FY08 BUDGETED REVENUE		\$1,654,445

STATUTORY ANALYSIS	SUMMARY	
SALARIES & WAGES	\$1,173,995	
OTHER ORDINARY MAINTENANCE	\$442,950	
TRAVEL & TRAINING	\$37,500	
EXTRAORDINARY EXPENDITURES	\$0	
TOTAL FY08 BUDGETED EXPENDITURES		\$1,654,445

FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	8	9	9

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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\$773,365	\$819,260		
\$193,385	\$195,230		
<u>\$42,680</u>	<u>\$42,500</u>		
<u>\$1,009,430</u>	<u>\$1,056,990</u>		

<p>POLICY MAKING/LEGISLATION</p>	<p>\$854,550</p>
<p>COUNCIL SERVICES</p>	<p>\$201,005</p>
<p>GOVERNMENTAL RELATIONS</p>	<p>\$45,500</p>
	<p>\$1,101,055</p>

PURPOSE & OVERVIEW: City Council, the policy setting arm of the City, derives its powers from the City Charter and the laws and Constitution of the Commonwealth of Massachusetts. It authorizes public

improvements and expenditures, adopts regulations and ordinances, levies taxes, controls the finances and property taxes of the City, and performs many related legislative tasks.

POLICY-MAKING/LEGISLATION. Every two years, the City Council is elected at-large by the proportional representation electoral process. Upon organization of each new Council, the members elect a Mayor and a Vice Mayor, with the Mayor serving as the Council’s chief legislative officer. The Council organizes into active committees, providing much of the research and legislative analysis on major policy issues before the Council.

COUNCIL SERVICES. The City Council is served by two staff members who perform administrative duties and provide clerical support to the Councillors. The general administration of the Council budget and the purchase of all supplies and services are also included in the duties of the staff.

GOVERNMENTAL RELATIONS. This allotment supports the Council’s efforts to secure federal and state aid to supplement the City’s funds for special projects. The City Council believes that strong personal lobbying is an effective tool in the City’s campaign to maximize assistance from the federal and state governments. This allotment also allows the members of the City Council to attend conferences and seminars on urban policy and relevant legislative topics, and supports the professional development of the City Council staff.

FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:

- Provided staff support to the City Council in goal setting sessions and coordinated the publication of new City Council goals.
- Facilitated approximately 40 square dedication ceremonies initiated by the City Council.
- Provided staff support to the BioTech 2007 Conference held in Boston in May 2007.

FY08 GOALS

- *GOAL 1: Evaluate City expenditures with a view of maintaining a strong fiscal position and awareness of the impact on taxpayers.*

- *GOAL 2: Value and support the racial, socioeconomic, cultural and religious diversity of our city. Cambridge will continue to be a city that welcomes, values and respects people of all abilities.*
- *GOAL 3: Provide high quality services, including excellent customer service, effectively and efficiently and continually strive to update the public on City issues and services.*
- *GOAL 4: Deliver high quality public safety services and maintain a high level of public confidence in these services.*
- *GOAL 5: Preserve and create affordable housing for low, moderate and middle-income residents.*
- *GOAL 6: Strengthen and support public education and other learning in Cambridge for the benefit of residents of all ages.*
- *GOAL 7: Foster community and support neighborhood vitality. Support opportunities for citizens to know each other within their neighborhoods and across the city.*
- *GOAL 8: Promote a healthy environment by adopting environmentally sound and energy efficient practices throughout the community.*
- *GOAL 9: Promote the advantages of "doing business in Cambridge" and work to strengthen our mutually beneficial partnerships with businesses and universities. Highlight the unique benefits of Cambridge as a community in which to live and work; focus on transmitting the values and identity of Cambridge.*

FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$1,086,945
Real Estate Taxes	\$1,086,945	
INTERGOVERNMENTAL REVENUE		\$14,110
State Cherry Sheet Revenue	\$14,110	
TOTAL FY08 BUDGETED REVENUE		\$1,101,055

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$1,013,655
OTHER ORDINARY MAINTENANCE	\$41,900
TRAVEL & TRAINING	\$45,500
EXTRAORDINARY EXPENDITURES	\$0
TOTAL FY08 BUDGETED EXPENDITURES	\$1,101,055

FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	2	2	2

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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<u>\$749,580</u> \$749,580	<u>\$794,235</u> \$794,235
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CITY CLERK

\$825,930 **PURPOSE & OVERVIEW:** As charged by statute and ordinance, the City Clerk’s Office records, preserves and communicates vital information. Its responsibilities in the area of vital statistics encompass providing documents and information regarding the vital statistics of citizens’ individual lives and particular business records required by statute. Cambridge is home to two birth hospitals, which serve a diverse population, and in keeping with the City Council’s goal of valuing and supporting our diversity, the Clerk’s Office is proud to be able to offer assistance with birth and other vital records certificates in Spanish, Portuguese, French and Haitian Creole, as well as English. The City Clerk’s Office also produces the agenda for City Council meetings and provides records, information and parliamentarian assistance to enable the City Council to fulfill its legislative purposes and goals, and to fully inform the public regarding City Council actions. In addition, the City Clerk’s Office keeps many of the official records of the City and responds to a wide variety of inquiries from the public.

FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:

- Provided staff support for 16 City Council committees, including the Government Operations and Rules Committee as it worked with the City Council to set goals and priorities for FY08.
- Rebound records books that were in poor condition.
- Reviewed and reworked staff structure to enhance teamwork and improve customer service.
- Began assessment and planning for digitized vital record storage and issuance.
- Began work to upgrade the vital records storage vault to meet higher standard of archival preservation.

FY08 GOALS

- *GOAL 1: Accurately establish, maintain, correct, index, and certify all vital records, business records, and other important City records, and provide accessibility to the public.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of records recorded and certified	21,247	19,975	22,798	22,798
2. Number of certified records issued	20,285	19,900	20,350	20,498
3. Number of licenses issued	2,223	2,400	2,060	2,045

- **GOAL 2:** *Produce City Council agenda for distribution; attend all meetings of the City Council; record all actions taken at the meeting; distribute timely notification of Council actions taken at the meeting; index all items acted upon; and produce and maintain permanent, bound records of City Council proceedings.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Agenda ready for distribution 72 hours prior to regular City Council meeting	100%	100%	100%	100%
2. Notification of Council actions completed 38 hours after meeting	100%	100%	100%	100%
3. Permanent bound record produced within 18 months after completion of legislative year (percent completed)	50%	90%	100%	100%
4. Number of updates to the Municipal Code distributed to subscribers	2	2	2	2

- **GOAL 3:** *Improve dissemination of public information and customer service.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. City Council agenda published accurately on the City's Web site 72 hours prior to meeting	100%	100%	100%	100%
2. Each member of the Clerk's Office attends at least one professional development program each year (total # of programs attended)	8	10	10	10

- **GOAL 4:** *Explore alternative storage and binding options for City Council and vital records to improve access and retrieval of these records.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Implement digital imaging technology for storage and dissemination of one category of vital records	n/a	n/a	50%	100%
2. Work with the IT department to utilize digital imaging technology to make additional City Council agenda material available on the City's Web site	n/a	n/a	50%	100%

FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$542,680
Real Estate Taxes	\$542,680	
CHARGES FOR SERVICES		\$231,450
Certified Copies	\$201,000	
Mortgage Certificates	\$100	
Domestic Partnership	\$350	
Misc Fees (Clerk)	\$30,000	
LICENSES AND PERMITS		\$32,500
Marriage License	\$32,500	
INTERGOVERNMENTAL REVENUE		\$19,300
State Cherry Sheet Revenue	\$19,300	
TOTAL FY08 BUDGETED REVENUE		\$825,930

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$765,400
OTHER ORDINARY MAINTENANCE	\$58,110
TRAVEL & TRAINING	\$2,420
EXTRAORDINARY EXPENDITURES	\$0
TOTAL FY08 BUDGETED EXPENDITURES	\$825,930

FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	10	10	10

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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LAW DEPARTMENT

\$1,548,060	\$1,646,820		
<u>\$348,995</u>	<u>\$250,000</u>		
\$1,897,055	\$1,896,820		

**LEGAL COUNSEL
DAMAGES**

\$1,669,740
\$250,000
\$1,919,740

PURPOSE & OVERVIEW: Established by Chapter 2.26 of the Cambridge Municipal Code, the Law Department is charged with the prosecution and defense of all suits in

which the City is a party in state and federal courts, and in administrative agencies. The Department now employs eight full-time attorneys, an office manager, one administrative assistant, one clerk typist, and a part-time investigator. The Department functions as a full-time law office, handling nearly all of the City's litigation in-house. In addition to this primary litigation function, Department attorneys furnish legal opinions on a daily basis on matters referred to them by the City Manager, Mayor, City Council, School Committee and department heads. Attorneys regularly attend meetings of the City Council and its sub-committees. Attorneys draft, review and approve a wide range of legal instruments required for the orderly accomplishment of the City's business. Individual members of the legal staff have developed areas of specialization in response to increasingly complex legal considerations associated with municipal issues.

FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:

- Continued representation of the City in all pending and newly filed litigation matters. Attorneys have appeared regularly in the courts and agencies of the Commonwealth and the United States for hearings on motions, including many significant dispositive motions and trials, as well as having briefed and argued a number of appeals. Attorneys have defended decisions of the City's Boards and Commissions, such as decisions of the Board of Zoning Appeals, the Planning Board and the Conservation Commission, and have also defended challenges to the validity of various provisions of the City's Ordinances. Other substantial litigation this year included work on significant public works, public construction and environmental cases; continued work on a major initiative together with the Finance Department to collect unpaid real estate taxes; and successful minimization of the amount of judgments and settlements in negligence cases and contract actions.
- Continued outreach and training to various departments regarding measures to improve risk analysis and control and training to various boards and commissions on their responsibilities, and on laws pertaining to ethics and conflicts of interest.
- Focused significant resources on analysis, review, and advice relating to: proposed zoning amendments and amendments to other City Ordinances; large project developments; sewer/storm drain reconstruction; utility infrastructure issues; substantial environmental issues; contracting issues related to major public construction projects; acquisition and disposition of real estate for infrastructure improvements and construction of public buildings; cable television license compliance; and numerous legal instruments such as contracts, leases, licenses, easements and deeds in connection with numerous transactions.

FY08 GOALS

- *GOAL 1: Manage litigation and other legal functions in-house to the maximum extent possible.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of cases referred to outside counsel*	3	-	1	-
2. Number of written opinions and City Council Order responses issued*	32	-	26	-
3. Number of claims filed against City*	238	-	164	-
4. Number of lawsuits filed against City*	39	-	26	-
5. Hourly rate for direct internal attorney services (based upon attorney salaries assuming a 37.5 hour work week)	\$52.47/hr.	\$57.75/hr.	\$57.75/hr.	\$59.14/hr.
6. Hourly rate for department legal services (based upon total departmental salaries, assuming a 37.5 hour work week, and operating expenses)	\$72.31/hr.	\$75.19/hr.	\$75.19/hr.	\$77.77/hr.
*FY07 projected figures are actuals as of 3/31/07.				

- *GOAL 2: Serve as a resource for other departments by providing training on issues such as civil rights, ethics, conflict of interest, public records, the open meeting law and compliance with financial disclosure laws and zoning laws.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Training sessions conducted	5	4	4	4
2. Employees and members of boards and commissions in attendance	51	35	70	50
3. Departments and boards and commissions affected	9	6	6	6

FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$1,769,740
Real Estate Taxes	\$1,769,740	
LICENSES AND PERMITS		\$2,500
Street Obstruction Permits	\$2,500	
FINES & FORFEITS		\$97,500
Parking Fines	\$97,500	
INTERGOVERNMENTAL REVENUE		\$50,000
State Cherry Sheet Revenue	\$50,000	
TOTAL FY08 BUDGETED REVENUE		\$1,919,740

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$1,150,840
OTHER ORDINARY MAINTENANCE	\$509,225
TRAVEL & TRAINING	\$259,675
EXTRAORDINARY EXPENDITURES	\$0
TOTAL FY08 BUDGETED EXPENDITURES	\$1,919,740

FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	11	11	11

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
\$460,505	\$446,930	ADMINISTRATION	\$458,135
\$351,275	\$369,685	BUDGET	\$391,300
\$1,513,760	\$1,572,595	PERSONNEL	\$1,674,070
\$1,853,160	\$1,721,955	ASSESSORS	\$1,737,405
\$630,220	\$662,260	PURCHASING	\$659,970
\$640,350	\$689,155	AUDITING	\$723,040
\$747,500	\$821,135	REVENUE	\$836,350
\$568,805	\$558,490	TREASURY	\$569,625
		INFORMATION TECHNOLOGY	
		DEPARTMENT	
<u>\$2,861,125</u>	<u>\$2,965,515</u>		<u>\$3,093,480</u>
\$9,626,700	\$9,807,720		\$10,143,375

PURPOSE & OVERVIEW: The Finance Department, under the direction of the Assistant City Manager for Fiscal Affairs, is responsible for the planning, implementation, oversight, integrity and reporting of the City’s operating and capital finances. The Finance Department is comprised of the Budget, Personnel, Assessing, Purchasing, Treasury, Revenue and Information Technology functions. The Auditing Department also appears in this section, although the Auditor is appointed by the City Council.

SIGNIFICANT BUDGET MODIFICATIONS: The FY08 Finance Department Budget includes significant changes to the following divisions: ITD - \$77,600 increase in other ordinary maintenance accounts to cover the cost increase related to ongoing maintenance agreements for technical support including the City’s billing and collection application; and Personnel - \$40,000 increase to cover increased tuition reimbursements for employees, increased advertising costs to support recruitment and legal services.

FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:

- The Administration, Budget, Assessing and Revenue departments collaborated to publish and mail three separate brochures to Cambridge businesses and residents, which explained the City budget, property values and real estate taxes, and abatements and exemptions.
- Initiated the OPEB Steering Committee to oversee the issuance of the City’s first actuarial study to determine future liability in accordance with GASB 45 and propose funding strategies.
- Prepared all documents for \$32,175,000 Bond Sale for the acquisition of and renovations to buildings to be used for public safety facility and a youth center, street improvements, sewer reconstruction, public building renovations and open space improvements. The City’s AAA bond rating allowed the City to sell these bonds at the low interest rate of 3.91%.
- Coordinated the first refinancing of three existing General Obligation Bonds, originally issued between February 1998 and November 1999 for 20 year terms at rates ranging from 4.5% to 5.625%, to a lower interest rate, due to favorable market opportunities. The expected savings over the remaining 10 years of these issues is \$1.975 million.

- Received for the 21st consecutive year, the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award, as well as the GFOA Certificate of Achievement for Excellence in Financial Reporting for the 20th consecutive year.
- Continued to manage City Scholarship program, providing scholarships to 25 recipients. Collaborated with CRLS to make the standard CRLS online scholarship application compatible with the City Scholarship program application requirements, resulting in an 80 percent increase in application submissions. In FY07, the City received 224 applications as compared to a total of 123 applications in FY06. Hosted award event and reception to recognize each scholarship recipient individually.
- Converted motor vehicle excise tax to new MUNIS billing, collection and revenue reporting system; began putting liens on tax exempt properties for overdue water and sewer charges.
- Implemented a monthly program for the Assessing and Revenue Departments to train staff on new functionality of MUNIS tax and utility system.
- Monitored cash balances to ensure that cash was invested at the best rate. Beginning in FY07, the City's contract with Citizens Bank required that all checking account balances earn interest at a rate at least equal to 90% of the Treasury Bill (T-Bill) and that all deposit accounts earn interest at a rate at least equal to the London Interbank Offered Rate (LIBOR).
- Increased customer service and communications to delinquent taxpayers. Sent a second notice of advertisement to all delinquent taxpayers. Created and mailed individually tailored letters to those delinquent taxpayers with small balances and to any new owners of property with delinquent taxes.
- Collaborated with Cambridge College to develop a municipal finance training curriculum.
- Developed new assessment neighborhood map to more accurately reflect the current real estate market and refined the residential assessment model to 2005 market conditions, thereby reducing the number of overvaluation appeals.
- Continued with the interior building inspection program to improve existing data integrity and capture new growth from building improvements, which resulted in \$767,131,880 in new growth of assessed value from real and personal property generating \$10,147,020 dollars in new taxes.
- Worked closely with the IT Department to improve the Assessor's Web page to allow access to comparable sales data, GIS information and maps, in order to ensure taxpayers of the overall validity and fairness of assessed values.
- Conducted numerous public information seminars to better inform taxpayers of services available for real estate tax exemptions for the elderly, disabled veterans, the blind and those suffering financial hardship and to more fully explain the mass appraisal system used to establish assessed values and build public confidence in the accuracy.
- Further reduced abatement applications to just over 400 as a result of enhancements to the Mass Appraisal Model and the increased number of inspections.

- Implemented new online Narrative Development System allowing departments to edit and submit required information electronically, and to view and print integrated budget book narratives with up-to-date real time financial and performance measurement information from other budget systems.
- Coordinated the application process with the Massachusetts School Building Authority for its 2% loan program and advocated for changes in legislation with regard to net school spending requirements, which otherwise would have required the City to significantly increase its contribution to the School Budget.
- Developed an updated applicant tracking system with better functionality and data analysis tools and expanded recruitment sources to include online career sites, targeted professional networks, college employment centers and other new media.
- Continued to provide mentoring and staff development programs to employees at a variety of career levels and delivered Preventing Sexual Harassment training programs for managers and supervisors.
- Partnered with the Affirmative Action Director to recruit a diverse pool of applicants for the 2007 entry level police exam.
- Implemented new health insurance contribution levels for non-union employees and employees covered by certain collective bargaining agreements.
- Conducted a health insurance open enrollment specific to Medicare eligible retirees and spouses, to coincide with Center for Medicare Service timetables.
- Coordinated recruitment campaigns and screening processes for several City positions, including Police Commissioner.
- Successfully pre-qualified dozens of General Contractors and hundreds of Filed Sub-Contractors for the Main Library Expansion Project, the Robert W. Healy Public Safety Facility, the West Cambridge Youth and Community Center/VFW and War Memorial the renovations.
- Successfully upgraded the Purchasing Web site to allow bid documents to be downloaded by vendors.
- Continued a proactive campaign advocating the purchase of environmentally preferred products, tracked the use of those products citywide and collaborated with other members of the Metropolitan Mayors' Coalition to execute cooperative bids for recycled paper, lamps and ballasts, road salt, fuel, office products and vehicles.
- Continued to encourage all departments making purchases under the sound business practice threshold of \$5,000 to do business with local and minority/women owned businesses.
- Expanded participation of City departments, the School Department and other local municipalities on bids for goods, services and capital projects, in an effort to leverage increased volume for better value.
- Maintained public/private partnerships, including two Wifi committees investigating citywide deployment of wireless technology and bridging the digital divide, and assisted in the completion of several projects providing wireless Internet services at specific locations throughout the city.

- Provided network services and technology support to the public by: creating a private wireless connection for the Police Garage to utilize CRS and PeopleSoft more effectively; assisting in the design and planning of the network for the new Robert W. Healy Public Safety Facility and the new Main Library; and assisting the Library in utilizing one PC to access two different networks with their MinuteMan vendor.
- Enhanced use of Web-enabled interactive GIS tool, Cambridge CityViewer and enhanced various data layers in order to provide the public with better access to more up-to-date, useful information.
- Implemented Network Attached Storage and Storage Area Network systems that will increase storage capacity, alleviate the need to have user storage limits, and save money by reducing the number of new servers needed to handle data storage needs.
- Continued development of Cambridge Web site by upgrading Physician's Database, Animal Commissions' Database, Arts Council Calendar Application, and online permitting capabilities in conjunction with improvements to the Women's Commission, West Cambridge Youth & Community Center, Veteran's Services Department and Cambridge Police Department Web sites.

FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$5,383,790
Real Estate Taxes	(\$7,388,860)	
Motor Vehicle Excise Tax	\$5,823,840	
Hotel/Motel Excise Tax	\$4,548,810	
Corporation Excise Tax	\$1,600,000	
Penalties and Delinquent Interest	\$800,000	
CHARGES FOR SERVICES		\$553,950
Water Usage Charge	\$225,000	
Parking Fund Parking Usage	\$23,950	
Sewer Service Charge	\$225,000	
Municipal Lien Certificates	\$80,000	
INTERGOVERNMENTAL REVENUE		\$605,635
State Cherry Sheet Revenue	\$442,985	
Cherry Sheet-Loss of Taxes Abatements	\$97,390	
Cherry Sheet-Loss of Taxes Elderly Exempt	\$65,260	
MISCELLANEOUS REVENUE		\$3,600,000
Interest Earnings	\$3,600,000	
TOTAL FY08 BUDGETED REVENUE		\$10,143,375

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$7,501,755
OTHER ORDINARY MAINTENANCE	\$2,355,120
TRAVEL & TRAINING	\$208,700
EXTRAORDINARY EXPENDITURES	\$77,800
TOTAL FY08 BUDGETED EXPENDITURES	\$10,143,375

FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	83	83	83

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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\$246,510	\$236,380
<u>\$213,995</u>	<u>\$210,550</u>
\$460,505	\$446,930

**LEADERSHIP
INDEPENDENT AUDIT**

\$233,135
\$225,000
\$458,135

PURPOSE & OVERVIEW: The Finance Department's Administration Division provides leadership to the operating divisions of the Department, as well as financial policy

direction to other City departments. In addition, the annual independent audit of the City's financial records is budgeted in this division. The audit is performed in accordance with generally accepted accounting principles, Government Accounting Standards Board (GASB) requirements, and assures potential purchasers of the City's notes and bonds of the City's fiscal soundness. The independent auditor also makes recommendations to improve the City's financial management.

FY08 GOALS

- *GOAL 1: Increase customer awareness of the City's schedule for mailing tax bills, property values, property taxes, abatements/exemptions, and the City's budget through the publication and distribution of three brochures, and notices on the City's web site and cable channel. Distribute an annual newsletter about the water and sewer rates and the senior citizen water/sewer discount program.*

- *GOAL 2: Manage the City Scholarship program by soliciting donations, promoting the program, processing applications, and ensuring timely payments of scholarship awards. Host award ceremony and reception to recognize each scholarship recipient.*

	FY06	FY07	FY07	FY08
PERFORMANCE MEASURES	ACTUAL	BUDGET	PROJECTED	PROPOSED
1. Amount of donations received	\$83,499	\$95,000	\$100,000	\$100,000
2. Number of donations received	1,426	1,550	1,700	1,700
3. Number of applications received	122	125	224	224
4. Number of scholarship recipients	24	25	25	25

- *GOAL 3: Provide quality information to the public via the Finance Department's Web site, including frequently asked questions and finance-related forms.*

- *GOAL 4: Respond to inquiries and informational requests sent to treasurer@cambridgema.gov in a timely manner.*

- *GOAL 5: Assist Water Department in monitoring and resolving water bill variances.*
- *GOAL 6: Participate on Steering Committee developing strategies to implement Other Post Employment Benefits (OPEB) actuarial study recommendations, including funding liabilities, in compliance with Government Accounting Standard Board (GASB) rules and regulations.*
- *GOAL 7: Collaborate with Cambridge College to develop a municipal finance training program to offer to City employees.*

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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\$351,275
\$351,275

\$369,685
\$369,685

BUDGET

\$391,300
\$391,300

PURPOSE & OVERVIEW: The primary responsibility of the Budget Office is to prepare the annual Operating and Capital

budgets for submission by the City Manager to the City Council, as required by Chapter 44 of the Massachusetts General Laws. In order to produce a fiscally sound budget for an upcoming fiscal year, it is necessary to consistently monitor and analyze the activities of the current fiscal year, as well as those of prior fiscal years, to detect trends in both revenue and expenditure categories which may have an impact on future budgets. The Budget Department is also involved in the preparation of official statements, rating agency presentation documents and other related documents for bond sales, calculation of the tax, water and sewer rates, CPA analyses, capital and grant reconciliations, maintaining the computerized benchmark, online capital and budget development system, preparation of appropriation and transfer recommendations and preparation of financial statements which are the basis for the Comprehensive Annual Financial Report (CAFR). The above-mentioned documents have a direct impact on the City's budget and it is essential they are prepared in a timely and efficient manner. Office staff continually work with each department and members of the public providing financial information and advice.

FY08 GOALS

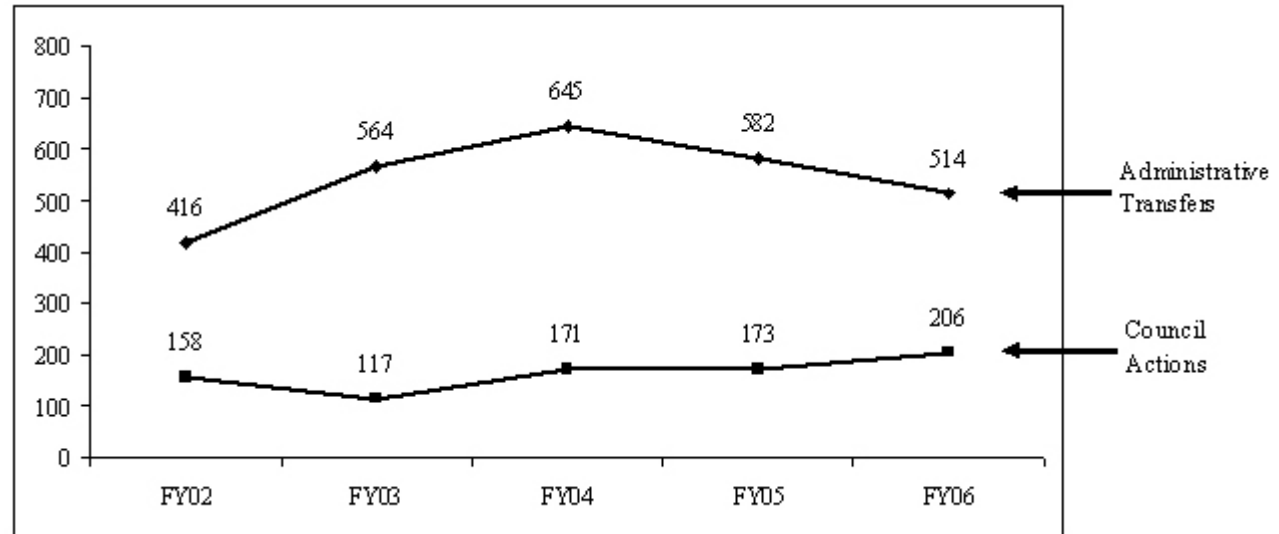
- *GOAL 1: Develop a performance based budget which contains quantifiable performance measures and concise statements of services.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Average number of meetings per department while developing the annual budget	12	11	13	11
2. Number of citywide training classes for online Fiscal Year Budget Systems	6	6	10	5
3. Date budget submitted to Council	04/24/2006	04/23/2007	04/23/2007	04/21/2008

- *GOAL 2: Conduct comprehensive citywide analysis of departmental fees and develop a centralized rate structure.*

Figure 1: Fiscal Year Administrative Transfers and Council Actions Processed

In order to accommodate the evolving needs of department operations and ensure that the City adheres to the intent of the adopted budget in a given fiscal year, the Budget Office must complete a series of administrative transfers within departments, and council actions when those transfers are between departments, funds, or statutory categories. The graph below shows the number of transfers processed.



- **GOAL 3:** *Maintain the City's long-term financial viability by forecasting the City's funding sources; create successful strategies for capital acquisitions; monitor revenue and expenditures for operating, project grant, and capital budgets; identify potential financial problems; research operational issues for resolution or improvement; and share best practices.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Coordinate annual general obligation bond sale to finance capital projects with the City's fiscal advisors and bond counsel and prepare required documents to present to credit rating agencies	\$67.5M	\$30.6M	\$32.2M	\$66.2M
2. Number of individual communications with departments to review grant and capital project balances	10	12	11	12

- *GOAL 4: Provide training for City departments and individual employees on inquiry and reporting functions of People Soft Financial System, in order to enhance the capacity of departments to manage their budgets.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of PeopleSoft training classes conducted citywide	2	4	4	4
2. Number of PeopleSoft training classes conducted for individual departments	4	2	3	2
3. Total number of City employees receiving training on PeopleSoft financial system	5	42	43	42

- *GOAL 5: Provide information about Budget Department operations, policies, procedures and publications online.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of online systems, policies/procedures, and other informational documents for departments posted on the City's Intranet site	8	8	8	9
2. Number of days from submitted budget to transmission on the Web	1	1	1	1

- *GOAL 6: Convene Fiscal Staff Working Group to enhance communication between the Finance Department and other City Departments concerning financial policies and opportunities for collaboration.*

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**FINANCE
-Personnel**

\$1,104,185	\$1,160,870
\$249,995	\$253,425
<u>\$159,580</u>	<u>\$158,300</u>
\$1,513,760	\$1,572,595

ADMINISTRATION	\$1,227,560
INSURANCE	\$273,210
EMPLOYEE BENEFITS	<u>\$173,300</u>
	\$1,674,070

PURPOSE & OVERVIEW: The overarching responsibility of the Personnel Department is to support other operating departments in ensuring that their staff are qualified, prepared and committed to providing the highest level of service possible to Cambridge residents and visitors as well as City employees.

FY08 GOALS

- *GOAL 1: Maintain consistent employment processes to ensure open, accessible and responsive applicant intake systems, using a variety of outreach methods focused on local recruiting.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Participate in outreach events and activities, such as career fairs, mailings, community group meetings and civil service exam preparation	16	25	25	25
2. Total applicants, all positions	4,098	4,500	4,000	4,500
3. Total job postings	106	125	120	125
4. Track interviewed applicants for source of job/position information; percent tracked	45%	80%	75%	80%

- *GOAL 2: Assist the City Manager, Affirmative Action Director, and departments in meeting the goal of building a City workforce which is representative of the diversity within the City of Cambridge. Assist departments in making appropriate and effective hiring decisions to ensure qualified employees.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Percent of new hires who are Cambridge residents	83%	75%	81%	75%

■ *GOAL 2: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
2. Cambridge residents submitting applications or resumes (excluding Labor Service)	1,026	900	900	900
3. Voluntarily self-identified people in racially protected groups submitting applications or resumes (excluding Labor Service)	151	300	250	300
4. Voluntarily self-identified women submitting applications or resumes (excluding Labor Service)	152	275	270	275

■ *GOAL 3: Provide training and professional development opportunities to all employees through internal and external training and through the tuition reimbursement program.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Total attendance at all training events (includes internal workshops and external programs paid through Personnel budget)	1,068	800	1,180	800
2. Percentage of participants rating internal workshops "very useful" or "extremely useful"	86%	80%	80%	80%
3. Attendees at management development workshops and performance management training	371	220	250	250
4. Courses offered on improving customer service skills of City employees	14	8	10	8
5. Provide and/or participate in providing diversity training events and activities (number of events/activities)	14	12	12	12

■ *GOAL 3: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
6. Courses, consultations, and workshops offered in general skills development, business skills, technical skills, mentoring career development opportunities, and health, safety and lifestyles	131	90	100	90
7. Employees receiving tuition assistance or funding for professional conference attendance (funded through Personnel Department account)* *Conference, tuition, and travel is also funded through several departments	75	75	75	75

■ *GOAL 4: Successfully manage employee relations in a manner that facilitates employee productivity and satisfaction within City wage guidelines; promote labor stability in the City, assist the schools with collective bargaining, and settle all expired labor contracts within fiscal year.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. City collective bargaining agreements open/settled	0/5	0/4	0/3	0/5
2. City collective bargaining agreements unsettled one year after expiration	0	0	0	0
3. City grievances reaching third step	41	40	30	30
4. City grievances resolved by arbitration	3	5	5	5

- *GOAL 5: Provide high quality comprehensive health insurance plans and other appropriate benefit programs for employees and retirees at reasonable cost, with changes at or below the relevant inflation rate; increase participation of Medicare eligible retirees in HMOs.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Percentage of Medicare eligible retirees in HMOs	50%	50%	53%	55%
2. Cost per contract (employees and retirees)	\$8,050	\$8,642	\$8,601	\$9,570
3. Provide and/or participate in providing wellness training events and activities (number of events/activities)	5	6	9	8
4. Update and reissue Employee Manual to reflect changes since last publication date	n/a	n/a	50%	100%

- *GOAL 6: Participate on Steering Committee developing strategies to implement Other Post Employment Benefits (OPEB) actuarial study recommendations, including funding liabilities, in compliance with Government Accounting Standard Board (GASB) rules and regulations.*

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**FINANCE
-Assessors**

\$1,853,160
\$1,853,160

\$1,721,955
\$1,721,955

ASSESSORS

\$1,737,405
\$1,737,405

PURPOSE & OVERVIEW: The Assessing Department is responsible for establishing full and fair cash value for all Cambridge real estate and business personal property. These values are the foundation for distribution of the City's property tax levy on an equitable basis, as mandated by state law. To accomplish its mandate, the Department must list 22,123 taxable and 1,023 exempt real properties and 2,723 personal property accounts by maintaining accurate ownership and property data information. The Assessing Department must be prepared to reasonably adjust or defend values which are challenged through the appeal process. The Assessing Department also administers the motor vehicle excise tax for approximately 60,000 vehicles. It is the mission of the Assessing Department to provide quality customer service to taxpayers and ensure fair and equitable administration of property appraisal laws as defined by the General Laws of the Commonwealth of Massachusetts.

- *GOAL 1: Ensure the accuracy of real property valuation through the routine re-inspection of all houses on a six-year cycle and the annual inspection of sale properties, all properties for which building permits have been taken out for renovations and property upgrades, and all abatement application properties for which there has not been a routine inspection in the past year.*

	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
PERFORMANCE MEASURES				
1. 1, 2 & 3 family houses with attempted inspections	3,500	3,500	3,456	3,500
2. 1, 2 & 3 family houses with interior inspections	1,441	1,400	1,411	1,400
3. Interior apartment building inspections attempted	78	100	95	100
4. Interior apartment building inspections accomplished	69	75	71	75
5. Condominium unit inspections attempted	3,900	3,500	3,615	3,500
6. Condominium unit inspections accomplished	1,681	1,500	1,516	1,500
7. Commercial buildings inspected	170	200	212	200
8. Tax Exempt properties inspected	225	200	182	200

- **GOAL 2:** *Collect market data for annual revaluation of property. The fiscal year residential property values are based on the prior calendar year sales activity. A sales analysis is conducted each year for houses and condos. The income approach, including income and expense data requests along with sales analysis, is conducted each year for apartment buildings. For commercial properties, income and expense data will be requested from commercial property owners and analyzed to develop income approach to value.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Deeds processed	2,448	3,400	3,215	3,400
2. Residential sales verification mailers	1,365	2,000	1,859	2,000
3. Commercial sales verification mailers	66	40	71	65
4. Apartment building Income & Expense requests mailed	1,200	1,000	1,215	1,200

- **GOAL 3:** *Maintain an accurate personal property database by continuing a five-year data recollection cycle for existing personal property accounts and by ensuring that all new businesses which opened in Cambridge during calendar year 2006 are valued and billed for FY08.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Existing accounts inspected	853	800	850	800
2. New accounts listed and inspected	255	250	262	250

- **GOAL 4:** *Process residential, commercial, personal property and motor vehicle excise abatement applications and residential statutory exemption in a timely fashion.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Residential overvaluation applications filed	526	450	281	450
2. Commercial overvaluation applications filed	156	150	147	150

■ *GOAL 4: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
3. Statutory & Residential Exemption applications	950	565	476	500
4. Motor vehicle excise applications	2,861	2,500	2,100	2,500
5. Personal property applications	103	100	52	50

■ *GOAL 5: Improve customer access to Assessing Dept. data by enhancing information available via the Web based mapping database, increasing the number of applications and other forms available on the Web site, and maintaining the public access terminals located in the Assessing office.*

■ *GOAL 6: Continue to update neighborhood assessing districts in conjunction with improvements to the statistical model for valuing residential property, with enhancements to this model in the Assessing Department's CAMA (Computer Assisted Mass Appraisal) system.*

■ *GOAL 7: Improve public understanding of the property tax and encourage taxpayers' participation in the assistance programs made available at libraries, senior centers and neighborhood meetings.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Taxpayer assistance/general property valuation information workshops annually	10	10	10	10
2. Taxpayers attending workshops	195	200	165	200

■ *GOAL 8: Continue to make enhancements to existing commercial and industrial valuation models to ensure fairness among all classes of real property.*

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**FINANCE
-Purchasing**

\$630,220
\$630,220

\$662,260
\$662,260

PURCHASING

\$659,970
\$659,970

PURPOSE & OVERVIEW: The Purchasing Office implements and administers the purchasing policies and

practices of the City. It ensures that all purchases of goods and services, including public construction, are made in accordance with State laws and City ordinances and are open, fair, competitive and obtained at the lowest possible cost without sacrificing best quality. The Purchasing Office encourages the participation of and outreach to minority businesses in the bidding process through the City's Minority Business Enterprise (MBE) program, and encourages all City departments to purchase locally under the sound business practices threshold. The Purchasing Office also encourages the purchase of environmentally preferable products, disposes of surplus property and oversees the Print Shop and Mail Room.

FY08 GOALS

- *GOAL 1: Procure materials, supplies, equipment and services in accordance with State laws and City ordinances at the lowest possible cost. Encourage participation in bids and quotes by Minority Business Enterprise (MBE) bidders and local Cambridge small businesses.*

	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
PERFORMANCE MEASURES				
1. Formal bids	86	80	80	85
2. Informal bids/quotes	135	140	75	70
3. Construction bids	38	40	60	55
4. Request-for-Proposals (RFP's)	14	13	14	10
5. Purchase orders issued	12,504	12,750	12,750	12,900

- *GOAL 2: Improve existing municipal purchasing practices to increase the use of recycled paper and environmentally preferable products.*

	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
PERFORMANCE MEASURES				
1. Environmentally preferred purchases made from available categories	85%	87%	88%	88%

■ *GOAL 2: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
2. Percent of paper purchased that has 30% post-consumer content or higher	100%	100%	100%	100%
3. Light bulbs, florescent tubes and ballasts purchased that are energy efficient	95%	95%	96%	97%
4. Outreach efforts (memos, workshops, etc.) to encourage City departments regarding green purchasing	6	5	4	4
5. Outside print jobs using recycled paper	94%	95%	96%	96%

■ *GOAL 3: Confirm and issue purchase orders for purchases made against existing City/State contracts within 2 days.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Purchase orders issued within 2 days	90%	90%	93%	93%

■ *GOAL 4: Receive informal bids/quotes for evaluation within 3 weeks of receipt of requisitions.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Quotes received within 3 weeks	98%	98%	99%	99%

■ *GOAL 5: Notify departments of contract expiration 3 months prior to the expiration date, to reduce lapses in contracts bid by Purchasing.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Timely mailing of notices of bid expiration to affected departments	98%	98%	99%	99%

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**FINANCE
-Auditing**

\$640,350
\$640,350

\$689,155
\$689,155

AUDITING

\$723,040
\$723,040

PURPOSE & OVERVIEW: The Office of the City Auditor provides independent, timely oversight of the City's finances and operations and ensures that the City's programs are being executed legally, efficiently and effectively. The Office serves as a barrier to potential fraud or misuse of City resources. The Office provides financial and other information to the City Council, City Manager, City departments, the investment community, federal, state and other levels of government, and to the citizens of Cambridge. The Office also provides assistance to the City Council in its review of the proposed City budget.

FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:

- Prepared City's annual financial statements entirely in-house, including the requirements of GASB 34, which is available on the City's Web site for easy public access to the financial status of the City.
- Conducted testing for upgrading the PeopleSoft Financial system.
- Worked with Community Development Department to maintain and monitor the financial requirements for various affordable housing programs and the leadsafe program.
- Implemented the requirements of GASB Statement Number 40, disclosing deposit and investment risk.
- Participated in the steering committee for the Other Post Employment Benefit (OPEB) study.
- Auditing staff assisted in upgrading the excise system and ensured it posted correctly to the City's general ledger.
- Continued to provide basic training for other departments in procedures related to PeopleSoft accounting/bill paying functions.
- Completed all Massachusetts Department of Revenue required reports.
- Participated in working group meetings with the Kendall Foundation on the Cambridge Energy Initiative.
- Continued to assist on internal and external requests for Accounts Payable and vendor inquiries.
- Assisted in the preparation of the City's Comprehensive Annual Financial Report (CAFR).

FY08 GOALS

- *GOAL 1: Provide independent financial oversight for the City's accounting system so that financial transactions are timely and accurately recorded. Develop indicators to measure unit costs of the Department's operations. Continue to prepare 90% of postings in one day.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of accounting adjustments	1,949	2,200	1,900	2,000
2. Percent posted within one day	90%	90%	90%	90%
3. Purchase orders processed*	20,459	21,000	20,500	20,750
4. Percent approved within one day	95%	95%	95%	95%
*Includes School and City purchase orders				

- *GOAL 2: Prevent loss of funds by reviewing contracts for goods and services, purchase orders and bills for payment.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of invoices processed	69,208	65,000	65,350	65,500
2. Percent posted within one day	85%	80%	80%	80%

- *GOAL 3: Report the City's financial operations to the City Council, City Manager, City departments, the investment community, federal, state and other levels of government and the citizens of Cambridge. Prepare the year-end financial reports in accordance with generally accepted accounting principles (GAAP).*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Fund statements prepared according to GAAP	11	11	11	11
2. Days to prepare Comprehensive Annual Financial Report	170	150	170	170
3. Days to prepare Schedule A	120	120	120	120

- *GOAL 4: Explore the possibility of using new technology to scan documents into a shared drive for access by users of the financial system in order to streamline payments to routine vendors.*

- *GOAL 5: Participate on Steering Committee developing strategies to implement Other Post Employment Benefits (OPEB) actuarial study recommendations, including funding liabilities, in compliance with Government Accounting Standard Board (GASB) rules and regulations.*

- *GOAL 6: Conduct cash control procedure interviews with a City department to ensure cash controls are in place.*

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**FINANCE
-Revenue**

\$747,500
\$747,500

\$821,135
\$821,135

REVENUE

\$836,350
\$836,350

PURPOSE & OVERVIEW: The Finance Department's Revenue Division is responsible for collecting and recording all of the City's revenues in a timely and accurate manner and for providing a high level of customer service to taxpayers requesting assistance. During the course of a year, the Division processes approximately \$372 million in receipts and issues approximately 185,000 bills and notices. The office works with the Law Department to initiate tax title and foreclosure proceedings for severely delinquent properties, in order to protect the City's legal interests.

FY08 GOALS

- *GOAL 1: Maintain a high collection rate for all tax and utility bills.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Percent of real estate levy collected	97%	99%	99%	99%
2. Percent of personal property levy collected	97%	99%	99%	99%
3. Percent of motor vehicle excise tax collected	91%	90%	91%	90%
4. Percent of water/sewer bills collected	89%	97%	98%	98%

- *GOAL 2: Coordinate with the Assessing Department to ensure that real estate and personal property tax bills are mailed to the property owner's most current mailing address.*
- *GOAL 3: Enforce the timely collection of delinquent real estate taxes through the issuance of demand notices and warrants and, when necessary, by tax title proceedings.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of demands issued	1,870	2,000	2,000	2,000
2. Number of accounts transferred to tax title	76	500	324	500

- **GOAL 4:** Continue to offer customers multiple options for paying tax and utility bills, including lockbox, cashier and online payments.

Figure 1: Real Estate Bills by Payment Type

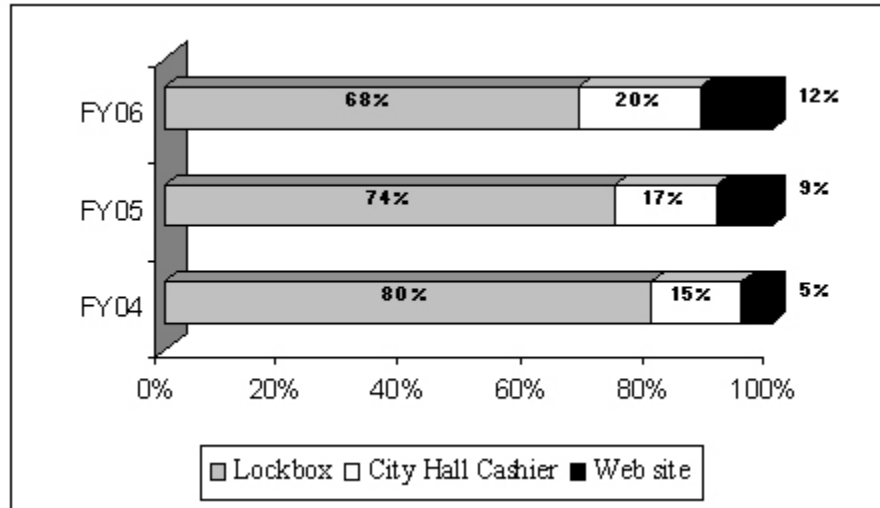


Figure 2: Motor Vehicle Excise Bills by Payment Type

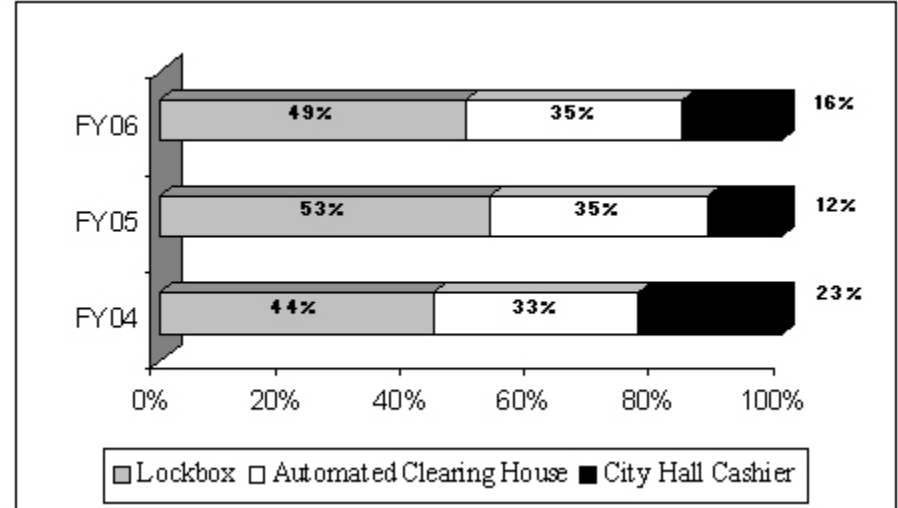
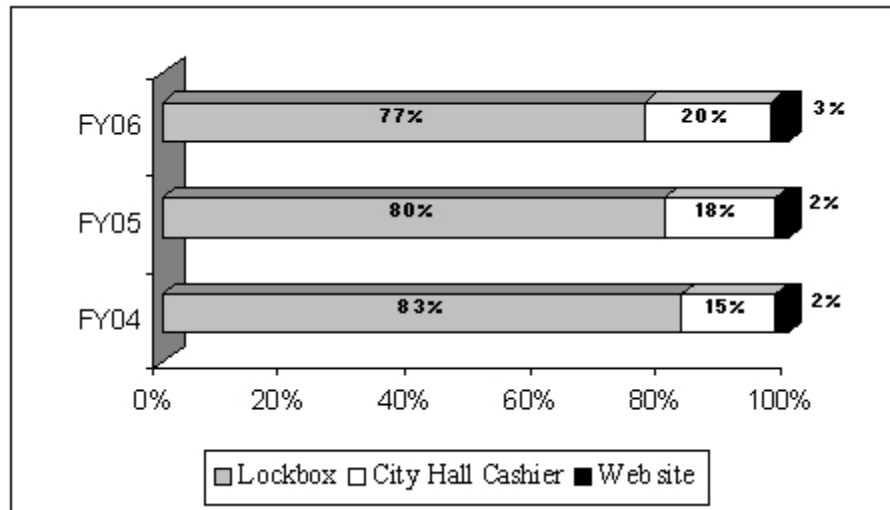


Figure 3: Water and Sewer Bills by Payment Type



LEGEND: Methods of Payment

Lockbox – Customers mail payments to a 3rd party payment processor.

City Hall Cashier – Customers submit payments in person to the cashier’s window in City Hall.

Automated Clearinghouse – Customers make arrangements for escrow tax payments to be made by banks to the City.

Web site – Customers make payments online.

- *GOAL 5: Increase customer service to taxpayers who have a lien on their property, through additional communications beyond tax title procedure statutory requirements.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of additional letters sent to taxpayers who have a lien on their property and are therefore in Tax Title	n/a	n/a	250	250
2. Number of letters mailed to taxpayers who have paid their tax title balance in full, and the lien on their property has been "released" at the Registry of Deeds	n/a	n/a	50	100

- *GOAL 6: Enforce the timely collection of delinquent motor vehicle excise tax bills by issuing demand notices and warrants and by timely notification to the Registry of Motor Vehicles to initiate the Registry Hold Program.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Excise accounts held for non-payment at the Registry of Motor Vehicles	10,680	5,000	5,000	5,000

- *GOAL 7: Issue correct municipal lien certificates within 10 business days of request.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Municipal lien certificates issued	2,548	3,100	2,360	2,500

- *GOAL 8: Develop an online Request System for municipal lien certificates that will allow individuals to download and submit a request for an MLC online.*

- *GOAL 9: Monitor and continue using DocStar, an electronic document filing and storage system, to store important documents.*

- *GOAL 10: Improve customer service and increase staff development by offering trainings to staff on the new billing, collection and revenue reporting system, MUNIS, and other new systems such as DocStar.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of trainings held	n/a	n/a	n/a	9

ACTUAL FY06	PROJECTED FY07	BUDGET FY08
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\$329,075	\$299,480
<u>\$239,730</u>	<u>\$259,010</u>
\$568,805	\$558,490

CASH MANAGEMENT	\$303,185
PAYROLL MANAGEMENT	<u>\$266,440</u>
	\$569,625

PURPOSE & OVERVIEW: The Finance Department's Treasury Division is comprised of two cost centers: Cash Management and Payroll. Cash Management is responsible for

all City banking, including the City's banking services contract, identification of all wire transfers into City bank accounts, investment of City cash, management of City trust funds, reconciliation of all cash, timely payment of all debt service obligations and prompt payment of all approved obligations to vendors and contractors. Payroll's primary responsibility is the timely weekly payment of approximately 3,000 employees. Payroll is also responsible for paying federal, state and Medicare withholdings, health and life insurance, deferred compensation, retirement, MBTA pass purchases, and administering garnishments and attachments to employees' wages. At year-end, Payroll prepares and distributes approximately 5,700 W2's.

FY08 GOALS

- *GOAL 1: Maintain monthly cash flow analysis in order to invest available funds in a safe manner that maximizes yield, provides liquidity to meet funding needs and adheres to applicable State law and the City's investment policy.*

- *GOAL 2: Make debt service payments promptly.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of individual loan payments	31	36	36	36

- *GOAL 3: Safeguard City funds by ensuring that all bank accounts are reconciled on a monthly basis; that all cash and investment accounts are reconciled on a quarterly basis in accordance with Massachusetts Department of Revenue requirements; and that all incoming receipts, including state and federal funds received via bank wire, are recorded in the financial system in a timely and accurate manner.*

- *GOAL 4: Begin the implementation of PayMode, an electronic payment solution that will enable the City to pay a certain number of recurring vendors electronically rather than issuing a physical check.*

- *GOAL 5: Conduct quarterly meetings with Community Development staff and City fiscal staff to monitor the Affordable Housing Loan program, including bank accounts, cash reconciliation and financial reporting.*

- *GOAL 6: Provide for timely processing and disbursement of weekly employee paychecks, prompt payment of federal, state and Medicare withholding taxes, and issuance of W-2 and 1099-MISC forms no later than January 31.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of payroll checks issued	161,549	165,000	165,500	170,000
2. Number of W2's issued	5,610	5,650	5,711	5,850
3. Number of 1099s issued	347	400	435	450

- *GOAL 7: Upgrade to the next version of PeopleSoft HRMS. Perform timely testing of tax updates applied to PeopleSoft HRMS system.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of updates tested	7	6	6	6

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**FINANCE
-Information Technology Department**

\$2,861,125
\$2,861,125

\$2,965,515
\$2,965,515

**INFORMATION TECHNOLOGY
DEPARTMENT**

\$3,093,480
\$3,093,480

PURPOSE & OVERVIEW: The Information Technology Department (ITD) provides centralized technology services to approximately 1,000 users working in 42 departments located in 40 municipal buildings across the City. ITD is responsible for maintaining all enterprise-wide municipal computer applications. The largest applications include Finance, Human Resources, Computer Assisted Mass Appraisal (CAMA), and Geographical Information System (GIS). The Department manages a \$1.5M fiber optic network that links all City locations, thousands of users and major infrastructure services such as Schools, Fire and Police. ITD is continuously developing and improving the City's Web site, which provides remote access to important City resources and information. These include the ability to transact business with online payment options, permit and license application services, access to City Council meeting agendas and information, property search capability and City mapping information via the GIS systems. Overall, ITD serves as technical consultants to all City departments and provides desktop, network and systems management services. IT strives to innovate with new technology such as VoIP, Wifi, and WiMax.

FY08 GOALS

- *GOAL 1: Maintain a high level of computer availability, application development and user support.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of user support requests completed by ITD only	2,933	2,800	2,850	2,800
2. Complete departmental requests for application changes within agreed time	99%	99%	99%	99%
3. Number of department legacy databases converted to improve access to data for staff and City residents and to include potential for self-service via the Web	1	4	5	4
4. Upgrade Microsoft Office suite from 2000 to version 2007	n/a	n/a	10%	100%
5. Upgrade E-mail system (Exchange) to version 2007	n/a	n/a	10%	100%

- **GOAL 2:** *Develop a Citywide GIS service center to provide production services to all departments. Services will include stock and custom map production, spatial data analysis and data visualization.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of GIS User Group meetings	4	4	4	4
2. Number of GIS Training classes and workshops	19	6	22	10
3. Meet end user requests and expectations	98%	98%	98%	98%
4. New enhancements to the external GIS CityViewer on the web	n/a	n/a	n/a	4

- **GOAL 3:** *Maintain fiber optic network infrastructure in order to provide all municipal buildings, schools and libraries with the ability to effectively communicate with City agencies, as well as access the world via the Internet, while offering future growth potential for voice, data and video transmission.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Percent of "uptime" for the City network	99.5%	99.5%	99.5%	99.5%
2. Plan the design and manage the implementation of the network for the new Library and Police Department	n/a	n/a	10%	40%

- **GOAL 4:** *Increase access to and usage of City of Cambridge Internet/Intranet, providing a useful tool to departments for disseminating information to the public.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Key departments transitioned to the Web site template and Content Management System (CMS)	5	2	3	4

■ *GOAL 4: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
2. Evaluate the upgrade of existing Content Management System to improve usability and reduce maintenance costs	n/a	n/a	10%	80%

■ *GOAL 5: Implement and standardize computer equipment and training to City employees, which allows them to deliver efficient services to the staff and residents of the City of Cambridge.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of desktop upgrades	116	100	115	250
2. Number of new PC's installed	100	80	100	100
3. Number of ITD classes conducted on Content Management, MS Exchange and PeopleSoft	117	50	90	50

■ *GOAL 6: Enterprise application upgrades or implementations.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Implement MUNIS replacing AUC Property, Water, Excise, Billing and Collection System	60%	100%	80%	100%
2. Upgrade PeopleSoft HR	0%	100%	10%	100%

- *GOAL 7: Provide citizens with greater access to government services through the Web.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Implement Permit and License pay online for departments other than Traffic	5%	50%	10%	50%
2. Implement pay online for Traffic Permits	20%	100%	40%	100%
3. Increase awareness and usage of the E-Line program and measure growth by number of users	1,000	3,000	3,400	4,000
4. Develop an Intradepartmental Ticket and Invoicing System	10%	100%	50%	100%
5. Integrate additional departments' participation in the Cambridge E-Line (e-mail notification) service for the general public, providing alerts about essential City services such as School Closings, Parking Bans, Street Cleaning and weekly newsletter	3	3	4	3

- *GOAL 8: Explore new opportunities and conduct cost/benefit analyses related to advancements in the areas of Voice Over IP and other cutting edge technologies for possible implementation.*
- *GOAL 9: Replace older, higher energy use CRT monitors throughout City departments.*
- *GOAL 10: Determine the viability of implementing the new Microsoft Operating System called Vista.*
- *GOAL 11: Publish Request For Information to determine if there are partners who will work with the City to rollout a free wifi network, not including private residence or business, to compliment the existing base of antenna installed throughout the city.*

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**EMPLOYEE BENEFITS
-Summary**

\$14,709,025	\$18,503,120
\$2,086,920	\$2,195,750
\$192,240	\$197,620
<u>\$16,988,185</u>	<u>\$20,896,490</u>

PENSIONS	\$19,921,640
INSURANCE	\$2,686,100
COLLECTIVE BARGAINING	\$4,435,620
	<u>\$27,043,360</u>

PURPOSE & OVERVIEW: The primary purpose of this allotment is to provide funding for all employee benefit programs which are not included in departmental budgets and for costs related to the non-

contributory retirement system and health insurance costs for retirees. In addition, all funds budgeted in the individual departments are transferred to cost centers within this department at the beginning of the fiscal year to facilitate payments to the Cambridge Retirement System and various health insurance carriers. The Collective Bargaining unit of this budget includes funds to cover salary increases for all collective bargaining units that have not yet settled and additional costs related to certain salary items that are not included in departmental budgets.

SIGNIFICANT BUDGET MODIFICATIONS: The total Employee Benefits budget has increased from its FY07 budgeted level of \$22,568,450 to \$27,043,360 in FY08. The primary reasons for this 19.8% increase include: a \$1,683,850 increase in health costs that were not distributed to the departmental budgets and are included in this budget to better reflect the actual cost of retiree health insurance; the increase in the Cambridge Health Alliance portion of the retirement appropriation; additional funding in the Pensions account to conform with the requirements of the revised funding schedule; and additional Medicare reimbursement costs for retirees. The Collective Bargaining component includes cost-of-living-allowances (COLA) for the three units that have not yet settled, for which both FY07 and FY08 COLA have been included.

HEALTH COSTS INCREASE

Health costs for active employees have increased \$11,770,999, or 52.2%, from FY04 to FY08. Of this amount, \$3,489,034, or 11.3%, is attributable to the increase from FY07 projected costs to FY08 budgeted amounts and reflects increases in health care costs currently taking place in the Commonwealth.

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Budget	FY07 Projected	FY08 Budget	Variance FY04-08
Blue Cross / Medex	14,461,902	16,687,745	18,867,479	20,711,672	20,386,960	22,737,100	8,275,198
Harvard Pilgrim	4,693,107	4,354,944	5,814,158	6,362,302	6,217,659	6,746,330	2,053,223
Tufts	3,384,702	1,939,501	3,825,323	4,009,184	4,217,057	4,827,280	1,442,578
TOTAL	22,539,711	22,982,190	28,506,960	31,083,158	30,821,676	34,310,710	11,770,999

Only active employees costs are included in the chart above. When the \$12,459,055 budgeted for retirees' health costs and other medical costs in FY08 are included, the total budget increases to \$46,769,765. Overall, health insurance costs are projected to increase by 13.4% over FY07 total projected costs of \$40,346,881.

PENSION COST DECREASE FOR FY08

The chart below shows a comparison of pension costs for the various components of the Cambridge Retirement System for FY07 Projected and FY08. It is important to note that the amounts required to cover additional costs incurred as a result of the implementation of the Early Retirement Incentive (ERI) program for December 2002 and December 2003 are included in both the FY07 and FY08 City allotments. City contributions include an additional \$1,889,400 appropriated in FY07 and \$200,000 budgeted in FY08, in accordance with the revised funding schedule which, is projected to fully fund the City's unfunded actuarial liability by 2015.

	FY07 Projected	FY08 Budget	Variance
City	18,381,684	17,225,125	(1,156,559)
Cambridge Health Alliance	4,458,291	4,592,040	133,749
Schools	2,808,116	2,892,360	84,244
Water	474,075	488,880	14,805
Cambridge Housing Authority	917,043	903,637	(13,406)
Cambridge Redevelopment Authority	41,946	45,466	3,520
TOTAL	27,081,155	26,147,508	(933,647)

HEALTH AND PENSION COSTS ALLOCATED TO DEPARTMENTS

In order to present the most accurate picture possible of the true costs of the individual departments, health and pension costs (as well as those of certain other employee benefits) are allocated directly to departmental budgets. The following chart shows total health and pension costs for all City departments.

	City Departments	Schools	Water	Employee Benefits	Total
Health Insurance					
Blue Cross / Medex	14,725,330	10,226,500	682,873	9,561,452	35,196,155
Harvard Pilgrim	2,905,062	2,017,518	134,719	1,689,031	6,746,330
Tufts	2,078,693	1,443,617	96,398	1,208,572	4,827,280
TOTAL	19,709,085	13,687,635	913,990	12,459,055	46,769,765
Pensions					
Contributory	15,454,580	2,892,360	488,880	6,362,585	25,198,405
Non-Contributory	-	-	-	1,350,000	1,350,000
TOTAL	15,454,580	2,892,360	488,880	7,712,585	26,548,405

FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$11,729,445
Real Estate Taxes	\$7,079,445	
Payments In Lieu Of Taxes	\$4,650,000	
INTERGOVERNMENTAL REVENUE		\$10,113,915
State Cherry Sheet Revenue	\$5,471,875	
Reimb/ Non-Contrib Pensions	\$50,000	
Misc Receipts/TCHCN	\$4,592,040	
MISCELLANEOUS REVENUE		\$5,200,000
Claims Trust Fund Transfer	\$5,000,000	
Teacher Retirement Transfer	\$200,000	
TOTAL FY08 BUDGETED REVENUE		\$27,043,360

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$26,339,050
OTHER ORDINARY MAINTENANCE	\$704,310
TRAVEL & TRAINING	\$0
EXTRAORDINARY EXPENDITURES	\$0
TOTAL FY08 BUDGETED EXPENDITURES	\$27,043,360

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**EMPLOYEE BENEFITS
-Pensions**

\$5,701,035	\$7,889,400	RETIREMENT FUND	\$6,362,585
\$1,019,995	\$1,350,000		\$1,350,000
<u>\$7,987,995</u>	<u>\$9,263,720</u>		<u>\$12,209,055</u>
\$14,709,025	\$18,503,120		\$19,921,640

PURPOSE & OVERVIEW: The Pensions budget is divided into three sections: Retirement Fund, Non-Contributory Pensions and Retirees' Health Insurance. As previously mentioned, funding for the Retirement Board

is provided through the investment earnings of the system, with no appropriation required by the City Council. Non-contributory pensions are a separate category of retirement allowances that are totally financed with City funds. The Retirees' Health Insurance cost center contains funds for all health insurance costs related to retirees, including Medex.

RETIREMENT BOARD

PURPOSE & OVERVIEW: The Cambridge Retirement System was established in 1939 and is governed by Massachusetts General Laws, Chapter 32 for the purpose of administering a retirement system for the employees of the City of Cambridge, Cambridge Health Alliance, Cambridge Housing Authority and Cambridge Redevelopment Authority. The Public Employee Retirement Administration Commission (PERAC) is the regulatory authority and oversees all retirement systems in the Commonwealth. The system is administered by five board members, two of whom are elected by the membership, one appointed by the City Manager, the City Auditor who serves as an ex-officio member, and one who is appointed by the other four members.

The City of Cambridge has a mandatory retirement plan for all public employees who are regularly employed on a permanent full-time basis and part-time (20 hours or more) basis. This plan is portable among all government employment in the Commonwealth. The plan affords a lifetime benefit to employees, once vested, and upon attaining the required age. Options at retirement allow for a continued benefit for certain beneficiaries. Retirement contributions are withheld from all regular compensation at the rate of 9% plus an additional 2% on compensation over \$30,000 for all those hired after July 1, 1996.

The responsibilities of the Board and staff include management of members' annuity savings accounts, and retired members' pension payments, which include Superannuation, Ordinary and Accidental Disabilities, Survivor and Beneficiary payments. On a monthly and annual basis, the system must report to the PERAC on matters including daily investment transactions, monthly accounting reports, retirement calculations and all accounts pertaining to active, inactive, retired and terminated employees/members. The PERAC performs an audit of the system every three years while the City's independent auditor includes the retirement system in its annual audit. In addition, an independent actuarial firm performs an actuarial valuation of the system on a biennial basis.

Prior to FY98, the budget for the Retirement Board was funded through the various components of the system. In the past eight years, the budget for the board has been funded through the excess investment earnings of the Contributory System with no further appropriation by the City Council required. The Retirement Board is required to file a copy of its budget with the City Council for its review.

FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:

- Conducted over 223 private and group retirement sessions, meetings and seminars.
- Processed 86 retirement applications, added 481 new members to the system, refunded contributions to 251 members, and counseled 19 disabled employees and surviving beneficiaries of deceased members.

RETIREMENT FUND

In accordance with the provisions of Massachusetts General Law Chapter 32, Section 22 (7) (c), the Executive Director of the PERAC has determined that the amount the City of Cambridge is required to appropriate for contributory pensions in FY08 is \$25,198,405. These funds are included in the departmental budgets. In addition, the Cambridge Housing Authority and Cambridge Redevelopment Authority contribute \$903,637 and \$45,466, respectively, to cover the required appropriation of \$26,147,508.

	FY07	FY08	Variance
City	18,381,684	17,225,125	(1,156,559)
Cambridge Health Alliance	4,458,291	4,592,040	133,749
Schools	2,808,116	2,892,360	84,244
Water	474,075	488,880	14,805
Cambridge Housing Authority	917,043	903,637	(13,406)
Cambridge Redevelopment Authority	41,946	45,466	3,520
TOTAL	27,081,155	26,147,508	(933,647)

The assets of the Cambridge Retirement System, as of December 31, 2006, were reported at approximately \$700,495,000.

NON-CONTRIBUTORY PENSION: There are 50 former employees and spouses of former employees receiving non-contributory pensions.

RETIRES HEALTH INSURANCE: This allotment provides funds for health benefits for all retirees, including those from the School Department, for Blue Cross/Blue Shield or other HMO costs for pensioners under 65 and Medex, a supplemental insurance program primarily covering medical expenses not covered by Medicare for retirees over 65. In addition, the City offers several Senior Care plans that provide preventative and wellness care.

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**EMPLOYEE BENEFITS
-Insurance**

\$0	\$0	BLUE CROSS/SHEILD	\$250,000
\$92,450	\$0	HARVARD PILGRIM	\$0
\$1,383,665	\$1,504,070	MEDICARE	\$1,644,420
\$0	\$0	MEDICARE PAYROLL TAX	\$100,000
\$371,550	\$391,820	LIFE INSURANCE	\$391,820
\$22,190	\$20,000	ACCIDENT INSURANCE	\$20,000
\$124,195	\$200,000	UNEMPLOYMENT COMP.	\$200,000
\$64,910	\$79,860	DISABILITY INSURANCE	\$79,860
\$27,960	\$0	TUFTS	\$0
<u>\$2,086,920</u>	<u>\$2,195,750</u>		<u>\$2,686,100</u>

PURPOSE & OVERVIEW: The primary purpose of this Division is to provide centralized cost centers for the disbursement of funds to the various health care providers. Funds budgeted in the individual departments are transferred at the beginning of each fiscal year to the Blue Cross/Blue Shield, Harvard Pilgrim Health Plan, and Tufts cost centers; this enables the City to accumulate costs in one cost center. The other cost centers provide funds for other types of insurance

benefits, including Medicare reimbursement, accident and life insurance and unemployment compensation.

HEALTH INSURANCE: The City offers a variety of health maintenance organization (HMO) options including Blue Cross/Blue Shield’s Blue Choice and HMO Blue, Harvard Pilgrim Health Plan and Tufts Associated Health Plan. Over 2,600 employees are covered by these plans. The City currently funds 85-88% of the costs with the remaining 12-15% paid by the employees. Some employees will begin paying 18% in January 2008.

MEDICARE: Medicare, through the Social Security Administration, becomes the primary insurer for our pensioned, eligible employees over age 65. For those employees and their spouses, the City reimburses a significant portion of the premium cost for Part B. The Medicare cost has increased by 9.3% for FY08 and this increase is reflected in the figure shown above.

MEDICARE PAYROLL TAX: Pursuant to federal law, all employees hired after April 1, 1986 are subject to a 1.45% payroll tax to pay for future Medicare coverage. The City is obligated to match this 1.45% payment. The largest portion of the City’s obligation is included in departmental budgets, with the amount shown in this cost center supplementing those allotments.

LIFE INSURANCE: Over 3,200 employees, both active and retired, are enrolled in basic, term life insurance. The City pays 75% of the premium, with employee deductions covering the remainder. The amount shown above represents the full cost with employee deductions being used as a revenue to cover that portion of the cost.

ACCIDENT INSURANCE: Eligible Police and Fire employees may enroll in a supplemental accident life insurance plan. The plan is 75% paid for by the City.

UNEMPLOYMENT COMPENSATION: In Chapter 720 of the Acts of 1977, the Massachusetts Legislature extended unemployment compensation to eligible state and local government employees. The City provides a reimbursement method of payment to the Department of Employment and Training.

DISABILITY INSURANCE: This allotment provides funds for disability insurance for non-union employees who suffer long-term, disabling injuries.

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**EMPLOYEE BENEFITS
-Collective Bargaining**

\$192,240 <u> \$0</u> \$192,240	\$197,620 <u> \$0</u> \$197,620		
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SALARY ADJUSTMENT \$4,435,620
DENTAL PLAN \$0
 \$4,435,620

PURPOSE & OVERVIEW: The primary purpose of this Division is to provide a place in the City budget where estimates for cost-of-living allowances and benefits for both union and non-union employees can be set aside without being allocated to departmental budgets. Also, since most vacant positions in this budget are shown at the minimum level of funding, it is sometimes necessary to supplement the budgeted salaries with additional funds in order to attract qualified candidates for certain positions. This allotment includes funds for this purpose that are transferred to the departments only if needed.

SALARY ADJUSTMENT: Estimated cost-of-living-allowances (COLA) for both FY07 and FY08 for the three bargaining units not yet settled (Firefighters, Police Officers and Police Superiors) are included in this allotment. The second component of this budget is the pre-paid legal services allotment for all Local 25 employees (\$106,685). It is important to note that the only expenditures made directly against this appropriation are for the pre-paid legal services. The third component of this budget is an allotment to provide an incentive for early retirement for school teachers (\$78,305). Other components include funds to cover sick/vacation buyback for employees who are retiring, MBTA pass reimbursements, living wage increases and costs associated with the City's flexible spending program.

DENTAL PLAN: In the FY08 budget, all dental costs have been allocated to the departmental budgets so that no additional funding is required.

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**GENERAL SERVICES
-Summary**

\$487,610
\$234,465
\$299,195
\$1,021,270

\$488,720
\$274,450
\$293,695
\$1,056,865

TELEPHONE \$479,090
MAILING \$287,130
PRINTING \$302,285
\$1,068,505

PURPOSE & OVERVIEW: General Services acts as a centralized point for budgeting the costs of telephone, mailing and printing expenses for all City departments. The telephone budget is managed by the

Electrical Department; the Printing and Mailing budgets are managed by the Purchasing Department.

FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:

- Continued the process of exploring Voice-Over Internet technology and other technologies, which included working with other City departments with a planned recommendation by mid-year.
- Continue to print the Personnel training manuals and monthly training schedule, and the Department of Human Services' Child Care Programs manual. Expanded the printing of business cards and invitations for events and tickets for City sponsored activities. Printed fliers, literature and presentations for City Departments. Printed and finished Library's Summer Reading Program brochure. Printed postcard notifications for public meetings. Printed and finished abutter notices for Community Development projects. Produced and printed bicycle parking tickets for Public Works Department.
- Printing, finishing and binding of: Department of Public Works Snow Manual, Color Hazmat Maps for the Water Department, FY08 Annual Budget book and the FY07 Assessors Commitment Book.
- Created products out of recycled office paper: memo pads, while you were out pads, mailing labels, scratch pads and index cards, at no charge to both City departments and the School department.

TELEPHONE

PURPOSE & OVERVIEW: The Telephone budget includes funds for the central telephone operator at City Hall and for telephone operating costs for all City departments. There are six City departments that budget for, and reimburse this budget for actual telephone usage. This division continues to work with Verizon and other vendors to improve the quality of service and to maintain or reduce overall costs.

- *GOAL 1: Respond to interruption of telephone service within 24 hours.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Initial response within 24 hours	90%	90%	90%	90%

- *GOAL 2: Explore options and develop a multi-year plan proposal to implement current telephone technology for all City departments.*

MAILING

PURPOSE & OVERVIEW: The Mailing Division is responsible for preparing and processing postal mail for all City departments and for distributing all interdepartmental mail. In addition to postage costs and postal scale and meter maintenance, this budget funds one full-time staff member.

- *GOAL 1: Ensure that internal and outgoing mail from City departments is distributed in a timely manner.*

PRINTING

PURPOSE & OVERVIEW: The City’s printing needs, such as: basic graphic services, letterhead, business cards, binding, collating, copying, printing, punching, folding and other finishing services, are provided by the four-person staff. The weekly City Council packet, letters, fliers, brochures, training manuals for Personnel, Police, and Fire departments, monthly training opportunities for employees, newsletters, letters to taxpayers, publications, posters, postcards, guides, public meeting notices, and abutter notifications for City departments, as well as the recycling information and the Water Department's Annual Water Quality report, are printed by the Print Shop. These and other publications provide access to services and facilitate participation in City government. In addition, the Print Shop provides a variety of printing services to both the School Department and the Cambridge Health Alliance.

- *GOAL 1: Continue to respond to City departments' basic printing needs.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of bids, letterhead and newsletters printed in-house	2,175	2,200	2,250	2,200
2. Number of major documents printed and bound using fastback system	210	205	200	205
3. Number of business card orders printed	109	110	104	110
4. Number of pads, labels, envelopes and routine copy orders completed	1,010	1,100	1,060	1,100

- *GOAL 2: Update marketing brochure to inform City departments of new services provided by the Print Shop.*
- *GOAL 3: Hold an Annual Open House to exhibit the print jobs done by the Print Shop.*
- *GOAL 4: Continue outreach to City departments to further expand customer base.*
- *GOAL 5: Using recycled paper and showcasing new recycled paper as it becomes available in the marketplace. In addition, expand the reuse of paper that would be otherwise be recycled to create scratch pads and index cards for City departments.*

FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$969,680
Real Estate Taxes	\$969,680	
FINES & FORFEITS		\$4,000
Parking Fines	\$4,000	
INTERGOVERNMENTAL REVENUE		\$94,825
State Cherry Sheet Revenue	\$94,825	
TOTAL FY08 BUDGETED REVENUE		\$1,068,505

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$440,870
OTHER ORDINARY MAINTENANCE	\$627,635
TRAVEL & TRAINING	\$0
EXTRAORDINARY EXPENDITURES	\$0
TOTAL FY08 BUDGETED EXPENDITURES	\$1,068,505

FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	6	6	6

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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ELECTION COMMISSION

\$192,545	\$193,655	POLICY AND ADMINISTRATION	\$213,685
\$361,950	\$348,610	OFFICE OPERATIONS	\$395,220
\$58,900	\$58,040	ANNUAL CENSUS	\$67,195
\$8,755	\$9,020	VOTER REGISTRATION	\$12,030
\$0	\$73,750	PRIMARY ELECTION	\$0
\$0	\$92,340	GENERAL ELECTION	\$0
\$128,060	\$0	MUNICIPAL ELECTION	\$141,890
\$0	\$0	PREPRESIDENTIAL ELECTION	\$81,610
<u>\$750,210</u>	<u>\$775,415</u>		\$911,630

PURPOSE & OVERVIEW: The Board of Election Commissioners was established by the Acts of 1921, Chapter 239, to conduct voter registration, supervise all elections, assume responsibility for the annual census, and certify voter signatures on nomination papers, petitions and ballot questions. Its role was expanded in 1987 to include administration of Chapter 55 of the Massachusetts General Laws, governing

campaign and political finance reporting. In 1991, the Commission was also assigned the task of implementing Chapter 2.117 and 2.118 of the Cambridge Municipal Code, known as the "Ethics Ordinance."

SIGNIFICANT BUDGET MODIFICATIONS: The Election Commission Budget reflects a net increase of \$52,225 to cover election costs associated with conducting a pre-presidential and municipal election in FY08.

FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:

- Conducted 2006 State Primary and State Election in a professional, efficient and fair manner. Significant attention was paid to improving voter needs at individual polling places, particularly with regard to lighting, signage and accessibility. Many polling places were visited by Commission staff with detailed follow-up to ensure that all polling places were operating well on Election Day.
- Implemented "AutoMARK Assist Machines" for disabled voters at all polling places for the November State Election. As a participant in the Secretary of State's plan to pilot test various HAVA-compliant voting machines, Cambridge utilized the AutoMARK machines, which assisted voters who were unable to mark an optical scan paper ballot due to blindness or other physical impairment. All Wardens and Clerks were instructed on how to use these new machines.
- Processed 2,500 Voter Registrations, 662 Voter Registration Certificates and 160 Affirmations between the Primary and State Election. Processed 2,100 Absentee Ballots for the State Election. Voter turnout for the Primary was 30% and for the State Election was 55%.
- Enhanced Election Day trainings for Wardens, Clerks and Inspectors by introducing PowerPoint presentations into the training format. Through PowerPoint, the Commissioners who conduct the trainings were able to focus in a visual way on key priority issues, such as the Provisional Ballot process and the "Clerk Sheets."

- Conducted community Voter Registration training with outreach through the media, web, and letters to over 150 community organizations. Updated Voter Registration Training Manual for Election Commission office and community organization use.
- Worked with the IT Department, Municipal Cable, and Cambridge Community Television to report election results on the City's Web site and Cable Television, shortly after the polls closed on Election Night, for both the Primary and State Election.
- Re-notified all voters of their polling places, including maps of polling locations and election information. Maintained link between the City's Web site and the Secretary of the Commonwealth's Web site, which gives information on elected officials and where to vote.
- Displayed signage at multiple locations throughout the city reminding residents to register and vote. Lawn signs and sandwich boards were posted in the major squares, at entrances to subway stations and at announcement stations at major intersections.
- Produced and distributed a Bookmark to remind voters about Voter Registration deadlines and Election Day dates and hours. The Bookmark was aimed at encouraging young people to register and vote and was printed in a bright pink color with a logo designed to attract their attention. It commemorated the 26th Amendment to the Constitution, which provided for voting by citizens age 18 and older. Bookmarks were distributed to City Hall, Cambridge Youth Centers, libraries and bookstores throughout Cambridge.
- Conducted voter registration sessions at several community events, including the National Night Out Against Crime and Danehy Park Family Day, and conducted numerous sidewalk voter registration sessions in Central, Harvard, and Porter Squares.
- Conducted the 2007 Annual City Census and mailed census forms to 46,484 households, including residents of multi-unit dwellings (9 or more units). Universities and nursing homes were required to submit information for their residents. In addition to contacting residents of multi-unit dwellings directly, information was requested from managers, owners and condo association officers. This approach has improved the accuracy and completeness of information. Produced the 2007 Street Listing Book.
- Administered and enforced the City of Cambridge Ethics Ordinance and administered year-end Campaign and Political Finance Reporting for School Committee candidates and political committees.
- Held a public hearing at the Cambridge Senior Center to provide citizens with an opportunity to share their comments, concerns and questions about the 2006 Elections, as well as make recommendations for changes in future elections.
- Increased usefulness of the Election Commission Web site by linking it to the Office of the Secretary of the Commonwealth, to enable voters to find their ward, precinct and polling place online and to learn about their legislative districts and elected officials. Posted election calendar, voter registration and election information, including absentee ballot applications and ward and precinct maps.

- GOAL 1:** *Conduct Annual City Census required by State law to maintain accurate voter lists and to provide resident information to the Jury Commission by: 1) contacting directly all households in the City (with the exception of universities and nursing homes); 2) improving quality and quantity of information from multi-unit dwellings (with 9 or more units) and from condominiums through individual household mailing; 3) analyzing responses to census to assess efficacy of individual mailings to multi-unit households; 4) maintaining reduced data collection costs through two mailings; 5) obtaining lists of students from local universities and lists of residents from nursing homes; 6) completing data entry in a timely manner; and 7) producing Annual Street Listing and July 1 Voting List by statutory deadlines.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Individual households contacted	44,000	43,850	46,811	46,811
2. Street list books produced	100	100	100	100
3. Census cost per individual household	\$1.51	\$1.55	\$1.24	\$1.31
4. Cost per street list book	\$55.00	\$55.00	\$58.00	\$59.00
5. Percent of Households Responded	75%	75%	75%	75%

- GOAL 2:** *Implement the Motor Voter Law by extending opportunities to eligible residents to register to vote through: 1) development of a city-wide Voter Registration Plan with emphasis on the "youth" vote and areas of the city with low registration; 2) distribution of voter registration information and mail-in affidavit forms to 70 sites city-wide including: post offices, public libraries, schools, universities, health clinics, public housing and community organizations; 3) voter registration outreach at community events and sidewalk sessions in the three major squares; 4) promotion of voter registration opportunities through the Annual City Census; 5) expansion of public awareness of voter registration deadlines through the City's Web site and citywide signage prior to all elections; 6) outreach to community organizations through training; and 7) promotion of opportunities to register through the media, cable television and community newsletters.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of Registered Voters	57,524	56,000	61,699	63,199
2. Number of persons eligible to vote	76,840	76,840	76,840	76,840

■ *GOAL 2: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
3. Percentage of eligible persons who are registered	75%	73%	78%	80%
4. Persons registered at sidewalk sessions and community events	53	200	300	400
5. Mail-in and RMV registrations	5,221	7,000	7,674	10,000
6. Census registrations	267	500	515	700
7. Cost per mail-in and RMV registrations	\$0.41	\$0.41	\$0.41	\$0.44
8. Cost per census registration	\$0.82	\$0.82	\$0.82	\$0.88
9. Cost per registration at sidewalk sessions and community events	\$2.50	\$2.50	\$3.38	\$2.53

■ *GOAL 3: Increase voter turnout through: 1) mailing to all voters notifying them of their polling places; 2) widespread public distribution of maps of wards and precincts; 3) signage in major residential buildings, particularly those with seniors, indicating polling place and availability of absentee voting; 4) outreach to voters through Meals on Wheels Program; 5) posting election information on cable, the City Web site, the City newsletter, and through press releases; and 6) signage in major squares and other public locations.*

■ *GOAL 4: Expand use of Election Commission Web site to: 1) provide information on "How to Register to Vote"; 2) extend information and services to voters; 3) increase voter awareness of City government; 4) make forms available online, such as absentee ballot applications; 5) post Election Calendar; 6) publicize pollworker opportunities; 7) publicize links to Office of the Secretary of the Commonwealth's Web site, which provides information on polling places and elected State legislators; 8) post unofficial election results on election night; 9) post Campaign Finance Reports for School Committee candidates and create links to state site for Campaign Finance Reports for candidates for City Council; and 10) continue to enable electronic filing of Statements of Financial Interests.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Visits to Election homepage	18,158	25,000	30,000	40,000

- **GOAL 5:** *Work with Office of Secretary of the Commonwealth and concerned residents to implement those reforms in HAVA (Help America Vote Act) that are progressive in nature, such as: 1) ensuring that all polling places meet the strictest standards of access for voters with disabilities; 2) reducing voter error by rejecting ballots with overvotes; 3) liberalization of absentee voting requirements; 4) implementation of provisional balloting; 5) continuing voter education and outreach; and 6) making equipment for voters with disabilities available in each polling place for the 2007-2008 elections.*

- **GOAL 6:** *Conduct Municipal and Pre-Presidential Elections in 2007-2008 in an effective and cost-efficient manner, using precinct-based computerized optical scanning system and 1) working with IT, Municipal Cable and the City's Public Information Officer to improve timeliness of tabulating and reporting unofficial results on election night; 2) providing magnifying glasses and other aids at polls; 3) ensuring continued compliance with Americans with Disabilities Act for all polling places; 4) implementing HAVA provision that provides for special voting equipment for voters with disabilities; 5) enhancing and strengthening pollworker training in handling provisional ballots, rejected ballots with overvotes and blanks; 6) producing voter education aids for polls; and 7) expand training of pollworkers in regard to HAVA reforms, including training materials.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Cost for Municipal Election	128,060	n/a	n/a	141,890
2. Cost for Prepresidential Election	n/a	n/a	n/a	81,610

FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$816,270
Real Estate Taxes	\$816,270	
CHARGES FOR SERVICES		\$1,500
Document Sales	\$1,500	
INTERGOVERNMENTAL REVENUE		\$93,860
State Cherry Sheet Revenue	\$82,250	
Reimb/Additional Voting Hrs	\$11,610	
TOTAL FY08 BUDGETED REVENUE		\$911,630

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$606,595
OTHER ORDINARY MAINTENANCE	\$302,765
TRAVEL & TRAINING	\$2,270
EXTRAORDINARY EXPENDITURES	\$0
TOTAL FY08 BUDGETED EXPENDITURES	\$911,630

FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	8	8	8

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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PUBLIC CELEBRATIONS

\$392,925
 \$29,140
 \$200,000

 \$3,015
 \$15,230
 \$94,000
 \$734,310

\$442,775
 \$30,925
 \$200,000

 \$5,000
 \$0
 \$100,000
 \$778,700

CAMBRIDGE ARTS COUNCIL \$476,810
HOLIDAY CELEBRATIONS \$39,750
MULTICULTURAL ARTS CENTER \$200,000
EMPLOYEES' COMMITTEE ON
DIVERSITY \$5,000
CITY COUNCIL INAUGURAL \$15,000
DESTINATION CAMBRIDGE \$100,000
\$836,560

PURPOSE & OVERVIEW: The Cambridge Arts Council (CAC) exists to ensure that the arts remain vital for people living, working and visiting Cambridge. CAC accomplishes its mission by stimulating public awareness and support for the arts, celebrating the City's diverse cultural heritage, displaying art in public places, convening conferences and symposia to

promote the arts, designing arts education initiatives, producing high quality arts programming and developing artistic collaborations and other opportunities to improve the overall aesthetic experience for residents of and visitors to Cambridge.

SIGNIFICANT BUDGET MODIFICATIONS: The FY08 Public Celebrations Budget contains an additional \$31,300 to cover costs associated with the annual music license renewal, gallery maintenance, annual Dance Party and City Council inaugural.

FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:

- Collaborated with the Community Development Department, the Department of Public Works, Traffic, Parking & Transportation, the Police Department, Emergency Communications, the Women's Commission, the Cambridge Public Library, and various community committees to develop site responsive public artworks through the City's Percent-for-Art Program. Major projects developed included: Harvard Square, Porter Square Plaza, Gore Street Park, Gold Star Mothers' Pool, Vassel Lane, Yerxa Road, and the main branch of the Cambridge Public Library. Significant progress in planning and design was also made on Trolley Square, Dana Park, the Public Safety Facility, Lafayette Square and the West Cambridge Youth and Community Center.
- The 28th Cambridge River Festival will take place on Saturday, June 16, 2007 with a focus on community involvement. Brainstorming meetings to solicit creative ideas and recruit active volunteers and artists began in December 2006. The festival, themed, "Twist & Shout," includes three music stages, interactive art-making activities, roving performers, "Moving Art" temporary public art installations by local artists, and an arts & crafts fair featuring local and international artworks. CAC once again strives to include as many local artists and vendors as possible for participation in the Festival as a way to showcase their work to the broader community and provide significant opportunities for artist employment.

- Presented six exhibitions in the CAC Gallery focusing on contemporary public artwork and the role that it plays in fostering communication and a greater understanding of the history and current activity in the city. Highlights included: *Works in Architectural Space* featuring the artwork of local artist Toshihiro Katayama and focusing on his public artwork for Porter Square Plaza; *C'mon In, The Water's Fine*, featuring paintings by Cambridge artist Todd McKie related to his whimsical designs for a new mural at the Gold Star Mothers' Pool; *Night Garden* by Randal Thurston presenting work developed for the Yerxa Road Underpass in West Cambridge; and *Fragments* by John Powell featuring elements of his artwork created for Dana Park. The exhibition, *Material Choice: Conservation, Science and Public Art*, was presented as part of the inaugural Cambridge Science Festival and offered engaging ways to uncover the science behind the City's Public Art conservation and maintenance program.
- With funding from the Massachusetts Cultural Council and the City, the Arts Council distributed \$50,000 in funding through the CAC Grant Program to support arts initiatives that have a direct benefit to Cambridge citizens and the cultural life of the city. CAC awarded 25 grants to individual artists and cultural organizations in the areas of Creating & Presenting, Education & Access and provided PASS grants to local school children to provide low cost opportunities for youth to attend professional artistic events in Cambridge and Boston. Examples of funded projects include: Cambridge Community Television (CCTV), creating an Internet-based video map of Cambridge; The Community Arts Center, working with the Margaret Fuller House and the Boys & Girls Club of Cambridge to create a documentary entitled *Four Eyes: A Neighborhood Documentary through the Eyes of School Age Children* about proposed solutions to problems in the Area IV neighborhood; and the Cantata Singers, re-creating the spirit of Bach's informal concerts at Zimmerman's Coffee House in Leipzig, Germany by performing *The Coffee Cantata* in four Cambridge-based, independent coffeehouses.
- Produced the 15th season of *Summer in the City* from late June through mid-August. The citywide series targets youth ages 4 to 11 and offers free, professional, educational and artistic performances in parks and public spaces throughout the city. In 2006, *Summer in the City* attracted approximately 2,500 audience members over the course of an 8-week period. Performances included: Behind the Mask Theater, presenting excerpts from *The Woman who Outshone the Sun*, OrigiNations's Imani, Jr., featuring youth dancers performing African, modern, ballet and hip-hop dance, the Gerwick Puppets presenting excerpts from Aesop's Fables, and Dance Revelasian presenting an exploration of Chinese culture through dance. Promotional efforts include a mailing to every household with children in the Cambridge elementary schools and a brochure designed by students from the Art Institute of Boston at Lesley University.
- Received funding from the Massachusetts Cultural Council to create a Public Art Youth Council (PAYC) consisting of 13 high school students selected to represent the City's 13 diverse geographic areas. PAYC members served as ambassadors for new and existing public art to their friends and colleagues and worked under the guidance of the Arts Council's Public Art Program staff to develop events and programs designed to provide a greater level of knowledge and understanding of the role of public art and the process through which it is created. The PAYC reversed the more common process where adults develop programming for teen audiences, allowing the students themselves opportunities to develop initiatives that promote the City's Public Art collection and community engagement.

- Developed and implemented educational workshops and events related to the City’s public art collection including a citywide bicycle tour with a docent, two summer programs presented in collaboration with the Mayor’s Summer Youth Employment Program, public art tours of Porter and Central Squares as part of the Cambridge Historical Collaborative and a variety of artists’ talks, panel discussions and public art performances in the CAC Gallery, youth and senior centers, CPL branches, after school programs, and in various squares and open spaces in the city.
- Served as collaborator and/or sponsor for citywide arts events and initiatives including: the Cambridgeport Artists Open Studios (CAOS); the North Cambridge Artists Open Studios (NoCA); “Joyful Noise – A celebration of the Life & Work of Dr. Martin Luther King, Jr.” produced by the Cambridge Multicultural Arts Center; the Boston Dragon Boat Festival; and the DIYDS National Youth Video and Film Festival. In addition to these collaborations, CAC partnered with the Arts & Business Council of Greater Boston, the Cambridge Community Foundation, Patron Technologies and the LEF Foundation to engage and educate leaders in the local arts community on a variety of issues pertaining to arts education, funding, marketing and new technologies.

FY08 GOALS

- *GOAL 1: Promote arts in the neighborhoods of Cambridge by supporting artists, art events, and arts organizations through the implementation of a Grant Program funded by the City and the Massachusetts Cultural Council.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of applications	64	75	71	75
2. Number of grant awards	27	25	25	25
3. Number of people who benefit	37,500	37,500	37,500	37,500
4. Number of grant-writing workshops and community meetings	75	50	70	65

- **GOAL 2:** *Build community through the arts that is reflective of the City's diverse population while fostering participation of Cambridge artists, arts organizations, neighborhood groups and local businesses. Produce community-based artistic events that highlight visual arts, crafts, music, dance, literature, theatre and folk and traditional arts and develop increased audiences, collaborations and employment opportunities for artists.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Estimated audience at events	152,354	85,000	100,000	100,000
2. Number of artists presented	400	300	300	300
3. Number of arts organizations participating	51	45	45	45
4. Number of "Summer in the City" concerts produced for children and families	14	15	15	15
5. Foster and support educational forums and collaborations that educate residents on the arts	23	10	15	15
6. Number of community meetings to promote partnerships and advocacy	53	50	50	50

- **GOAL 3:** *Advocate for Street Performers by implementing the City's Street Performer Ordinance and serve as a liaison among artists, businesses and residents.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Street Performer Permits issued	292	300	325	325
2. Number of monitor hours	627	700	700	700

- **GOAL 4:** *Commission public art that enhances the City's built environment, improves residents' quality of life, and makes the City an interesting and attractive destination for visitors, while emphasizing an expanded role for artists in society. Implement a comprehensive conservation and maintenance program for the City's growing public art collection to ensure its existence for future generations.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of permanent projects completed	2	10	4	6
2. Total artworks in the City collection	152	162	167	173
3. Number of ongoing permanent projects	15	10	11	10
4. Total number of artworks receiving consistent maintenance	75	100	66	75
5. Number of artworks restored by artist or conservator	4	5	6	6

- **GOAL 5:** *Expand public involvement in and awareness, appreciation and understanding of public art through temporary art installations, dedications, workshops, exhibits, celebratory events, school assemblies, tours, and production of educational information and material as part of a comprehensive education and outreach program.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of temporary art installations	2	2	2	1
2. Educational resources and materials created	14	15	15	15
3. Education workshops and programs	12	15	15	15
4. Meetings with community representatives	12	20	12	12
5. Number of public art dedications	1	4	2	2

- **GOAL 6:** *Continue to promote the arts in Cambridge through publicly accessible exhibits in the CAC Gallery. Augment gallery exhibitions with artists' talks, discussions, school visits and other educational and promotional activities.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of artists exhibited	55	8	6	6
2. Number of exhibitions	9	6	6	6
3. Number of educational activities and events	6	15	15	15
4. Number of participants attending gallery-related exhibitions and events	2,789	2,500	3,000	3,500

- **GOAL 7:** *Develop and implement a cohesive marketing strategy for the Arts Council to strengthen brand identity, enhance press relations and increase awareness and participation with regards to agency programs and services. Provide marketing and communications support to local arts and cultural organizations to increase knowledge of and educate citizens on the arts and cultural opportunities in Cambridge.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of Press Releases Created	n/a	n/a	n/a	25
2. Number of Press Releases Created for Grant Recipients and local arts and cultural organizations	n/a	n/a	n/a	8
3. Number of Calendar Submissions Entered/Maintained	n/a	n/a	n/a	150
4. Number of Web pages created	21	25	20	40
5. Number of Web pages maintained	185	205	205	245
6. Number of Media Hits Received for Arts Council Programs & Services	n/a	n/a	n/a	100
7. Total Number of Marketing/Collateral Pieces Created	n/a	n/a	n/a	40

HOLIDAY CELEBRATIONS. This budget allocation supports Halloween activities in the public schools as well as the City's Independence Day Celebration. Funds are also provided for the annual Danehy Park Family Day, which includes a wide variety of activities for both children and adults and the annual Dance Party.

MULTICULTURAL ARTS CENTER. In 1980, in an effort to stimulate economic development in East Cambridge, the City, the Cambridge Multicultural Arts Center and the Commissioners of Middlesex County entered into a series of long-term agreements regarding the renovation of the old Middlesex County Courthouse complex. One part of that agreement calls for the Multicultural Arts Center, a tenant in the complex, to receive an annual payment from the City, subject to approval by the City Council.

EMPLOYEES' COMMITTEE ON DIVERSITY. The Cambridge Employees' Committee on Diversity's goal is to enhance the value of individual and group differences and, through a variety of educational activities and social events, to recognize and celebrate the diversity of City of Cambridge employees. During the course of the year, the Committee sponsors 8-10 events promoting diversity in the workforce. This cost center supports activities for these events. Examples of events that the Committee sponsored in FY07 include: Film screening and discussion with Producer of "The Letter," Taste the Tropics, Emergency Preparedness, "How to Help Yourself and Others at Home, at Work and in Our Community," National Black HIV/AIDS Awareness Day/ "War on AIDS and HIV," Report from Sudan "The Crisis in Darfur," Standing on Each Other's Shoulders: Fostering Resilience and Academic Success for Black Students, Brown vs Board of Education: Today's Reality, Annual Health Fair and Asian Heritage Month Event.

CITY COUNCIL INAUGURAL. Funds are provided in this cost center for activities related to the biennial inauguration of the City Council. Funds for this purpose are required in FY08.

DESTINATION CAMBRIDGE. "Destination Cambridge," a cultural and economic development program, is designed to stimulate local pride and increased economic activity. Initiated in FY05 to leverage cultural and economic development opportunities in relation to the Democratic National Convention, the City allocated \$100,000 in FY06 to organize "Destination Cambridge," a series of cultural and literary events focused on showcasing the strong arts and cultural community in Cambridge. Programming was implemented with a goal of fostering a strong cultural brand for Cambridge and increased economic activity for local businesses. Featured events in FY07 included a Dance Party and support for the BioTech 2007 Conference held in Boston in May 2007. In FY08, a portion of this budget will be used for the ongoing support of the Cambridge Science Festival.

FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$789,860
Real Estate Taxes	\$689,860	
Hotel/Motel Excise Tax	\$100,000	
LICENSES AND PERMITS		\$13,000
Street Performers License	\$13,000	
INTERGOVERNMENTAL REVENUE		\$33,700
Direct State Grant Revenue	\$17,200	
State Cherry Sheet Revenue	\$16,500	
TOTAL FY08 BUDGETED REVENUE		\$836,560

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$407,035
OTHER ORDINARY MAINTENANCE	\$428,400
TRAVEL & TRAINING	\$1,125
EXTRAORDINARY EXPENDITURES	\$0
TOTAL FY08 BUDGETED EXPENDITURES	\$836,560

FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	5	5	5

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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RESERVE

\$0
\$0

\$0
\$0

RESERVE

\$37,500
\$37,500

PURPOSE & OVERVIEW: State law allows each city to establish a fund “to provide for extraordinary or unforeseen expenditures.” For FY08, the City has allocated \$37,500 for this purpose.

FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$37,500
Real Estate Taxes	\$37,500	
TOTAL FY08 BUDGETED REVENUE		\$37,500

STATUTORY ANALYSIS	SUMMARY	
SALARIES & WAGES	\$0	
OTHER ORDINARY MAINTENANCE	\$37,500	
TRAVEL & TRAINING	\$0	
EXTRAORDINARY EXPENDITURES	\$0	
TOTAL FY08 BUDGETED EXPENDITURES		\$37,500

SUMMARY: PUBLIC SAFETY

FY06 ACTUAL	FY07 PROJECTED	PROGRAM EXPENDITURES	FY08 BUDGET
\$243,495	\$250,125	Animal Commission	\$258,365
\$31,935,680	\$32,637,780	Fire Department	\$32,666,225
\$32,604,715	\$33,921,425	Police	\$35,175,675
\$8,480,815	\$8,784,465	Traffic Parking & Transportation	\$9,221,865
\$77,475	\$65,745	Police Review and Advisory Board	\$85,450
\$2,413,000	\$2,391,820	Inspectional Services	\$2,522,235
\$811,090	\$810,140	License Commission	\$839,355
\$104,905	\$107,445	Weights & Measures	\$111,510
\$2,175,565	\$2,373,865	Electrical	\$2,596,180
\$147,875	\$163,705	Emergency Management	\$164,285
<u>\$3,337,430</u>	<u>\$3,471,615</u>	Emergency Communications	<u>\$3,685,175</u>
\$82,332,045	\$84,978,130		\$87,326,320

FINANCING PLAN	FY08 BUDGET
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Taxes	\$61,962,470
Charges For Services	\$6,984,085
Licenses and Permits	\$5,885,700
Fines & Forfeits	\$7,611,510
Intergovernmental Revenue	\$2,550,855
Miscellaneous Revenue	<u>\$2,331,700</u>
	\$87,326,320

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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ANIMAL COMMISSION

\$97,550	\$99,460		
<u>\$145,945</u>	<u>\$150,665</u>	ADMINISTRATION ANIMAL CONTROL	\$103,200 <u>\$155,165</u> \$258,365
<u>\$243,495</u>	<u>\$250,125</u>		

PURPOSE & OVERVIEW: The Cambridge Animal Commission, established by ordinance in 1979, continues to work toward making Cambridge a safe environment for people, domestic pets and other animals. The Animal Commission is dedicated to developing, promoting and maintaining programs related to animal control and welfare. Programs include enforcement, education and rescue services.

FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:

- Two Animal Control Officers were certified at a tree climbing rescue workshop sponsored by the Animal Rescue League of Boston.
- The Cambridge Animal Commission initiated the facilitation of the Animal Rescue Leagues "Spay Waggin" visiting the city every two months, and has been responsible for spaying/neutering, micro chipping and vaccinating over 90 animals in FY07. This activity has occurred with the assistance of the Cambridge Fire Department at the East Cambridge Fire Station and will continue on a recurrent schedule.
- In the fall of FY07, the Cambridge Animal Commission responded to an exotic pet store fire, and supported by the Cambridge Fire Department, the Animal Rescue League of Boston and a reptile specialist, were responsible for the removal of over 60 animals from this fire. These animals included large boa constrictors, iguanas, scorpions, tarantulas and many other reptiles, amphibians and fish.
- An Animal Control Officer attended the training for *Illegal Animal Fighting Investigation*, sponsored by the Humane Society of the United States.
- The Animal Commission continued to participate with the Local Emergency Planning Committee and sent out informational fliers on how to prepare for your pet in the event of a disaster.
- Continued to collaborate with the Water Department in the distribution of informational fliers concerning dog regulations at the Fresh Pond Reservation. Also, in partnership with the Water Department, the Animal Commission sponsored a License Day at Fresh Pond Reservation.
- In conjunction with the Cambridge Police Department, attended several community meetings, which included a discussion of neighborhoods that have problems with animals. In addition, staff continued to visit various sites around the city to better educate domestic pet owners on applicable rules and regulations, and to provide technical assistance.
- Through an active dog license campaign, the Animal Commission licensed approximately 2,200 dogs during the 2006 licensing period.

- The Cambridge Animal Commission continues to participate with the State Department of Agricultural Resources, Massachusetts Society for the Protection of Cruelty to Animals and The Animal Rescue League to submit legislation to the State House to change and improve the animal control laws in the Commonwealth.
- The Cambridge Animal Commission has been actively involved in the process to identify specific areas in the city that can be utilized as dog exercise areas, including the development of rules and regulations that will be pertinent to these areas.

FY08 GOALS

- *GOAL 1: Enforce the provisions of the Animal Control Ordinance.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of dog licenses issued	2,205	2,200	2,200	2,200
2. Citations issued for failure to restrain, dispose, license, display license	137	200	150	150
3. Number of dogs picked up	71	75	75	75
4. Number of dogs impounded	47	60	45	45
5. Number of dogs returned to owner	58	65	65	65
6. Number of dogs and cats adopted	13	14	15	15
7. Cost per day to kennel an unclaimed dog	\$16	\$16	\$16	\$18

- *GOAL 2: Provide low cost rabies vaccination clinics for cats and dogs.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of animals vaccinated	109	110	110	110
2. Number of clinics	1	2	1	1

- *GOAL 3: Respond to citizen concerns about cruelty to animals, barking dogs, loose dogs, dog waste, animal quarantines, injured animals, wildlife-related problems, and feral/stray cat problems.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of calls/inquiries	2,938	3,800	3,600	3,600
2. Number of quarantine in-house inspections	192	200	180	180

- *GOAL 4: Continue to transport sick, injured or surrendered animals to the Massachusetts Society for the Prevention of Cruelty to Animals, for rescue or humane euthanasia.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of animals (dogs, cats, raccoons, skunks, bats, squirrels, other wildlife and exotic pets) transported	182	175	140	140

- *GOAL 5: Continue working with the Cambridge Public Health Department on the citywide effort to monitor and control the spread of West Nile Virus.*

- *GOAL 6: Facilitate visits by the Animal Rescue League's "Spay Waggin", to provide low cost spay / neuter services to the residents of Cambridge, to help reduce pet overpopulation.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of animals (cats and dogs) spayed/neutered	n/a	n/a	90	90

FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$243,465
Real Estate Taxes	\$243,465	
CHARGES FOR SERVICES		\$1,000
Animal Boarding	\$1,000	
LICENSES AND PERMITS		\$11,200
Animal License	\$11,200	
FINES & FORFEITS		\$2,000
Animal Fines	\$2,000	
MISCELLANEOUS REVENUE		\$700
Sale of Animals	\$700	
TOTAL FY08 BUDGETED REVENUE		\$258,365

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$244,910
OTHER ORDINARY MAINTENANCE	\$13,305
TRAVEL & TRAINING	\$150
EXTRAORDINARY EXPENDITURES	\$0
TOTAL FY08 BUDGETED EXPENDITURES	\$258,365

FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	3	3	3

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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FIRE DEPARTMENT

\$13,336,225
\$4,229,515
\$3,485,110
\$2,379,685
\$1,789,345
\$1,720,390
\$3,342,195
<u>\$1,653,215</u>
\$31,935,680

\$13,171,125
\$4,372,770
\$3,499,960
\$2,762,590
\$1,800,125
\$1,772,100
\$3,472,800
<u>\$1,786,310</u>
\$32,637,780

HEADQUARTERS	\$12,928,260
LAFAYETTE SQUARE	\$4,401,175
EAST CAMBRIDGE	\$3,562,155
PORTER SQUARE	\$3,003,410
INMAN SQUARE	\$1,552,125
RIVER STREET	\$1,852,925
SHERMAN STREET	\$3,778,350
LEXINGTON AVENUE	<u>\$1,587,825</u>
	\$32,666,225

PURPOSE & OVERVIEW: The mission of the Cambridge Fire Department is to protect the lives and property of the people of Cambridge from fires, natural and man-made disasters and hazardous materials incidents; to save lives by providing emergency medical services; to prevent fires through prevention and education programs; and to provide defense against terrorist attacks.

The Cambridge Fire Department was established by an act of the state legislature on March 17, 1832 with a suppression force of six engines and one ladder truck. The Cambridge Fire Department of 1832 fought fires and performed rescues. Today's Fire Department is a professional organization, a nationally rated Class 1 Fire Department, which provides not only fire protection, but paramedic emergency medical service, heavy rescue service, water and ice rescue; confined space, structural collapse, trench, and hi-angle rescue; hazardous materials protection, and protection to the environment. Today's complex world has required the Cambridge Fire Department to take on the added responsibility to protect citizens against terrorist attack. To fulfill all these responsibilities effectively, efficiently and safely, the members of the Cambridge Fire Department continually train, develop skills and prepare for aggressive action when needed to protect the city.

The Cambridge Fire Department is charged with protection of one of the most densely-populated cities in the country. Infrastructure includes one of the deepest subway tubes in North America; over four miles of subway; over six miles of waterfront; over 100 hi-rise buildings; university, industrial and mercantile buildings; over 3,600 laboratories at the universities and 80 private research facilities; and extensive areas of closely-grouped, multi-story, wood-frame multiple dwellings and apartment buildings.

The Cambridge Fire Department, staffed by 276 sworn members and nine civilian members, is a member of Metrofire, the Boston area fire mutual aid network. Thirty-six cities and towns, plus Massport, participate in Metrofire, providing mutual support as needed to control major as well as routine emergencies throughout the metropolitan area. Additionally, the Cambridge Fire Department participates in regional, communications interoperability, security and grant committees. Cambridge is a member of the Urban Area Security Initiative (UASI), which trains and works together. UASI receives significant grant funding via the Federal Department of Homeland Security.

Operating in a total teamwork concept and within NIMS (National Incident Management System), the Department consists of two Line Divisions and four Staff Divisions. Line companies, including Engines,

Ladders, Squads, Rescue and Division Chiefs, operate from eight fire houses strategically located throughout the city. Several Staff Divisions support the men and women working on the street. Staff units include the Fire Prevention Division, Training Division, Technical Services Division and Administrative Services. The Fire Investigation Unit investigates undetermined, suspicious and incendiary fires. Working side-by-side with members of City agencies to keep Cambridge a safe city, the men and women of the Cambridge Fire Department attest to our motto: "Our Family Helping Your Family."

SIGNIFICANT BUDGET MODIFICATIONS: The Fire Budget reflects an increase of \$21,030 for energy costs and \$125,000 for medical services and/or prescription reimbursement costs for fire personnel injured in performance of their duties.

FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:

- Appointed one Firefighter/Paramedic to fill a vacant firefighter position. This member was serving with the United States Army in Iraq and was appointed from the new-hire list upon his discharge.
- Appointed nine Firefighter/EMTs via lateral entry transfer. These members, previously trained by the Massachusetts Firefighting Academy Recruit Training Program and nationally certified to the Firefighter I/II level, have been placed in fire companies throughout the city to fill vacant positions.
- The process to hire an additional eight Firefighters to fill existing and anticipated vacancies has been initiated. Following screening and training, these firefighters will be appointed in FY 2008.
- Battled and controlled several major fires during the fiscal year. A few of the notable fires include the pet store fire on O'Brien Highway (September), the hi-rise office building fire involving a sub-basement transformer at 1 Broadway (December), and residential fires on Norris Street (July), Upland Road (July) and Western Avenue (October).
- Organized and operated as the lead agency in the Operation Poseidon simulated terrorist attack drill in September. This nationally recognized Homeland Security drill was one of the largest full-scale drills in the country and ran very successfully due to the cooperation of multi-city and metro agencies, as well as state and federal and private sector agencies.
- Continued the successful Neighborhood Walk-Through Program. In this program, neighborhood fire companies park the apparatus and the members walk through the neighborhoods to interact with citizens and answer fire safety questions, in order to maintain good, direct communications with the citizens and to increase their familiarization with the changing neighborhoods and buildings.
- Coordinated the changes to radio systems, frequencies and repeaters to improve radio communications for all City agencies and reduce interference with private cell phone and direct-connect communication devices.
- Continued progress in the Homeland Defense Metro Cambridge/Boston UASI Interoperability project. Interoperability allows members from various agencies to communicate with each other on connected channels for command, control and tactical operations at major incidents.

- Received a FEMA Assistance to Firefighters Grant to replace Personal Protective Equipment (bunker gear) for each member and to continue the upgrade to radio interoperability.
- Secured funding through a CPA (Community Preservation Act) grant in the amount of \$100,000 for repairs to the historic Inman Square fire house. These repairs include the replacement of windows and repairs to the roof and exterior masonry.
- The Cambridge Emergency Medical Delivery System is under consideration for the Innovations in Government Award by the John F. Kennedy School of Government.
- Cambridge is only one of five communities in the country served by a Class 1 Fire Department and a Commission on Accreditation of Ambulance Service (CAAS) accredited ambulance service.

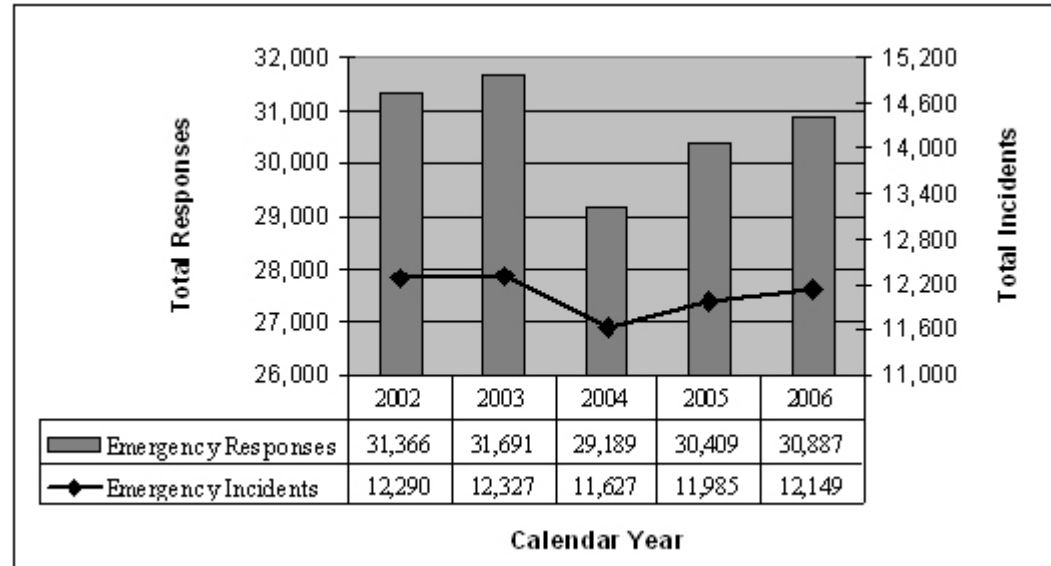
FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$31,845,725
Real Estate Taxes	\$31,845,725	
CHARGES FOR SERVICES		\$741,500
Photocopy/Reproduction	\$1,500	
Smoke Detectors	\$50,000	
Rescue Unit Fees	\$600,000	
Fire Detail Surcharge	\$90,000	
LICENSES AND PERMITS		\$75,000
Fire Permits	\$75,000	
FINES & FORFEITS		\$4,000
False Alarm Ordinance Fee	\$4,000	
TOTAL FY08 BUDGETED REVENUE		\$32,666,225

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$31,172,505
OTHER ORDINARY MAINTENANCE	\$941,970
TRAVEL & TRAINING	\$456,750
EXTRAORDINARY EXPENDITURES	\$95,000
TOTAL FY08 BUDGETED EXPENDITURES	\$32,666,225

FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	284	284	284

Figure 1: Historical Emergency Incidents and Responses

The figure below demonstrates the high level of readiness and comprehensive response of the Cambridge Fire Department. Despite the density of the city, complexity of related incidents, traffic conditions and simultaneous incidents, the average Response Time in the City of Cambridge was 4.45 minutes in 2006.



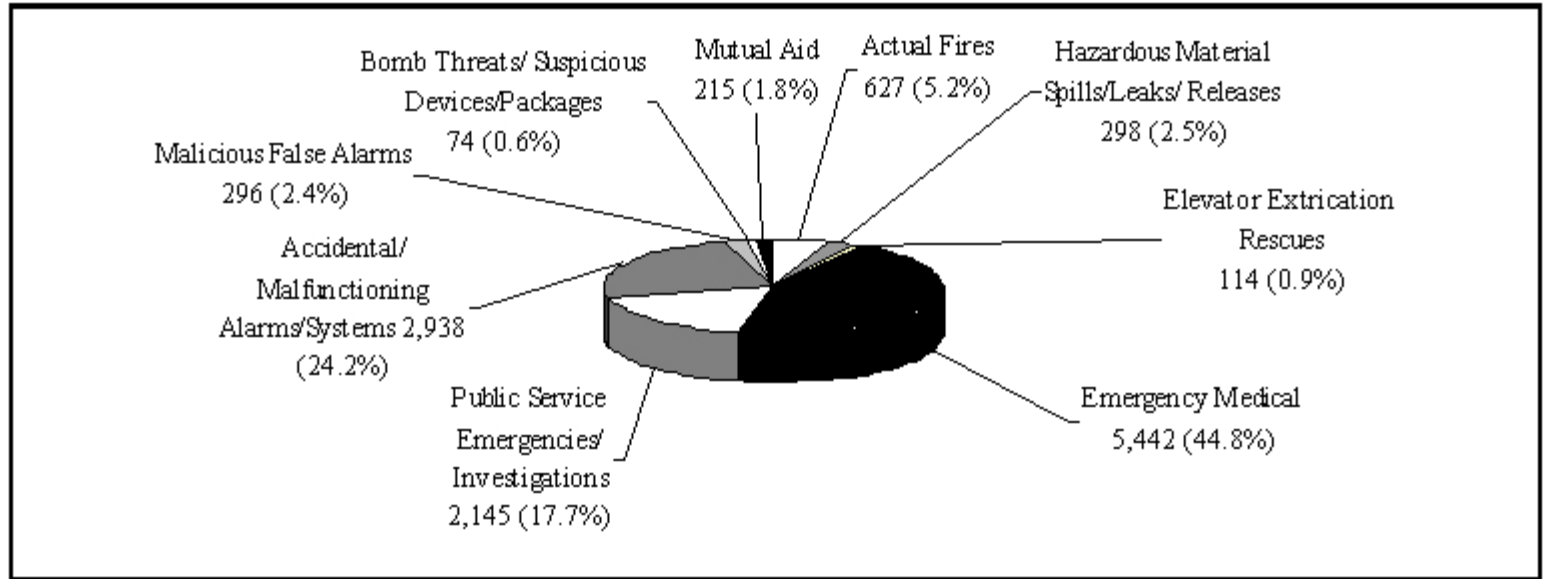
LEGEND

An **Emergency Incident** is a call for service of an urgent nature, sometimes life-threatening and/or immediately threatening to residential or commercial property or to the environment.

An **Emergency Response** is a response by a Fire Department Unit, such as an Engine Company, a Ladder Company, a Rescue Company, a Squad, a Division Chief, a HazMat Unit, a Fire Investigation Unit or other Special Unit. Some Incidents, such as a building fire, may require the response of multiple units.

Figure 2: 2006 Emergency Incidents by Category

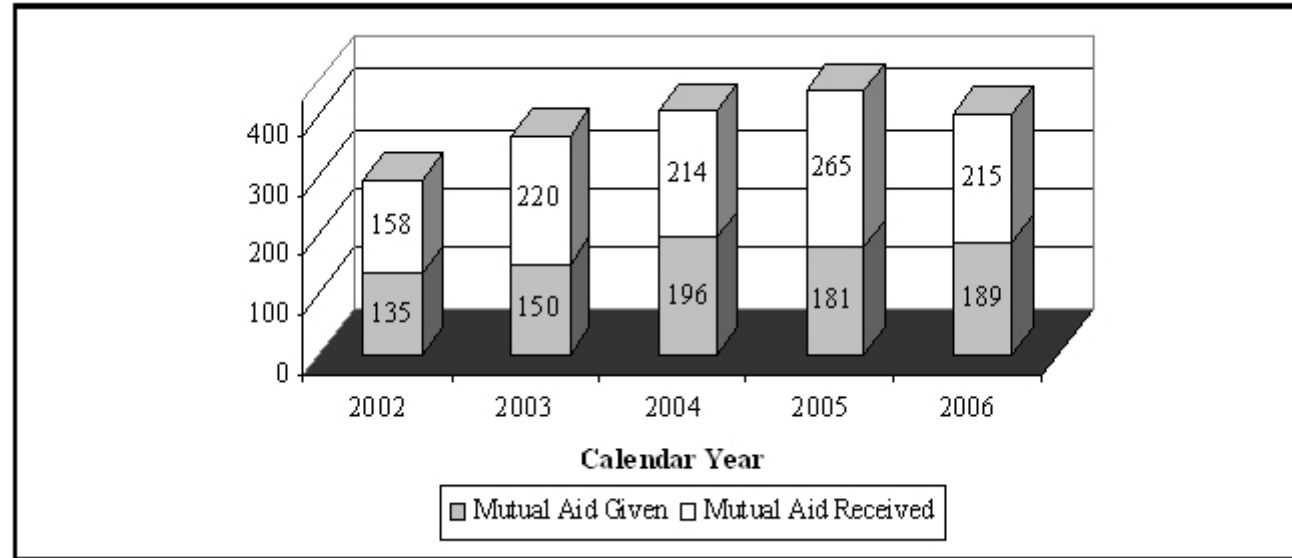
The figure below shows the breakdown by category of the 12,149 total Emergency Incidents occurring in the City of Cambridge. As shown in Figure 1, these incidents had 30,887 corresponding responses, which are defined by the number of units that respond to an individual incident.



Incident Category Descriptions	# of Incidents
Actual Fires include all categories of fires, from the multiple-alarm building fire to the outside rubbish fire.	627
Hazardous Materials Spills/Leaks/Releases include gasoline overflows from a vehicle fuel tank, natural gas leaks caused by a broken pipe and laboratory chemical releases.	298
Elevator Extrication Rescues	114
Emergency Medical incidents include both life-threatening and non-life threatening incidents.	5,442
Public Service Emergencies/Investigations include water leaks, structural evaluations, assisting persons in distress, lock-ins, steam emergencies and other investigations.	2,145
Bomb Threats/Suspicious Devices/Packages include calls for "bombs" as well as the investigations of unattended packages left both accidentally and maliciously. In this age of terrorism and security consciousness, the multi-tasking Police and Fire Departments, working with the PD Explosive Ordinance Device Unit, examine suspicious packages and render safe if necessary.	74
Accidental/Malfunctioning Alarms/Systems	2,938
Malicious False Alarms	296
Mutual Aid	215
TOTAL	12,149

Figure 3: Historical Comparison of Mutual Aid Given and Received

The City of Cambridge Fire Department provides and receives mutual aid among Mutual Aid Fire Departments in surrounding cities and towns, including Arlington, Belmont, Boston, Brookline, Somerville, Waltham, Watertown and other cities and towns in the metro area. These Fire Departments make up Metrofire and respond according to a pre-arranged protocol, where companies cover vacant fire houses when necessary and also respond to and work at emergency incidents and fires. Cambridge and Somerville maintain one of the oldest mutual aid agreements in the country, over 175 years old. According to the figure below, Cambridge historically receives more aid than it provides.



FIRE SUPPRESSION

PURPOSE & OVERVIEW: The primary responsibility of the Fire Suppression Division of the Cambridge Fire Department is to provide first-line defense against unfriendly fire. This defense includes the protection of life, property and the environment. In addition to fire defense, the ever-expanding fire suppression duties include prevention of fires, provision of pre-hospital emergency medical and paramedic care, and the rescue of persons entrapped by building collapse, hi-angle and trench collapse, elevator, machinery, vehicle, ice or water accidents.

Throughout the year, suppression units also continually participate in an aggressive regimen of training and review of technical firefighting, rescue, hazardous materials, anti-terrorism, and medical skills. Regularly scheduled programs of hydrant inspection and testing, water flow testing, hose testing, and apparatus and equipment testing and maintenance are also performed by suppression units. During winter weather situations, fire companies clear snow and ice from hydrants in their respective response areas.

Figure 4: Calendar Year 2006 Comparison of Class 1 Fire Departments Nationwide

The figure below shows a comparative sample of cities receiving a Class 1 Rating from the Insurance Services Office (ISO), a nonprofit service organization that provides rating and other services to property and casualty insurance industries by recognizing the positive impact that effective public fire protection can have on the expected percentage loss due to a fire situation. The Cambridge Fire Department was upgraded to a Class 1 Rating, the highest level category of fire protection, by the ISO in July 1999 joining two other Fire Departments in the 6 New England States (Hartford, CT and Milford, CT) and 48 Fire Departments out of a total of 37,000 nationwide.

City	Population	Square Miles	Population Density (Pop/SqMi)	Total Fires	Total Emergency Incidents	Emergency Incidents Per Sq. Mile
Hoboken, NJ	38,577	1.3	29,675	203	3,432	2,640
Cambridge, MA	101,355	6.3	16,190	538	11,985	1,915
Hartford, CT	121,578	17.3	7,028	171	13,116	758
Syracuse, NY	147,306	25.1	5,869	1,011	18,444	735
Median	121,578	26.4	5,869	788	13,116	487
Huntington Beach, CA	189,594	26.4	7,182	492	12,846	487
Stockton, CA	243,771	54.7	4,457	1,804	25,442	465
Springfield, IL	111,454	54.0	2,064	971	14,542	269
Baton Rouge, LA	227,818	79.1	2,880	928	15,536	196
Charleston, SC	115,540	147.1	785	788	3,486	24

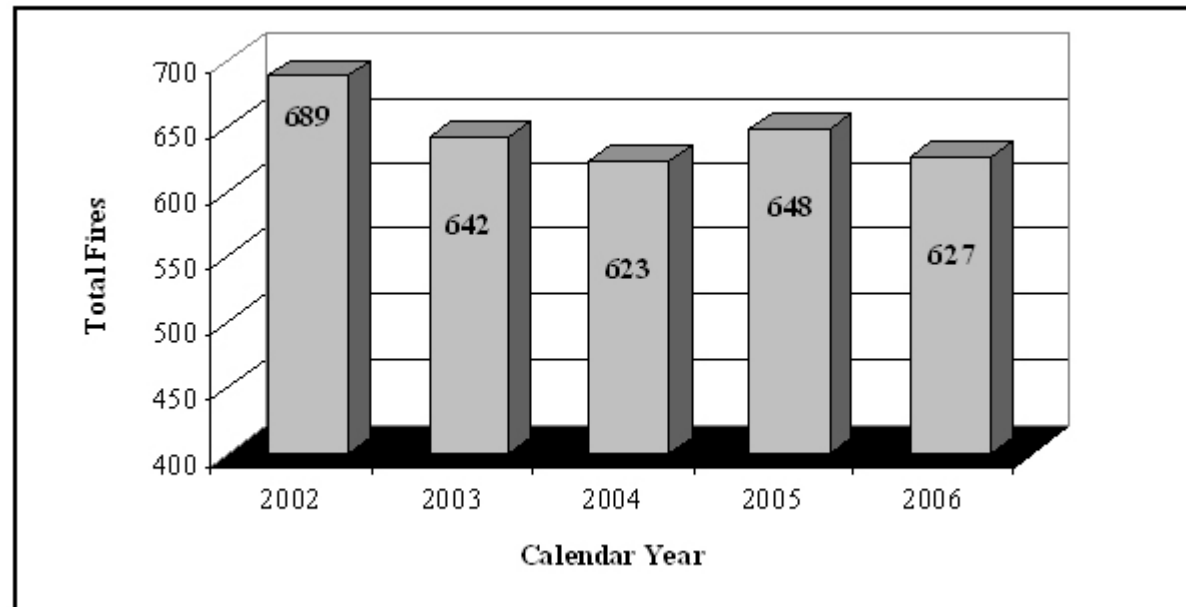
FY08 GOALS

- GOAL 1:** *Deploy fire suppression resources to contain and extinguish fires in order to minimize injuries and property loss. Continue to achieve a four-minute response time for the first arriving Fire Department unit 95% of the time, and an eight-minute response for the entire fire alarm assignment 90% of the time.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. First response to fire emergency within four minutes	98%	98%	98%	98%

Figure 5: Historical Fires in Cambridge

The figure below shows that the number of fires in Cambridge stays relatively consistent over time, with 627 total fires occurring in 2006. The complexity, intricacy and high-hazard, high-value nature of buildings protected by the Cambridge Fire Department require the use of life-safety search ropes while making entry and operating in heavy fire conditions while breathing from Self Contained Breathing Apparatus in zero visibility. An example of such an incident occurred in February 2005, when the third largest loss fire in the United States (\$23 million) during that year occurred in Cambridge.

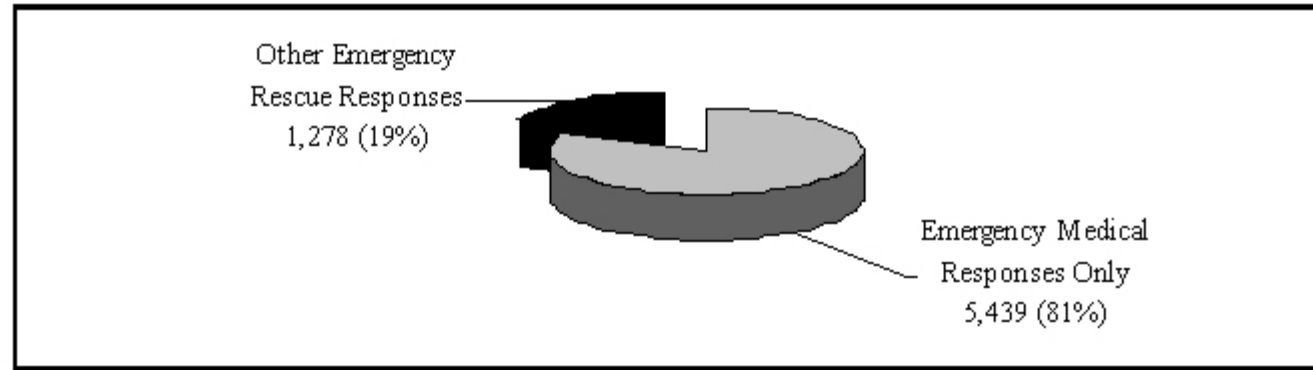


- *GOAL 2: Deliver emergency medical services (EMS) in a professional and timely manner.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Respond to requests for emergency medical services within four minutes, 90% of the time	97%	98%	98%	98%

Figure 6: Calendar Year 2006 Fire Paramedic Unit Responses

Fire Department Paramedic Units responded to a total of 6,717 Emergency Medical Responses Only and Other Emergencies during Calendar Year 2006 from Midtown/Harvard Square (Rescue Company #1), Downtown/Lafayette Square (Squad #2), and Uptown/Porter Square (Squad #4). At major incidents, more than one Paramedic Unit may operate at the same incident. Members of Paramedic Units are trained as Tactical Paramedics and can operate at two highly-skilled levels, both as certified firefighters and as paramedics, working at technical rescue emergencies such as chemical, biological, radiation and gas emergencies; subway, railroad and heavy machinery accidents; confined space, hi-angle, trench and structural collapse emergencies; as well as motor vehicle accident, elevator, escalator, hazardous materials and fire incidents.



LEGEND

Emergency Medical Responses Only are the responses to incidents that range from the life-threatening cardiac situation or difficulty breathing to the non-life threatening but serious injury bone fracture or fallen victim.

Other Emergencies Responses are responses to incidents that are characterized as fires, natural gas leaks, motor vehicle accidents, construction equipment accidents, elevator entrapments and water rescues.

- *GOAL 3: Maintain equipment in a state of readiness to handle emergency operations.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of active hydrants tested	1,700	1,700	1,700	1,725
2. Number of annual service tests on pumping engines	12	12	12	12

■ *GOAL 3: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
3. Test 100% of fire hoses (in feet)* *Testing done in spring and early summer	39,000	39,000	35,000	31,000

FIRE PREVENTION

PURPOSE & OVERVIEW: The Fire Prevention Division strives to prevent hostile fires from occurring. By educating residents, youths, building owners, business people and other members of the public, this Division provides invaluable public safety service. Public awareness and education of fire danger and procedures to use in case of fire have undoubtedly helped to reduce fire danger in the city.

The Fire Prevention Division is responsible for providing fire and life safety protection to the public by ensuring fire code compliance and enforcement of the Fire Prevention Laws, Regulations and Building Codes. Major functions include the review of engineered building plans for all life safety systems and the inspection and testing of any installation, alteration, modification or repair to any fire alarm, sprinkler or suppression system. Additional responsibilities include issuing of applicable permits and licenses, fire-protection compliance inspections of night club and assembly occupancies, and state-mandated fire inspections of schools, hotels, hospitals, nursing homes and theaters. The Fire Prevention Division has also taken on the responsibility of the enforcement of Nicole’s Law, the state carbon monoxide detector law.

FY08 GOALS

■ *GOAL 1: Perform fire prevention inspections in all neighborhoods of the city.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of state mandated inspections of facilities including hospitals, schools, nursing homes and theaters	431	425	400	390
2. License Commission compliance inspections	92	100	100	100

■ *GOAL 1: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
3. License Commission Task Force inspections*	267	250	275	240
4. Complaint investigations	53	60	50	50
5. Residential smoke detector compliance inspections (MGL Ch. 148, Sec. 26F) *Decreased in order to perform more comprehensive investigations and to cover the new state code implementation	1,592	1,800	1,800	2,500

■ *GOAL 2: Issue assorted permits.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Annual storage of flammable liquids and gases, # of permits	439	460	450	450
2. Installation of fire protection systems (fire alarm systems, sprinkler systems, special suppression systems)	671	550	600	750
3. Cutting/welding operations	310	400	400	350
4. Miscellaneous permits, i.e. sale of Christmas trees, use of portable heat devices, tar kettles, etc.	102	100	100	100
5. Storage tank compliance permits including installation, removal and safe operation	209	90	200	150

■ *GOAL 3: Conduct Fire Protection Plan reviews and assessments.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Major projects and developments	49	40	50	45
2. Renovations and improvements	241	250	250	250

TRAINING DIVISION

PURPOSE & OVERVIEW: In September 2006, the City of Cambridge participated in a full-scale disaster drill sponsored by the Massachusetts Executive Office of Public Safety and the Metro/Boston Urban Area Security Initiative. Designated “Operation Poseidon,” this drill was truly a multi-jurisdictional, cross-discipline snapshot of regional preparedness. The Cambridge Urban Area Security Initiative point of contact, Cambridge's Fire Chief, coordinated efforts from the Public Safety Sector for Cambridge. The teamwork in planning, preparation and training between such entities as the Cambridge Health Alliance, Hospitals, Health Care providers, Police, Emergency Medical Services, Public Health Department, Public Works, Emergency Management, Emergency Communications Center, the Local Emergency Planning Committee, Fire and City Hall has strengthened critical relationships. Multiple meetings, tabletop exercises and a Functional Exercise in preparation for the full-scale drill led to significant insight that will allow for a better, more streamlined and effective response from the Cambridge Public Safety Sector. Also of no small significance, was the support and effort from the private sector. Stepping up with strong support of Operation Poseidon were the Cambridgeside Galleria, M.I.T., Harvard University, Professional Ambulance and Draper Labs. Their assistance ensured the success of the drill. Over 250 citizens also participated as “victims.”

The lessons learned in Operation Poseidon have assisted the Cambridge Fire Department in focusing on important areas in which to improve our resources and fulfill our mission to provide safety to our citizens. Moving forward with more cross training within Cambridge’s Public Safety Sector is a priority.

The Cambridge Fire Department’s training schedule is possibly the busiest in the state. Department members respond to any and all types of hazardous calls, therefore necessitating a wide range of skills. The City strives to be a leader in fields ranging from the Biotech to Social Services and everything in between. This requires the Fire Department to be trained and equipped to respond to a high-tech science lab, with its potential perils, right through to the medical needs of all our citizens. Training in 2006 included such topics as CPR and Defibrillator use; Collapse and High-Angle rescue; Paramedic review; Radiological metering and dosimeter utilization; Fire Fighter Fitness and Wellness training; Hazmat Task Force training; review of Carbon Monoxide Law; dive training and water rescue; Mass Casualty Incident response; Preventing Sexual Harassment; computer training; Incident Command System #100, #200, #300; and National Incident Management System #700 and #800. Training with adjacent municipalities in such special operations as Trench Rescue and Confined Space Rescue is an ongoing priority. Approximately 40 classes a year are run or supervised by the Training Division.

Additional training on a daily basis is completed “in house.” Company Captains and Lieutenants identify specific relevant topics or areas of interest, then provide training in the members’ individual firehouses. Some of this training is initiated by Training Bulletins sent out by the Training Division about 15 times a year. Another type of “in house” training, referred to as the “neighborhood walk-around,” allows for time to be set aside for companies to filter out into their first alarm district to update their familiarity and knowledge of their neighborhoods. Building construction, location of hydrants and possible obstructions to firefighting tactics are some of the local factors accessed and discussed on the company level. The added benefit of being available to the public for Fire Department questions and general discussion has been a pleasant side effect of this type of training.

Through collaboration with our Fire Prevention Office and the city's Inspectional Services Department, some immensely valuable “hands-on” training was achieved recently. Certain buildings scheduled to be torn down were identified, owners contacted and structural inspections completed. These buildings were then utilized to perform firefighter functional training such as ventilation, breaching, firefighter survival techniques and rope search and rescue.

The aforementioned training efforts, when combined with Fire Department training through the Federal Government’s Office of Domestic Preparedness programs, the National Fire Academy and the Massachusetts Department of Fire Services, make clear that the Cambridge Fire Department values training its members.

FY08 GOALS

- *GOAL 1: Promote firefighter safety by conducting training courses and issuing periodic training bulletins.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Cumulative number of training hours	85,570	85,000	80,000	80,000
2. Number of training hours for uniform personnel*	335	325	325	325
3. Number of training bulletins issued	31	30	30	30
*Mandatory Homeland Security schedules spaced at larger intervals.				

LOCAL EMERGENCY PLANNING COMMITTEE (LEPC)

PURPOSE & OVERVIEW: In compliance with the Emergency Planning and Community Right-To-Know Act of 1986, the City of Cambridge has a Local Emergency Planning Committee (LEPC), coordinated by a captain in the Cambridge Fire Department. The Cambridge LEPC is one of only a handful of fully certified LEPCs in the Commonwealth of Massachusetts.

The LEPC Office performs many functions integral to the successful emergency planning and response objectives of the City of Cambridge:

- Coordinates the Cambridge LEPC.
- Collects all mandated Tier II Submittals.
- Coordinates the inter-agency planning and response to hazardous material/terrorism incidents.
- Reviews the operation of laboratory/research facilities for permitting.
- Investigates all hazardous material releases in the city.
- Works closely with Cambridge Public Health officials on emergency planning and response coordination.
- Coordinator serves as the safety officer for household hazardous waste collection days by DPW.
- Works closely with the Environmental Health & Safety staff of numerous facilities in the city to ensure compliance with assorted regulations.
- Represents the Cambridge Fire Department on the City's Special Events Committee.
- Serves as the Public Relations/Public Information Officer for the Cambridge Fire Department.

The role of the LEPC continues to evolve in Cambridge. The influx of laboratory/research facilities into Cambridge requires diligence, along with the ability to forge partnerships to continually enhance the ability of the City to respond to and mitigate potentially harmful incidents.

FY08 GOALS

- *GOAL 1: Conduct hazardous material awareness and operational training for all City personnel who act in a supportive role during a hazmat incident. Conduct annual Hazmat Exercise at the Emergency Operations Center.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of personnel trained	260	250	280	276
2. Number of Hazmat Exercises held	4	4	4	4

- *GOAL 2: Conduct fire safety programs for schools, industry, the elderly and as requested.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of fire safety programs held	312	350	300	300
2. Elderly housing residents attending fire safety programs	243	250	250	250
3. School students attending fire safety programs	5,125	5,000	5,100	5,000
4. Industry personnel attending fire safety programs	273	250	300	200
5. Total number of individuals attending all classes	6,710	6,500	6,500	6,500

TECHNICAL SERVICES

PURPOSE & OVERVIEW: The Technical Services Division (TSD) provides valuable support services, including maintaining and modernizing the equipment and fleet of apparatus used daily by the Cambridge Fire Department. The TSD oversees the maintenance and repair of Fire Department property. TSD also procures and repairs the communication equipment for all City departments. The TSD maintains and calibrates the sophisticated sampling devices and meters used to detect substances including carbon monoxide, natural gas and gaseous liquid. The TSD was also instrumental in procuring, through a grant, equipment to protect the city from weapons of mass destruction, including protective clothing, chemical detection equipment and radiation detection devices.

The Motor Squad works under the umbrella of the TSD and provides high quality repairs and upgrades to Fire Department vehicles. The TSD writes specifications for fire apparatus purchases, rehab and all new vehicle fleet purchases.

The TSD also assists the Fire Department with computer issues, hardware and software use and mobile telephone inventory and distribution. The TSD is also responsible for radio programming and the mobile computer system and acts as liaison between Police Technical Services, Emergency Communications Center and other City departments.

**POLICE
-Summary**

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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\$1,911,630	\$1,872,320		
\$22,619,395	\$23,242,275		
<u>\$8,073,690</u>	<u>\$8,806,830</u>		
<u>\$32,604,715</u>	<u>\$33,921,425</u>		

LEADERSHIP	\$1,801,995
OPERATIONS DIVISION	\$24,885,310
SUPPORT SERVICES	<u>\$8,488,370</u>
	<u>\$35,175,675</u>

PURPOSE & OVERVIEW: The Cambridge Police Department is committed to providing the citizens of Cambridge with the highest level of professional law enforcement services through community

policing, proactive strategies and efficient emergency responses. The Department provides this high level of service while respecting the constitutional rights of every person living in or visiting the City. Our goal is to develop and sustain viable partnerships with community members and other City agencies that will lead to improved relations and effective problem solving.

FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:

- In an effort to continue Vision Planning for the department, several initiatives were instituted to continue to promote planning and community partnerships. The Department participated in Operation Stop Watch. This innovative program is a partnership among various police departments, the Transit Police Department and members of the community, that is designed to foster positive interactions with school-aged adolescents and prevent disruptive behavior within MBTA stations and their abutting neighborhoods. This partnership includes police officers from the Transit Police Department, Cambridge and Boston Police Departments, probation officers from Middlesex and Suffolk Counties, Department of Youth Services (DYS) agents, Department of Social Services (DSS) agents, school officials, other non-law enforcement advocates (i.e. Youth Center Workers) and street workers. The objective is to informally identify students who potentially would be disruptive if their behavior is left unaddressed. Many of the incidents at issue do not escalate to the level of a crime, as defined by Massachusetts General Laws, but are very dangerous and may appear threatening or intimidating to residents and passengers on the MBTA. By teaming up with local youth workers, school officials, and other advocates, Operation Stop Watch attempts to reduce unacceptable behavior by intervening with youths before arrests are made, and educating them about their potentially bad decisions. Although arrest is the last resort, if it is determined to be the appropriate response, then the arrest would be made. Probationary action and school discipline are also options within this program. This partnership has enhanced the lines of communication between the overlapping agencies by improving intelligence, and makes the neighborhoods abutting the MBTA stations safer for our residents.
- The Department participated in Operation Night Lite. This program is a partnership between police and probation that provides the courts with a tool to enforce the terms of probation. Teams of police and probation officers make evening visits to the homes of youthful offenders and children in need of services (CHINS) to ensure the terms of their probation are being met. The program provides assistance

to families, who sometimes meet resistance from their youths in attempting to achieve compliance. These evening visits are also an effective way to monitor youths on Priority Prosecution, based on shared information from the Community Based Justice Meetings, enhance communication with the family, and arrest juveniles with outstanding warrants. Ultimately, this program sends a message that rules put in place by Juvenile Court will be followed and that youths are not forgotten after the court portion of the criminal justice system. The Department has seen a decrease in repeat offenders as a result of instituting this program in Cambridge.

- The Department, in collaboration with the Department of Human Services' Youth Programs and the Transit Police, participated in Project Youth located at MCI Shirley. This was an interactive awareness program that attempts to show how poor decision making can turn into the stark reality of prison. Inmates participate in a panel discussion regarding their individual story, allowing for questions from the youth audience. DHSP Staff and Police Officers from the Transit Authority and Cambridge Police participated as chaperones and to offer additional opportunity for questions by the youth after the program.
- The Department continued the "Safe Parks" initiative that utilizes foot patrols during the summer months to ensure public safety in the parks and to report safety concerns such as lights out, clean ups and broken equipment to appropriate departments.
- The Department participated in the first Youth Fitness Buddies Program. This ten week program focused on 5-2-1 healthy living guidelines along with a literacy component. In collaboration with the Department of Human Services' Youth Programs, Area IV Youth Center and the Cambridge Public Health Department, youth from the Area IV Youth Center partnered with Cambridge Police Officers as fitness buddies. They participated in various games promoting the need for physical activity, nutrition and cooking classes, and learned how to play squash at the Harvard University Squash Club. A celebration was held at the end of the program to recognize the achievement of the youth who participated.
- The Department was awarded \$403,750 through the FY07 Executive Office of Public Safety (EOPS) Community Policing grant to promote community policing initiatives and neighborhood programs. In addition, the EOPS awarded the Metropolitan Area Planning Council (MAPC) funding to support the Metro Mayors' Shannon Community Safety Initiative. The Department was awarded \$59,060 to reduce crime utilizing problem solving methodology against anti-gang violence. The Governor's Highway Safety Bureau awarded the Cambridge Police Department a grant in the amount of \$20,000 to conduct underage drinking enforcement. The Department is working with the Cambridge Prevention Coalition, License Commission and School Department on efforts to improve education and enforcement.
- The Department was awarded a grant in the amount \$25,000 from the Governor's Highway Safety Bureau to conduct mobilizations around "Click It or Ticket It," "You Drink & Drive. You Lose" and "Drunk Driving. Over the Limit. Under Arrest." These campaigns are intended to promote public safety and ensure seatbelts are worn. The Department continues to focus enforcement on traffic and quality of life issues to ensure safety of pedestrians, bicyclists and motorists while traveling in Cambridge.

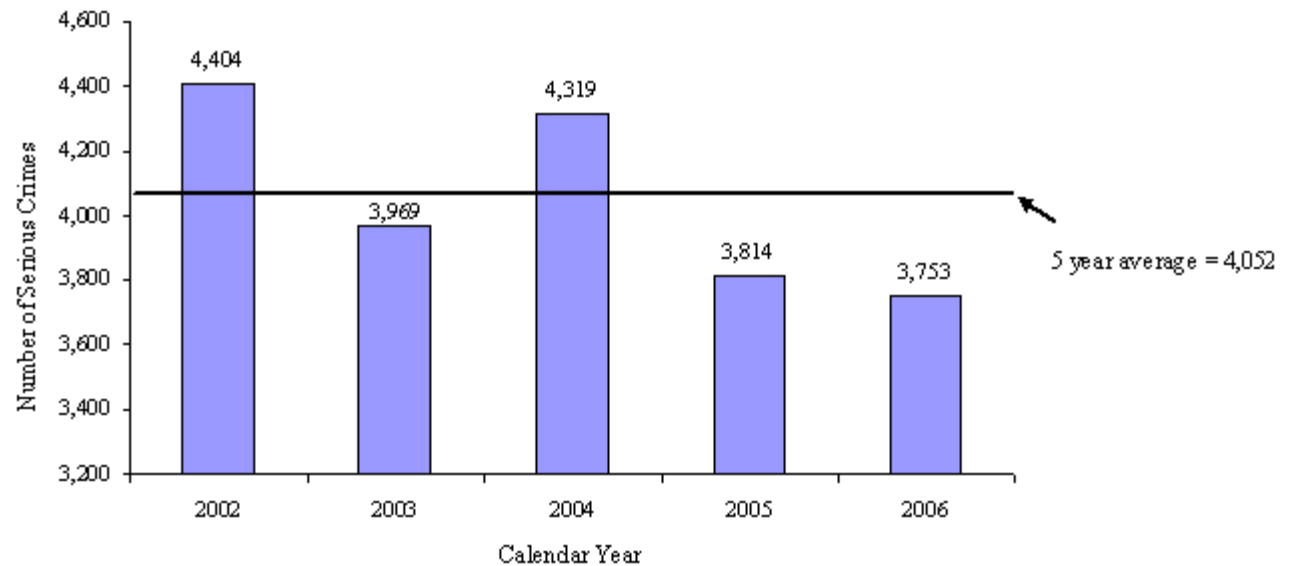
2006 CAMBRIDGE CRIME OVERVIEW: The Crime Index is composed of selected offenses used to gauge fluctuations in the overall volume and rate of crime reported to police. The offenses included are the violent crimes of murder, rape, robbery and aggravated assault, as well as the property crimes of burglary, larceny and auto theft. The Crime Index was developed by the Federal Bureau of Investigation's Uniform Crime Reporting program to standardize the way in which law enforcement agencies report crime statistics.

Table 1: The table below identifies selected offenses comparing the 2005 to 2006 Crime Index

Crime	2005 Jan.-Dec.	2006 Jan.-Dec.	Percentage Change
Murder	3	2	-33%
Rape	14	11	-21%
Stranger	3	1	-67%
Non-Stranger	11	10	-9%
Robbery	239	208	-13%
Commercial	73	38	-48%
Street	166	170	+2%
Aggravated Assault	244	237	-3%
Total Violent	500	458	-8%
Burglary	623	685	+10%
Commercial	133	189	+42%
Residential	490	496	+1%
Larceny	2,396	2,377	-1%
From Building	539	386	-28%
Motor Vehicle	615	754	+23%
From Person	343	337	-2%
From Bicycle	241	204	-15%
Shoplifting	403	342	-15%
From Residence	175	246	+41%
Of MV Plate	42	30	-29%
Of Services	19	21	+11%
Misc.	19	57	+200%
Auto Theft	295	233	-21%
Total Property Crime	3,314	3,295	-1%
Crime Index Total	3,814	3,753	-2%

The 3,753 serious crimes reported in Cambridge in 2006 represent the City's lowest Uniform Crime Reporting Index number reported to the FBI in over 40 years. This number corresponds to a decrease of 61 incidents from the previous year. The City of Cambridge has recorded fewer than 4,000 serious crimes only three times since 1960. Further analysis indicates that property crime (burglary, larceny and auto theft) remained relatively unchanged in Cambridge in 2006, with a decrease of only 19 incidents (-1% change). Auto theft decreased substantially by 21%, but an increase in burglary incidents balanced out the overall change in property crimes to the -1% mentioned above. Violent crime, on the other hand, experienced decreases in all categories (murder, rape, robbery and aggravated assault) and recorded an overall decline of 42 incidents (-8%).

Figure 1: Historical Trends for Total Crime Index



NATIONAL/REGIONAL CRIME COMPARISON: A comparison of Cambridge's 2006 Index Crimes per 100,000 residents to crime totals nationwide indicates that Cambridge ranked below the national average for all but one of the index crimes. When ranked in order of total crimes, Cambridge ranked slightly above the average compared to other cities of similar size.

Table 2: 2005 Crimes Per 100,000 Residents in Cities of 94,000-106,000 People, Nationwide

The table reflects selected cities with population between 94,000 – 106,000 nationwide and total crimes reported. (Data source: Crime in the United States 2005, U.S. Department of Justice - F.B.I.)

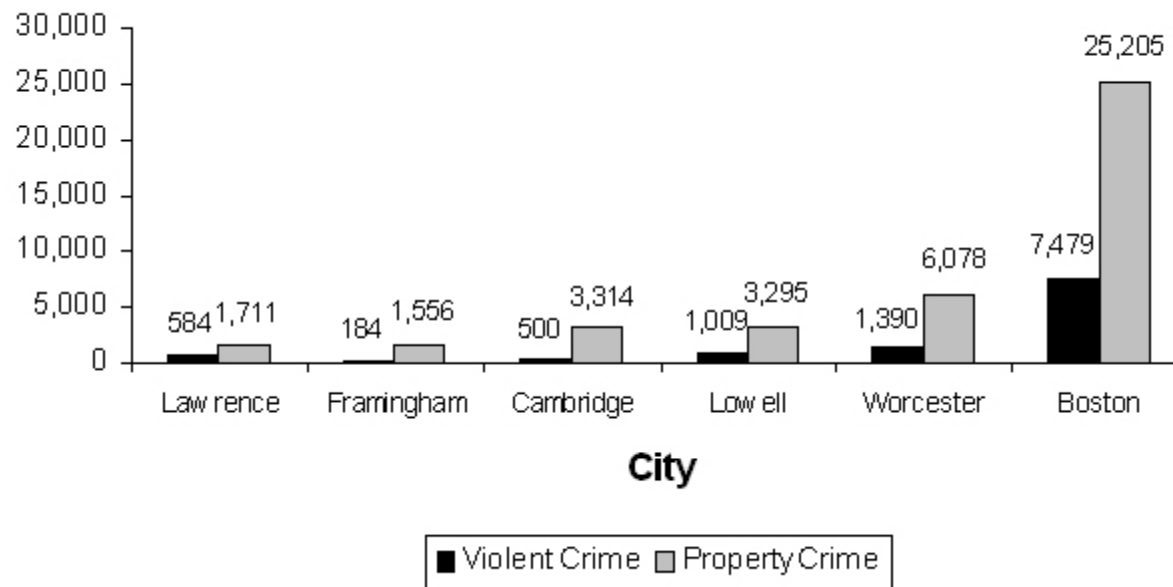
<i>City</i>	<i>Murder</i>	<i>Rape</i>	<i>Robbery</i>	<i>Assault</i>	<i>Burglary</i>	<i>Larceny</i>	<i>Auto Theft</i>	<i>Total</i>
Macon, GA	20	58	332	406	2,028	6,124	1,065	10,033
Berkeley, CA	3	18	354	195	1,229	5,503	1,244	8,546
Miami Gardens, FL	11	57	540	1,305	1,395	4,235	968	8,511
Davenport, IA	7	54	272	990	1,451	5,213	416	8,403
Wichita Falls, TX	6	43	239	445	1,703	5,386	552	8,374
Everett, WA	3	48	173	313	1,272	4,243	2,085	8,137
Pueblo, CO	13	22	162	489	1,525	4,978	478	7,667
Richmond, CA	40	35	526	573	1,062	2,350	2,396	6,982
Allentown, PA	21	45	512	285	1,393	3,905	473	6,634
Albany, NY	8	68	439	760	1,328	3,186	369	6,158
Portsmouth, VA	22	41	366	472	1,049	3,708	407	6,065
Gary, IN	58	70	306	284	1,593	2,556	1,161	6,028
Athens-Clarke County, GA	5	41	135	176	1,047	4,185	361	5,950
Gresham, OR	3	69	148	280	882	3,216	1,249	5,847
Charleston, SC	10	49	290	654	810	3,464	482	5,759
Dearborn, MI	3	30	223	315	651	3,191	1,082	5,495
Fairfield, CA	9	38	218	320	748	2,876	836	5,045
Average	10	36	215	359	879	2,895	658	5,052
Denton, TX	5	72	76	225	684	3,180	246	4,488
Compton, CA	65	40	474	1,152	638	971	1,006	4,346
Odessa, TX	3	12	72	503	756	2,785	179	4,310
Lowell, MA	2	41	213	753	644	1,942	689	4,284
Ventura, CA	1	19	107	170	815	2,695	401	4,208
Arvada, CO	2	23	52	119	524	2,772	581	4,073
Brockton, MA	10	47	211	N/A	687	2,282	738	3,975
Cambridge, MA	3	14	239	244	623	2,396	295	3,814
Richardson, TX	2	12	98	149	764	2,437	277	3,739
Miramar, FL	3	35	152	296	939	1,831	442	3,698
Santa Clara, CA	5	18	49	118	553	2,470	397	3,610
South Gate, CA	6	19	305	197	444	1,164	1,289	3,424
Erie, PA	6	75	200	191	632	2,129	106	3,339

<i>City</i>	<i>Murder</i>	<i>Rape</i>	<i>Robbery</i>	<i>Assault</i>	<i>Burglary</i>	<i>Larceny</i>	<i>Auto Theft</i>	<i>Total</i>
Woodbridge Township, NJ	2	17	81	203	347	2,168	294	3,112
Burbank, CA	3	13	67	163	586	1,690	495	3,017
Vacaville, CA	2	23	69	168	353	1,899	266	2,780
Livonia, MI	3	13	62	92	444	1,574	383	2,571
Cary, NC	0	13	50	70	432	1,428	103	2,096
Mission Viejo, CA	2	3	36	69	225	953	81	1,369
Daly City, CA	2	20	122	142	251	39	468	1,044

For additional crime reporting statistics please visit our Web site at www.CambridgePolice.org to view the 2006 Annual Crime Report available online.

Figure 2: Regional Crime Comparison - 2005

The chart below reflects a crime comparison among regional communities by violent and property crime.

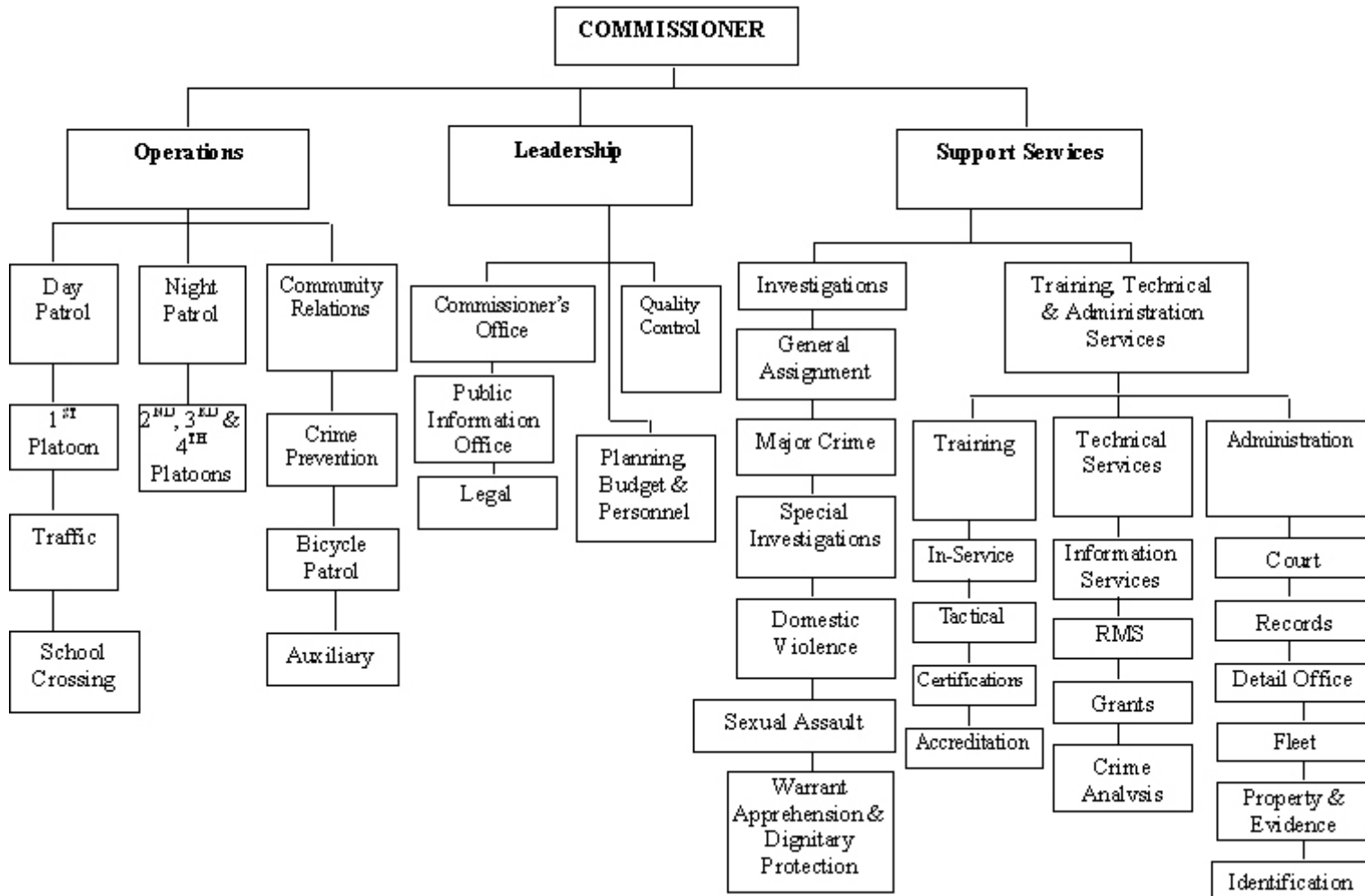


FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$26,206,765
Real Estate Taxes	\$26,206,765	
CHARGES FOR SERVICES		\$1,615,355
Parking Fund Parking Usage	\$1,116,355	
Photocopy/Reproduction	\$6,000	
Towing Surcharge	\$75,000	
Police Detail Surcharge	\$400,000	
Police Agency Fee	\$18,000	
LICENSES AND PERMITS		\$126,065
Street Obstruction Permits	\$122,065	
Sunday Permits	\$500	
Firearms I.D.	\$500	
Revolver Permit	\$3,000	
FINES & FORFEITS		\$3,187,425
Parking Fines	\$2,603,425	
Moving Violations	\$500,000	
False Alarm Ordinance Fee	\$80,000	
Bicycle Fines	\$4,000	
INTERGOVERNMENTAL REVENUE		\$2,275,065
State Cherry Sheet Revenue	\$964,595	
Cherry Sheet-Police Career In	\$1,310,470	
MISCELLANEOUS REVENUE		\$1,765,000
Restitution	\$1,000	
Free Cash	\$1,700,000	
Overtime Reimbursement	\$64,000	
TOTAL FY08 BUDGETED REVENUE		\$35,175,675

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$33,567,230
OTHER ORDINARY MAINTENANCE	\$992,345
TRAVEL & TRAINING	\$184,000
EXTRAORDINARY EXPENDITURES	\$432,100
TOTAL FY08 BUDGETED EXPENDITURES	\$35,175,675

FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	307	307	307

**Cambridge Police Department
Organizational Chart**



ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**POLICE
-Leadership**

\$895,795	\$887,645	COMMISSIONER'S OFFICE PLANNING, BUDGET & PERSONNEL QUALITY CONTROL	\$687,560
\$470,410	\$373,805		\$386,505
<u>\$545,425</u>	<u>\$610,870</u>		<u>\$727,930</u>
\$1,911,630	\$1,872,320		\$1,801,995

PURPOSE & OVERVIEW: The duties and responsibilities of the Office of the Commissioner consist of a range of tasks necessary for the effective operation of the Police Department and planning for the

future. Investigation into citizen complaints about the conduct of police officers and staff investigations remain the primary responsibilities of the Quality Control Section. As the Department strives to improve, this unit conducts various audits of our procedures to test the quality of service that we provide. The Legal Advisor assists the Commissioner with policy development and analysis of citation data in order to provide information to the community regarding traffic stops. In addition, the Legal Advisor provides training and compliance monitoring that is conducted in order to ensure accountability. The Public Information Office supports the Office of the Commissioner by providing public relations for the Department and distributing the Department newsletter. The Planning, Budget & Personnel Office's primary responsibilities are to support the Commissioner in maintaining sound hiring practices, budget preparation, setting strategy, planning and reinforcing our system of accountability. Our major goals over the next few years will consist of devising a vision plan for the future that will ultimately improve the quality of service to the citizens, position the Department to obtain long-term goals identified by various stakeholders and improve quality of life for the citizenry of Cambridge.

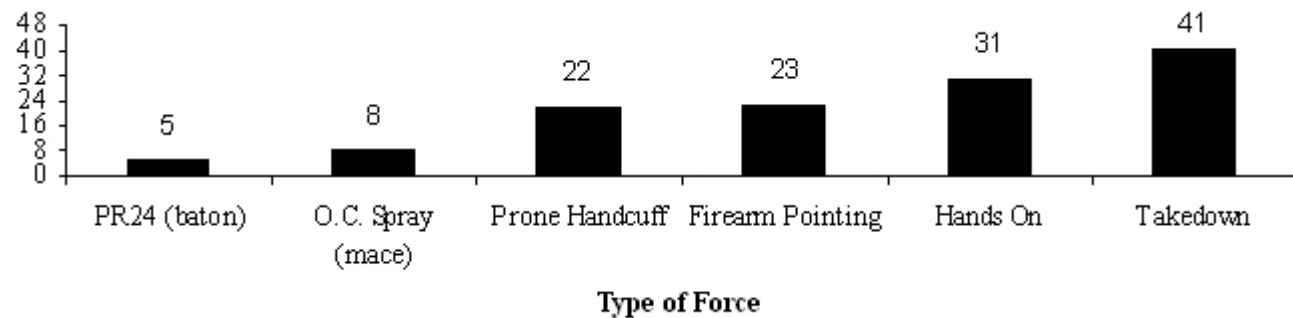
The Cambridge Police Department continues to maintain its commitment to be a first class organization that provides high quality service to the City, a good workplace for our officers and civilians, and that operates effectively and efficiently. In early 2003, the Department embarked on a Vision Project. The Department conducted a survey of community members and employees to determine what qualities of the Police Department were important to them and to assess their satisfaction with the current system. Employees surveyed cited that improvement is needed in the state of the building, staffing levels, operational communication across groups, and wider application of community policing strategies. Employees expressed desire for more specialized training, greater work variety, more leadership visibility, increased opportunity for officers to think for themselves, better direction and more feedback on job performance. Over the past year, the Department has successfully increased specialized training and implemented wider application of community policing with the introduction of the Command Staff Community Partnership Program and Operation Stop Watch. In addition, the Department has fully participated in the design of the new Public Safety Facility that was acquired in 2005. In 2006, a Transition Steering Committee was developed to manage the Department's planning, implementation and facilitation of the transition to the new headquarters in 2008.

In an effort to improve accountability, the Commissioner felt that it was necessary to expand and clarify reporting regarding all instances of use of force, as it is a better practice to account to the community and reduce the risks to the City of Cambridge. Use of force reports allow the Commissioner to monitor the number of

incidents by individual officers, geographic areas or organizational units. The reports provide a basis for periodic administrative review to determine whether proper procedure is being followed when force is used. Analysis of use of force by police is regularly discussed in criminal justice agencies and academia. However, it is very difficult to obtain a consistent sample because different agencies capture and define use of force incidents differently.

In 2006, the Cambridge Police Department responded to over 100,000 calls for service. There were 130 reported incidents of use of force. This is a very low number and when force is used, it typically occurs on the lower end of the force spectrum, involving grabbing or tugging at a suspect in order to apply handcuffs. The chart below indicates the Department's reporting for all use of force incidents by type of force utilized.

Figure 3: Use of Force Reported in 2006



FY08 GOALS

- GOAL 1:** *The Cambridge Police Department is seeking to attain certification through the Massachusetts Police Accreditation Commission, Inc. In order to achieve certification, a police department must comply with 151 standards. Upon completion, the Department will be recognized for attaining the requisite standards for promoting police professionalism in the Commonwealth. The Department will continue to work toward meeting the standards of national accreditation. These national standards are based on the Commission on Accreditation for Law Enforcement Agencies (CALEA) 4th edition Standards Manual.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Percentage of policies published for State Certification	97%	100%	98%	100%

■ *GOAL 1: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
2. Percentage of policies published for meeting National CALEA standards	65%	75%	65%	75%

Figure 4: Quality of Service Assessment

The table below indicates customer satisfaction responses collected from incident reports in FY05 and FY06. The percentages listed represent respondents who rated each service as excellent, good, or average (other responses recorded were not good, poor, n/a or blank).

Type of Service Rated	FY05	FY06	Change (FY06-FY05)
Response of Call Taker	96%	93%	-3%
Timeliness of Officer Response	91%	96%	5%
Officer 's Response to Questions	97%	95%	-2%
Professionalism of Officer Conduct	99%	96%	-3%
Percentage of Cases Followed up by Detectives	61%	64%	3%
Responsiveness of Detective	54%	87%	33%
Overall Response by Department	90%	89%	-1%

■ *GOAL 2: Improve relationships with the community by continuously assessing the level of service provided by the Department. These assessments will be undertaken using proactive, reactive and collaborative efforts. With the results, the Department will identify deficiencies in policies and procedures, identify training needs, and work to improve the trust and confidence relationship between the police and the community.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of administrative audits conducted by staff	8	9	9	9
2. Complete "quality of service" assessment forms - incident reports	250	245	245	245
3. Complete "quality of service" assessment forms - m/v stops	250	255	255	255
4. Conduct field inspection audits	60	65	65	65

**POLICE
-Operations Division**

ACTUAL FY06	PROJECTED FY07	BUDGET FY08
\$4,871,635	\$5,063,390	DAY PATROL \$6,756,495
\$13,227,585	\$13,404,040	NIGHT PATROL \$13,181,035
\$2,191,165	\$2,413,505	TRAFFIC \$2,278,945
\$162,055	\$198,465	COMMUNICATIONS \$195,100
\$2,035,375	\$1,856,215	COMMUNITY RELATIONS \$1,854,865
<u>\$131,580</u>	<u>\$306,660</u>	<u>\$618,870</u>
\$22,619,395	\$23,242,275	\$24,885,310

PURPOSE & OVERVIEW: As the Department's primary and most visible staff resource, this Division is responsible for the suppression and prevention of crime, the apprehension of offenders, the recovery of stolen property, the regulation of non-criminal activity and the maintenance of peace in the community. The Operations

Division is divided into Day Patrol, Night Patrol, Selective Enforcement and Community Relations. The Selective Enforcement/Traffic Unit performs specific assignments relating to truck restrictions, traffic, pedestrian and bicyclist safety and parking enforcement. Traffic Supervisors are responsible for the safety of school children at various intersections and crossings throughout the city. The function of the Community Relations Section is to elicit the community's participation in identifying problems and solutions. The Department establishes partnerships by developing liaisons with formal community organizations, business groups and other community groups. These partnerships assist the Department in improving practices that relate to community policing by conveying information to the community as well as transmitting concerns from citizens to the Department. The Bicycle Patrol Unit patrols various areas of the City and assists in community outreach through crime prevention programs, bicycle safety awareness and self-defense classes. The School Resource Officers (SRO) are assigned to each public school to provide daily contact for students, staff and parents. In addition, the SRO provides crime prevention programs to students and acts as a liaison with the Department on safety issues. The Cambridge Police Department is committed to the concept of reducing crime through proactive crime prevention, enhanced communication and collaborative partnerships.

FY08 GOALS

- *GOAL 1: Introduce, expand and maintain a variety of community oriented policing initiatives with the purpose of forming partnerships with the community to combat crime, the elements of crime and the perception of crime. Through community oriented policing, the Department will focus on educating and communicating to the citizenry of Cambridge on public safety issues including Homeland Security and emergency planning initiatives with Fire, Emergency Communications and Emergency Management.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Community members attending sergeants meetings citywide	520	350	350	400

■ *GOAL 1: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
2. Community meetings attended by Department personnel	71	75	75	75
3. Community policing problem solving projects*	11	10	10	10
4. Community policing neighborhood grants awarded	30	30	30	30
5. Youth participating in Department sponsored leagues	125	200	150	150
*Neighborhood problem solving projects are designed to impact problems identified in the community by utilizing law enforcement techniques and strategies to impact the crime				

■ *GOAL 2: Increase neighborhood presence by attending community meetings, making neighborhood contacts, participating in community group activities and providing "park & walks" citywide. ("Park & walks" are assignments directed to a particular location and time to address an identified problem)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of directed patrols	6,835	8,300	8,300	9,000
2. Number of park patrols	214	300	300	300
3. Number of park & walk assignments	n/a	n/a	300	300

- *GOAL 3: Provide opportunities to improve relationships and communications between the youth, the community and police officers.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of students served by High School Advisory classes	471	300	400	400
2. Number of students receiving Safety Training (bike safety, drivers education, bullying and "points 4 safety")	1,273	950	1,000	1,000
3. Number of citizens participating in Rape Aggression Defense (RAD) Training	30	80	80	75
4. Number of citizens participating in Citizen, Youth and Senior Citizen Police Academies	13	75	50	50

- *GOAL 4: Provide education in crime prevention techniques to citizens and business owners throughout the city. The Police Department will continue to conduct security surveys for the residential and business communities as well as participate in monthly private security meetings throughout the year.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of business surveys conducted	58	50	50	50
2. Number of residential surveys conducted	32	45	45	45
3. Number of private security meetings attended per year	12	12	12	12

Figure 5: Selected Serious Crimes for Calendar Year 2005 vs. 2006

The City of Cambridge has seen a 2% decrease in total serious crimes in 2006, specifically in the areas of robbery, auto theft, and larceny. Auto theft saw the greatest change with a 21% decline from the previous year. Eight of the 13 neighborhoods reported a decrease in auto theft numbers in 2006, and of those, a majority saw a decrease of at least 25%. The most dramatic decreases were recorded in West Cambridge (57%), North Cambridge (49%), the Highlands (40%), and East Cambridge (38%).

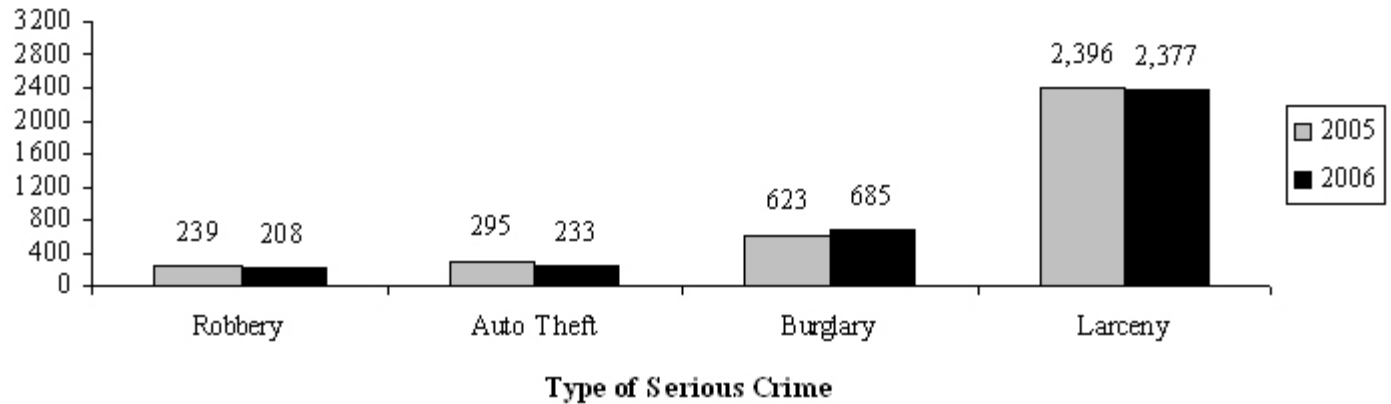


Figure 6: Calendar Year 2005 vs. 2006 Breakdown of Robberies by Type

In 2006, robberies in Cambridge declined by 13% from the previous year. Of the two categories of robbery (commercial and street), commercial robbery experienced the biggest change, with a decrease of 48%. Although street robbery numbers were up slightly citywide, reductions were seen in multiple neighborhoods, with the largest decreases reported in Mid-Cambridge and Cambridgeport (40% and 37%, respectively). Thirteen of the street robberies resulted in arrests, as did six of the commercial robberies.

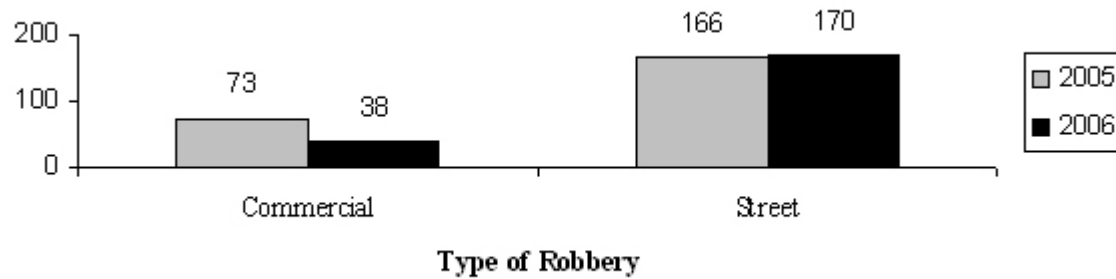
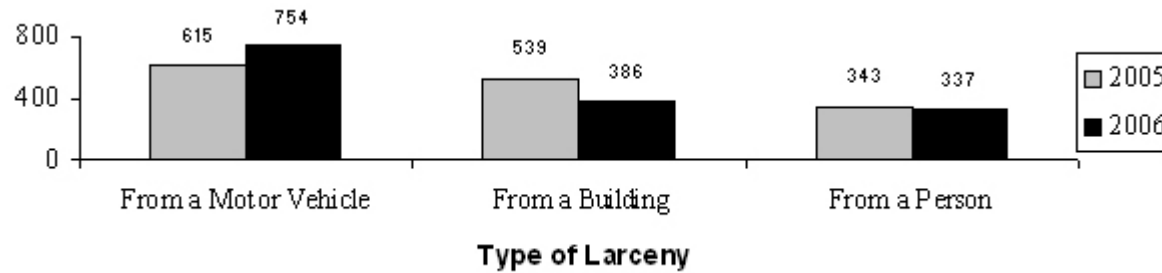


Figure 7: Calendar Year 2005 vs. 2006 Breakdown of Larcenies by Type

Larceny decreased by 1% overall in 2006. Larceny from a building decreased by 28% and larceny from a person decreased by 2%. All 10 business districts experienced a decrease in larcenies from buildings, with the biggest declines occurring in the 1500-1900 block of Mass Ave (52%) and in the Cambridgeport/Riverside business area (46%). Larceny from a motor vehicle saw an increase of 23%, often involving the thefts of GPS systems and stereos.



For additional statistics, please visit our Web site at www.CambridgePolice.org to view the complete 2006 Annual Crime Report online.

- **GOAL 5:** *Provide the highest level of law enforcement and public safety services to the citizens of Cambridge by increasing safety for pedestrians, bicyclists and motor vehicle operators through education. Increase driver safety awareness by emphasizing the "Points 4 Safety," in order to reduce motor vehicle accidents by enforcing vehicle code violations and identifying high accident areas.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of assignments for deployment of units for the enforcement of truck restrictions	1,653	1,500	1,500	1,500
2. Number of selective traffic enforcement assignments citywide	11,097	11,000	11,000	11,000
3. Trucks inspected for compliance with commercial regulations	370	200	200	300
4. Number of assignments for deployment of units for the enforcement of crosswalk violations	4,908	4,400	4,400	4,400

■ **GOAL 5:** (continued)

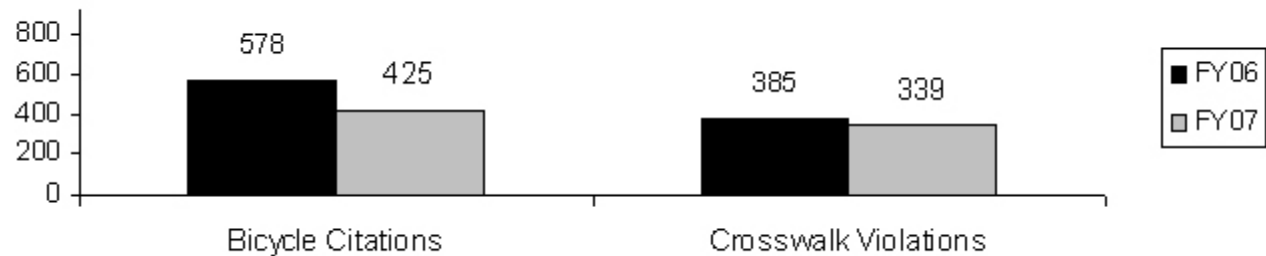
PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
5. Number of selective bicycle enforcement assignments	928	1,100	1,000	1,000
6. Number of "points 4 safety" brochures distributed during motor vehicle stops	1,500	1,500	1,500	1,500

■ **GOAL 6:** *Provide Child Safety Seat Program to Cambridge residents to assist parents with proper installation of car seats. The Department will continue to modify the existing program to encourage other agencies to participate in this tremendously successful safety program, by increasing available resources to fund this program in order to serve more residents.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Child Safety Seat installations	758	1,000	1,000	1,000

Figure 8: Bicycle Citations and Crosswalk Violations for FY06 and FY07

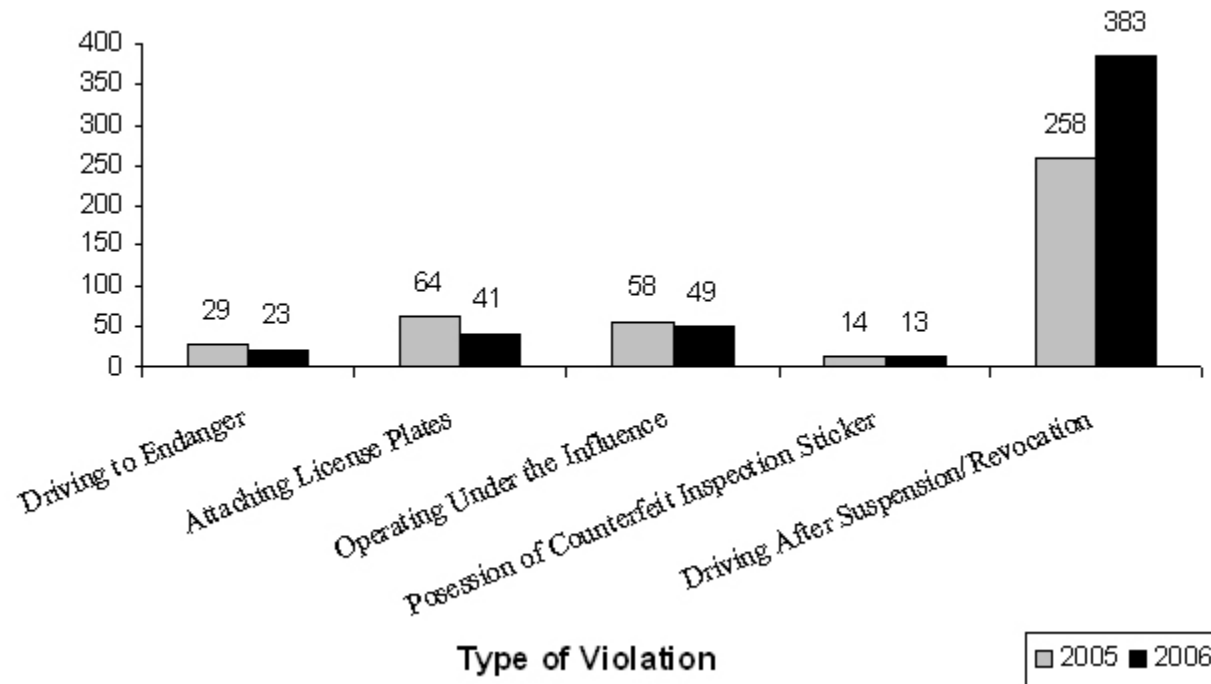
In a continued effort to provide the highest level of public safety services, the Department has continually increased enforcement of crosswalk violations and bicycle violations. The chart below reflects the number of bicycle citations and crosswalk citations issued from July 1 through December 31 of FY06 versus July 1 through December 31 of FY07. For additional statistics, please visit our Web site at www.CambridgePolice.org to view the 2006 Annual Crime Report online.



The average traffic stop for speeding, running a red light and related offenses results in a warning or citation. A number of traffic offenses, however, are cause for arrest, including: driving to endanger, driving after suspension or revocation, possession of a counterfeit inspection sticker, and attaching false or counterfeit license plates. Such arrests are often made during routine traffic stops, after the police officer learns of the driver's suspension, revocation or other circumstances.

Figure 9: Traffic Arrests for Calendar Year 2005 vs. 2006

The chart below reflects the number of traffic arrests by type of incident comparing 2005 versus 2006.



**POLICE
-Support Services**

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
\$1,522,460	\$1,589,345	ADMINISTRATION	\$1,651,820
\$1,101,230	\$1,125,850	SPECIAL INVESTIGATION UNIT	\$1,208,560
\$282,525	\$307,960	TRAINING	\$270,705
\$3,263,725	\$3,745,765	MAJOR CRIME UNIT	\$3,240,980
\$178,125	\$244,705	DETAIL OFFICE	\$216,175
\$575,840	\$638,695	TECHNICAL SERVICES	\$730,820
<u>\$1,149,785</u>	<u>\$1,154,510</u>	OPERATION & MAINTENANCE	<u>\$1,169,310</u>
\$8,073,690	\$8,806,830		\$8,488,370

PURPOSE & OVERVIEW: The Support Services Division consists of the Administration Unit, Training Unit, Major Crime Unit, Special Investigation Unit, Detail Office and Technical Services Unit. This Division is responsible for supporting the daily operations of the Department. The Administration Section processes and coordinates departmental support services

such as records, details (off-duty employment), fleet maintenance, property and identification. The Fleet Maintenance unit is responsible for the maintenance of the entire vehicle fleet. The Training Unit coordinates all training for sworn and non-sworn personnel throughout the year to ensure all certifications are current. In-service training is conducted twice a year along with other specialized training that continues throughout the year. The Major Crime Unit includes all investigative functions of the Department. Major Crime Unit detectives investigate all serious crimes committed in the city including murder, rape, robbery, aggravated assault, burglary and felony larceny. The Special Investigation Unit is responsible for conducting investigations into violations of Controlled Substance laws as well as prostitution and gambling offenses. The Technical Services/Crime Analysis Unit carefully reviews all information, including crime reports, calls for service, arrest reports, and notices from other agencies received by the Police Department, looking for crime patterns such as series, sprees, hot spots and trends. Once such a problem is identified, the Unit disseminates this information to the rest of the Department. Patrol and Investigative Commanding Officers use this information to develop strategies to address any emerging or ongoing crime problems. The Unit is also responsible for maintaining the Department's computer systems infrastructure and radio system.

FY08 GOALS

- **GOAL 1:** *Continue to enhance and improve the type and quality of in-service training conducted annually for all sworn personnel of the Police Department. In accordance with Massachusetts General Laws, all police officers must attend 40 hours of in-service training annually. Mandated topics include firearms certification, CPR and first responder training. Firearms training for all personnel will include live firing at an outdoor range and simulated firing. The simulated firing consists of computer assisted judgment shooting scenarios utilizing tactical decision making and scenario based interactive training utilizing non-lethal Simunition ammunition, inert OC spray (Mace) and control devices. In addition to the annual in-service training, the Department will provide additional specialized training opportunities through daily roll calls, training bulletins and monthly newsletters.*

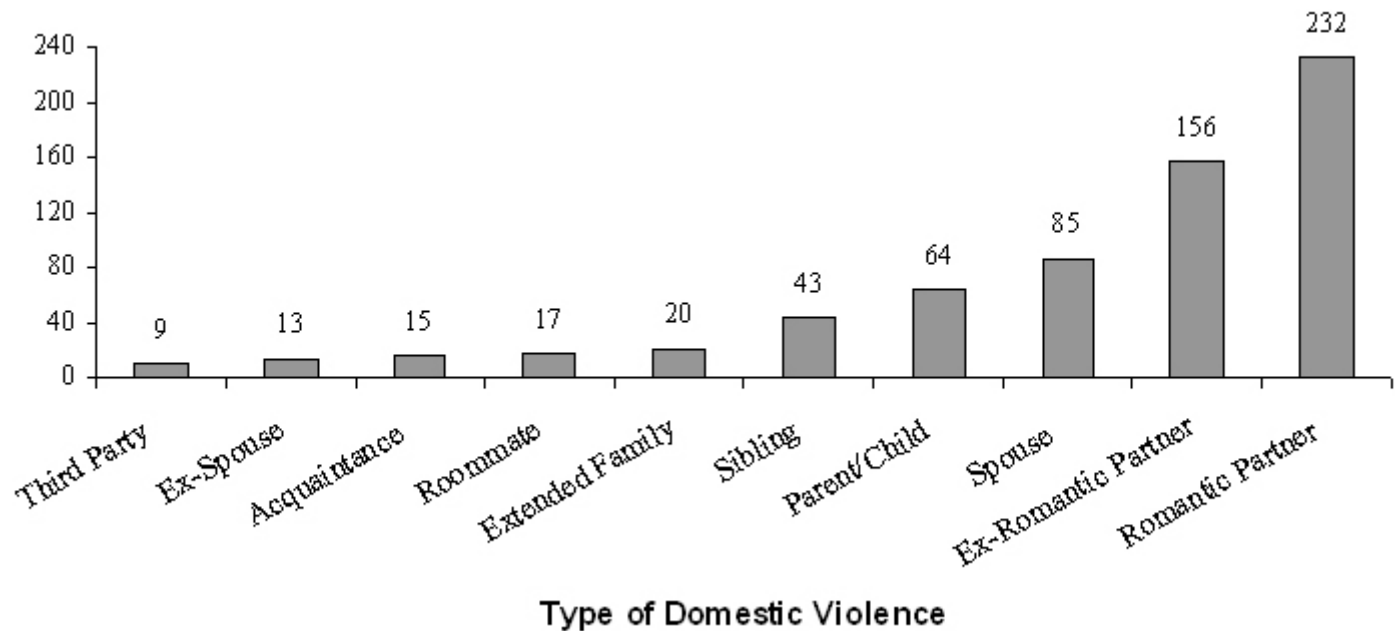
PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of officers attending live firearms training	240	273	250	250
2. Number of officers attending simulation training*	240	273	0	250
3. Number of officers attending simulated firearms training	240	273	250	250
4. Number of training bulletins issued per year	n/a	n/a	26	26
5. Number of specialized trainings attended by sworn and non sworn personnel	n/a	n/a	300	333
*Training offered at least every other year and each year if possible (scheduling for FY07 was not feasible).				

- GOAL 2:** *Continue the integrated response system to domestic violence and department-wide training. Continue input of domestic violence incidents into a database that allows for the analysis of such occurrences. Work with a coalition of other City departments and area non-profit agencies to implement a community grassroots domestic violence prevention and education effort. The Domestic Violence Liaison develops and conducts specialized training regarding same sex domestic violence, family related domestic violence and elderly abuse domestic violence.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of domestic violence trainings conducted for various agencies throughout the city	13	12	12	12

Figure 10: Domestic Violence by Relationship Category for Calendar Year 2006

The chart below reflects the number of domestic violence incidents reported in 2006 by relationship category.



Special Investigations Unit

The Cambridge Police Department's Special Investigations Unit continually commences investigations involving drugs and vice activity within the City of Cambridge. They have adopted strategic planning methods to help alleviate the pressures visited upon society by the culture of drug abuse and addiction. The goal of the unit is to target street level dealers to get to the suppliers, and to fight the problem at its root level: in the street, where the public is most exposed and affected.

Table 3: Geographic Breakdown of Drug Arrests

The table below shows that drug arrests were concentrated in the mid-section of the city. The Area 4 neighborhood reported the most incidents, followed by the Cambridgeport and North Cambridge neighborhoods. In 2006, a total of 150 incidents were reported and 122 arrests were made.

AREA	2004	2005	2006	% of Total
East Cambridge	15	16	7	4%
M.I.T. Area	0	1	1	1%
Inman/Harrington	11	11	14	9%
Area 4	22	37	45	30%
Cambridgeport	19	24	27	18%
Mid-Cambridge	8	20	12	8%
Riverside	14	10	11	7%
Agassiz	1	2	1	1%
Peabody	9	3	6	4%
West Cambridge	7	5	6	4%
North Cambridge	15	9	18	12%
Cambridge Highlands	1	1	1	1%
Strawberry Hill	2	0	1	1%
TOTAL	124	139	150	

**TRAFFIC PARKING &
TRANSPORTATION
-Summary**

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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\$1,522,750	\$1,640,115
\$6,117,265	\$6,333,500
<u>\$840,800</u>	<u>\$810,850</u>
\$8,480,815	\$8,784,465

TRAFFIC CONTROL PARKING CONTROL SUPPORT SERVICES	\$1,790,125 \$6,594,710 <u>\$837,030</u> \$9,221,865
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PURPOSE & OVERVIEW: The Department oversees public parking and traffic operations in the city. The Department actively promotes walking, bicycling and transit. Public parking includes promulgating,

signing and enforcing parking regulations; installation and maintenance of parking meters; operation of the two City parking garages; collection and adjudication of parking tickets and operation of the resident permit program. Traffic operations includes pavement markings including crosswalks and bicycle lanes; operation of traffic signals; traffic study reviews; and permitting street obstructions and street closings. It also works closely with other City departments in planning, reviewing and developing proposals to improve the City's infrastructure and encourage walking, bicycling and transit use.

The Department is organized in three divisions: Traffic Control, Parking Control, and Supporting Services.

FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:

- Energy Efficiency – The department has made substantial reductions in energy use.
 - Completed installation of LED (light emitting diode) lights in our signals. The KWH have been reduced 50% since the start of the program in 2003.
 - The re-lamping of the two garages has reduced the KWH used in the garages by 28%.
 - Participated in the City Manager's Green Fleet Policy Committee. Reviewed vehicles and operations to look for changes that will support the goal of reducing emissions. Vehicle purchases are focused on smaller more energy efficient vehicles that will meet our operational needs.
- Online Services - The Traffic Department ranks in the top 5 City departments for number of visitors to our Web site. The average quarterly number of visitors is 21,000.
- Streamlined Street Permit System - A successful online Street Occupancy Permit system was introduced in FY06 and enhanced in FY07.
 - Improved service to the public and reduced staff time needed to handle our summer of 2006 peak.
 - An upgrade has been added to support online credit card payment. This enhancement streamlines the process for both the public and staff going into the summer of 2007 peak.
- Resident Permit Parking - Our Resident Permit Parking renewal process was another success.
 - The annual photo contest generated 188 submissions, the most ever. The winning picture featured

on the parking sticker is the Middlesex Registry of Deeds submitted by Nimesh Patel of Cambridge.

- Renewal letters were sent to residents by name and via first class mail to eliminate delivery problems experienced last year. E-Line was used to remind residents to renew.
- Harvard Square Improvements - The sidewalk improvements on Church Street included removing the individual parking meters and installing 3 “Luke” machines (multi-space pay stations).
- Overnight Parking in East Cambridge - To better serve the parking needs of East Cambridge residents, a reduced rate for overnight and weekend parking was implemented in February at the City’s First Street Garage.
- Parking Garages – A thorough analysis of maintenance work needed at the City’s garages was completed. Multi-year maintenance and repair plans were prepared.
 - The first phase of renovations is in design.
 - New fire alarm control panels and fire detection devices were installed at the Green Street Garage and the adjoining Central Square Branch Library.
- ZipCar - All ZipCars based in Cambridge have 2007 resident parking permits allowing users the same parking privileges as if they had their own car.
- Handheld Parking Ticket Machines - The Parking Enforcement Officers’ handheld ticket writing machines were upgraded to a more reliable and faster model.
- Traffic Signal Improvements:
 - **Mass Ave and Prospect/Western** – Pedestrian signals were upgraded to LED with countdown timers and audibility for the visually impaired.
 - **Broadway and Quincy** – Pedestrian signal now comes on every cycle at this heavily used crossing, without the need for pedestrians to push a button.
 - **Mass. Ave. at Rindge, Mt. Auburn at Aberdeen, and Huron at Aberdeen** – All signals were modified so pedestrians crossing the major street must push a button, but are protected from vehicles turning out of the minor street. Pedestrians crossing the minor street get the walk phase without needing to push a button
 - **Putnam and Sidney** – Signal replaced with raised intersection.
 - **Cambridge and Third** – Installed extra time for pedestrians to cross before the vehicles get a green light, so that pedestrians have a more comfortable crossing.
 - **Fire Headquarters** – At the Fire Department’s request, changed the signal for trucks leaving the station to flashing yellow beacons and warning signs.
 - **Porter Square** – Signal timing was adjusted as part of the Porter Square reconstruction project and then further modified when the Walden Street Bridge closed. Also modified 10 signals along

Mass Ave from Chauncy to Cedar to provide coordination along the Mass Ave corridor. Adjusted the timing at Raymond and Walden in response to the Porter Square signal changes and the Walden Street Bridge closure.

- **Sacramento and Oxford** – In conjunction with the Alden Tot Lot renovation, moved signal box and one signal pole off the sidewalk and into the edge of the park thus providing more space on the sidewalk at the corner and improving sight line.
- **General Maintenance** – Painted all poles black as part of the ongoing maintenance of our signal equipment. Responded to 46 online requests for signal repair work from residents in the first half of the year. Installed signs with intersection identifier number and place to call for problems at 25 signalized locations in November and received 6 calls in the first three months. Collected costs from over six parties responsible for signal knockdowns.
- **Development Projects** – Continued working closely with CDD, the Planning Board and others. Work included: ongoing development activity at North Point, the design plans for the reconstruction of O’Brien Highway from Third Street to Land Boulevard, conversion of Blessed Sacrament to housing, 70 Fawcett, and 22 Water Street. Continued to work on implementation of the mitigation projects required of large development projects.
- **City Construction Projects** - Worked with other City departments on construction issues related to Porter Square, Harvard Square, Mass. Ave., Cambridgeport Roadways, on several traffic calming projects including Brookline Street and on design efforts related to the new Police Headquarters.

FINANCING PLAN	DETAIL	SUMMARY
CHARGES FOR SERVICES		\$3,961,280
Parking Fund Parking Usage	\$3,961,280	
LICENSES AND PERMITS		\$277,500
Street Obstruction Permits	\$277,500	
FINES & FORFEITS		\$4,418,085
Parking Fines	\$4,418,085	
MISCELLANEOUS REVENUE		\$565,000
Rent Of City Property	\$60,000	
Interest Earnings	\$475,000	
Private Grants	\$30,000	
TOTAL FY08 BUDGETED REVENUE		\$9,221,865

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$5,838,425
OTHER ORDINARY MAINTENANCE	\$3,304,040
TRAVEL & TRAINING	\$19,400
EXTRAORDINARY EXPENDITURES	\$60,000
TOTAL FY08 BUDGETED EXPENDITURES	\$9,221,865

FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	80	80	80

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**TRAFFIC PARKING &
TRANSPORTATION
-Traffic Control**

\$438,195	\$495,560	TRAFFIC SIGNAL MAINTENANCE TRAFFIC ENGINEERING PAVEMENT MARKINGS/SIGN POSTING	\$514,445
\$489,280	\$529,060		\$557,475
\$595,275	\$615,495		\$718,205
\$1,522,750	\$1,640,115		\$1,790,125

PURPOSE & OVERVIEW: The Traffic Control Division is responsible for the design, installation and maintenance of all traffic control devices throughout the city and for coordination with other departments and agencies on design and development

proposals.

The Division's responsibilities include: conducting traffic studies; maintaining and revising curb regulations; investigating constituent concerns; installing and maintaining signs; maintaining pavement markings, including bicycle lanes and crosswalks; issuing street occupancy and street closing permits; and reviewing major construction projects and new developments.

The Division manages a computerized traffic signal system, with 72 of the 179 signal locations currently on the system. The City has 143 signalized intersections, 36 warning flashers and 34 school zone flashers.

FY08 GOALS

- *GOAL 1: To improve the ease of crossing for pedestrians.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of signalized intersections adjusted to enhance pedestrian crossing	5	10	10	10

- *GOAL 2: Process and post obstruction and street closing permits in a timely and customer oriented manner.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of street obstruction and street closing permits issued	6,307	5,500	6,500	6,500

- *GOAL 3: Improve street safety by installing and replacing reflective pavement markings for all new and all existing crosswalks, centerlines and parking stalls.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Total number of crosswalks citywide with reflective pavement markings	1,907	1,950	1,950	1,965
2. Total number of new crosswalks installed with reflective pavement markings	102	47	47	15

- *GOAL 4: Increase safety on our streets by defining space allocated for vehicles and bicycles in the travel lane.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Total number of linear feet of bike lane	79,225	85,000	82,425	86,925

- *GOAL 5: The Traffic Engineering Division will maintain strong customer service and continue responding to the community in a timely manner on transportation issues, including site investigations and minor traffic studies. Continue to replace faded, defaced or damaged traffic regulatory signs and update all street name signs to the more visible and highly reflective diamond grade street name signs.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Total number of completed site investigations conducted by the Traffic Division	182	200	150	125
2. Total number of completed minor traffic studies	10	7	10	4
3. Total number of traffic regulatory signs replaced or installed	2,377	2,000	2,000	2,000
4. Total number of street name signs replaced	220	200	200	200

- **GOAL 6:** *Provide timely and professional review of traffic studies of large projects. Work closely with the Community Development Department and Planning Board in reviewing and identifying mitigation measures.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of large project traffic studies reviewed for projects seeking Planning Board permits	3	6	6	5

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**TRAFFIC PARKING &
TRANSPORTATION
-Parking Control**

<p>\$1,950,120 \$1,049,165 \$1,013,755 <u>\$2,104,225</u> \$6,117,265</p>	<p>\$2,020,320 \$1,034,960 \$1,065,600 <u>\$2,212,620</u> \$6,333,500</p>	<p align="center">PARKING SERVICES PARKING METER MAINTENANCE OFF STREET PARKING PARKING ENFORCEMENT</p> <p>parking regulations.</p> <p>The Parking Services Program is responsible for the issuance of resident parking permits and visitor parking permits, and the collection and adjudication of parking tickets. The program is extremely busy from November through January when residents renew their permits. Customer service has improved by making it more convenient for the public to obtain resident parking permits by mail and to pay parking tickets by mail, phone or online.</p> <p>The Parking Meter Program is responsible for the installation, maintenance, collection and repair of the City's 3,154 meters. Meters provide short-term parking for visitors and shoppers. The Department has been adding meters in areas where new commercial development has occurred, to support the parking needs of visitors.</p> <p>The Parking Enforcement Program provides staff to ticket illegally parked cars. The operation is active from 7 a.m. to 8 p.m. weekdays as well as extended hours on Thursday and Friday evenings until 10 p.m. Saturday hours are 8:30 a.m. to 10 p.m.</p> <p>The Division is responsible for the two City garages, Green Street Garage and East Cambridge Garage, and manages the contract to operate these facilities. The Traffic Control Division is responsible for preventive maintenance and renovations of the two structures.</p>	<p>\$2,001,685 \$1,099,705 \$1,082,350 <u>\$2,410,970</u> \$6,594,710</p>
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PURPOSE & OVERVIEW: The Parking Control Division is responsible for the residential and metered parking programs, the City's two parking garages and nine metered parking lots, and for the enforcement, processing and adjudication of the City's

FY08 GOALS

- *GOAL 1: Provide residential on-street parking for residents, their visitors and providers of services to residents, and issue residential parking permits in a timely and cost effective manner during our annual issuance period. Reduce parking permit abuse and maintain public safety.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Total number of resident permits	38,256	40,000	40,000	40,000
2. Number of resident permits issued during the renewal season (Oct. 15 - Jan. 31)	24,831	25,500	26,753	27,000
3. Number of permits obtained by mail during the renewal season	10,441	11,475	11,065	12,150
4. Percentage of permits obtained by mail during the renewal season	42%	45%	41%	45%
5. Number of permits obtained at main office during the renewal season	14,390	14,025	15,688	14,850
6. Percentage of permits obtained at main office during the renewal season	58%	55%	59%	55%
7. Number of resident permit violations	75,620	75,000	65,000	67,610
8. Number of public safety violations	24,061	35,000	24,960	24,900

- *GOAL 2: Provide short term, on-street parking in business districts by enforcing parking meter violations and by maintaining all parking meters.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of parking meters on street	3,026	3,000	3,154	3,154
2. Number of meter violations	190,573	200,000	198,500	201,550
3. Number of overtime meter violations (meter feeding)	26,145	34,000	20,500	21,300

- *GOAL 3: Maintain effective collection of parking ticket fees with good customer service and a variety of payment options.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Percentage of tickets paid within 21 days from issuance without a notice	54%	55%	57%	57%
2. Percentage of paid tickets issued this fiscal year	78%	85%	81%	83%
3. Percentage of tickets paid at main office	18%	12%	15%	15%
4. Percentage of tickets paid via mail, telephone and online	82%	88%	85%	85%
5. Percentage of tickets issued in this fiscal year that have been adjusted or dismissed	6%	3%	4%	4%

**TRAFFIC PARKING &
TRANSPORTATION
-Support Services**

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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<u>\$840,800</u> \$840,800	<u>\$810,850</u> \$810,850
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ADMINISTRATION

BUDGET \$837,030
\$837,030

PURPOSE & OVERVIEW: The Support Services Division is responsible for the administration and operation of the entire Department, including: coordination within and between the Traffic Control and Parking Control divisions; management of the Department's budget and personnel functions; ongoing dedicated customer service; publishing materials to bring information to the public; coordinating with other City departments, state and federal agencies, non-profit organizations and local businesses; and keeping up-to-date with cutting edge equipment and services to meet the needs of our constituents and to support employees in performing their jobs more efficiently.

FY08 GOALS

- *GOAL 1: Seek to continuously improve the efficiency and professionalism of the Department staff, procedures and programs. Improve communication and coordination within the Department. Encourage and support proactive and innovative solutions to the City's mobility needs.*

- *GOAL 2: Maintain up-to-date Web site with useful information and online services.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of visitors to Department's Web site	n/a	n/a	88,000	90,000

- *GOAL 3: The Traffic Department Web site has many online services. Our goal is to be user friendly and accommodate all of our residents' and visitors' needs with the click of their mouse.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of Web forms submitted for signal inquiries	n/a	n/a	80	100

■ GOAL 3: (continued)

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
2. Number of Web forms submitted for sign inquiries	n/a	n/a	30	60
3. Number of Web forms submitted for parking consideration	n/a	n/a	4,350	4,500
4. Number of Web forms submitted for parking ticket disputes	n/a	n/a	9,500	10,000

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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POLICE REVIEW AND ADVISORY BOARD

<p style="text-align: center;"><u>\$77,475</u> \$77,475</p>	<p style="text-align: center;"><u>\$65,745</u> \$65,745</p>
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POLICE REVIEW AND ADVISORY BOARD

\$85,450
\$85,450

PURPOSE & OVERVIEW: The Cambridge Police Review and Advisory Board (PRAB) was established in 1984 by City Ordinance. The primary function of PRAB is to review Police Department policies, practices and procedures and to investigate and adjudicate complaints brought by individuals or police officers against the Police Department or other police officers. The Police Review and Advisory Board consists of five civilian residents of Cambridge. The role of PRAB is as follows: to provide for citizen participation in reviewing Police Department policies, practices and procedures; to provide a prompt, impartial and fair investigation of complaints brought by individuals against police officers in addition to complaints by departmental employees against the Police Department; to ensure that citizen complaints against members of the Cambridge Police Department are handled in a timely, thoughtful, methodical and decisive way and that the Board's determinations are even-handed, through unbiased investigations.

FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:

- Continued an information sharing and case review process with the Police Department's Quality Control Office. The process helps in expediting case investigation at both agencies.
- The Executive Director and the Investigative Liaison continue to review and monitor the investigation of complaints filed at the Police Department Quality Control Office.
- Board member and the Investigative Liaison attended the National Conference for Civilian Oversight and Law Enforcement Boards to learn about investigative techniques and programs used by other Boards.
- Collaborated with the Cambridge Police Department and the Northeastern University Institute on Race and Justice to hold a public forum on Racial Profiling. Over 100 Cambridge citizens and public officials attended.
- Continue to work closely with Human Rights Commission outreach programs.
- PRAB continues to be a resource for communities that want information to help establish their own PRAB. The Executive Director and the Investigator attended various training seminars, community meetings and lecture forums on behalf of PRAB.

FY08 GOALS

- *GOAL 1: Collaborate with the Police Department through education and outreach efforts to increase public awareness of the Board's mission and services, and to foster better understanding of police procedures, civil rights laws and suggested behavior when interacting with law enforcement officers.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Public inquiries	162	150	150	150
2. Community training sessions	16	16	16	16
3. Events related to the mission of the Board, including community training sessions	27	25	25	25
4. Board meetings open to the Public	11	11	11	12

- *GOAL 2: Improve efficiency and effectiveness of case intake, referral process, investigation and investigative related findings and actions.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Complaints open from prior fiscal years	0	0	0	0
2. Complaint intakes from public inquiries	114	120	120	120
3. Complaints referred to other agencies or dismissed due to lack of jurisdiction	99	105	105	105
4. Complaints investigated and closed	15	15	15	15
5. Public hearings held	11	11	11	12
6. Recommendations made to the Police Commissioner and the City Manager after hearings	3	7	1	1
7. Subpoenas issued after hearings	0	0	0	0

- *GOAL 3: Perform mediation as a means to resolve complaints in lieu of investigation.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Mediation sessions performed	8	10	5	5
2. Complaints mediated	7	10	5	5

- *GOAL 4: Collaborate with Police Department and other City departments to train Board members and police officers to enhance the effectiveness of the Board's work.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Training sessions	11	10	10	5

- *GOAL 5: Collaborate with the Police Department in reviewing and making public interest recommendations relating to policies and procedures of the Police Department.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Policy reviews and recommendations	5	5	5	3

FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$85,450
Real Estate Taxes	\$85,450	
TOTAL FY08 BUDGETED REVENUE		\$85,450

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$81,450
OTHER ORDINARY MAINTENANCE	\$1,000
TRAVEL & TRAINING	\$3,000
EXTRAORDINARY EXPENDITURES	\$0
TOTAL FY08 BUDGETED EXPENDITURES	\$85,450

FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	1	1	1

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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INSPECTIONAL SERVICES

<p>\$2,225,635 \$181,805 <u>\$5,560</u> \$2,413,000</p>	<p>\$2,178,615 \$193,205 <u>\$20,000</u> \$2,391,820</p>	<p>INSPECTION/ENFORCEMENT ZONING APPEAL BOARD BOARD & RAZING</p>	<p>\$2,303,045 \$199,190 <u>\$20,000</u> \$2,522,235</p>
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PURPOSE & OVERVIEW: The Inspectional Services Department (ISD) is responsible for all laws and related City Ordinances that pertain to the Massachusetts State Building Code and certain articles of the

State Sanitary Code. The Inspection/Enforcement allotment covers the enforcement of the building, wiring, plumbing/gas and mechanical codes, together with articles of the State Sanitary Code covering housing and food establishment inspections, lead paint and asbestos testing and removal, swimming pool inspections, and day care and recreational day camp inspections. Additionally, this allotment supports the rapid response capability provided in situations where building structural integrity or mechanical/electrical systems are potentially affected by fire or similar emergencies. The Board of Zoning Appeal appropriation supports costs necessary to administer the Zoning Ordinance and the processing of applications for relief before the Board of Zoning Appeal. The Boarding and Razing appropriation is for emergency demolition and the boarding up of dangerous buildings. This appropriation is offset by liens against the property.

FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:

- Revenue received by the Department, largely from building permit fees, continues at high levels.
- Continued effort to ensure control of rodent problems in the city, working closely with DPW and the Health Department.
- Worked closely with neighborhood groups to resolve complaints.
- Began posting information about building permits online and initiated the process for developing functionality to apply for permits online in consultation with the Information Technology Department (ITD).
- Continued monthly meetings with inspectors to ensure customers are treated in a professional manner and all interpretations made by inspectors are consistent and conforming to the codes and ordinances.
- Started inspecting dumpsters in food establishments for compliance with the sanitary code.

FY08 GOALS

- *GOAL 1: Process building permit applications, improve community access to permit information, and conduct required inspections in a timely and efficient manner.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Issue major building permits within 30 days	94%	95%	98%	98%
2. Number of major permits issued	143	80	230	200
3. Number of minor alteration permits issued	2,910	3,000	3,600	3,000
4. Number of compliance inspections	5,946	6,000	7,000	6,000
5. Number of multi-family inspections	0	400	50	400
6. Provide essential information on major building permits online	10%	100%	50%	100%
7. Implement online permit application process	n/a	n/a	25%	75%

- *GOAL 2: Enhance and protect public health and safety by conducting inspections of food handling establishments in accordance with State required minimum of two compliance inspections per year and by improving community access to inspection reports.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of compliance inspections and re-inspections	2,093	1,800	2,000	2,300
2. Number of complaints received	262	400	200	200
3. Number of food handling establishments in Cambridge	588	590	590	590
4. Number of dumpster inspections completed	n/a	n/a	500	500

- *GOAL 3: Process all applications for zoning relief in an efficient manner in accordance with the requirements of applicable State laws and conduct zoning meetings.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. BZA requests for relief heard within time frame stipulated by law	100%	100%	100%	100%
2. Number of BZA applications	239	250	200	230

- *GOAL 4: Process and respond to citizen housing and related complaints in a timely and professional manner.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Respond to citizen complaints within 2 days of receipt	100%	100%	100%	100%
2. Number of formal complaints	888	600	700	750
3. Number of inspections	5,469	3,700	3,900	4,000
4. Number of court hearings	414	500	370	300

FINANCING PLAN	SUMMARY
TAXES	(\$1,082,565)
CHARGES FOR SERVICES	\$67,000
LICENSES AND PERMITS	\$3,537,800
TOTAL FY08 BUDGETED REVENUE	\$2,522,235

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$2,346,010
OTHER ORDINARY MAINTENANCE	\$124,400
TRAVEL & TRAINING	\$51,825
EXTRAORDINARY EXPENDITURES	\$0
TOTAL FY08 BUDGETED EXPENDITURES	\$2,522,235

FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	28	27	27

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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\$678,685
\$132,405
 \$811,090

\$673,905
\$136,235
 \$810,140

**LICENSE
 CONSUMER**

\$690,950
\$148,405
\$839,355

PURPOSE & OVERVIEW: The Board of License Commissions was established in the early part of the last century. Since the Commission's inception, the citizens of

Cambridge have been served by a three-person public safety board charged with the responsibility of issuing licenses, setting policy, enforcing rules and regulations, local ordinances and state laws pertaining to numerous categories of licenses. These include, but are not limited to, alcohol, common victualer, entertainment, hackney driver and vehicle licenses, lodging houses, garages and gasoline stations. The Commission remains committed to educating both our licensees and the general public in an effort to reduce societal problems caused by binge drinking and other alcohol misuse.

FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:

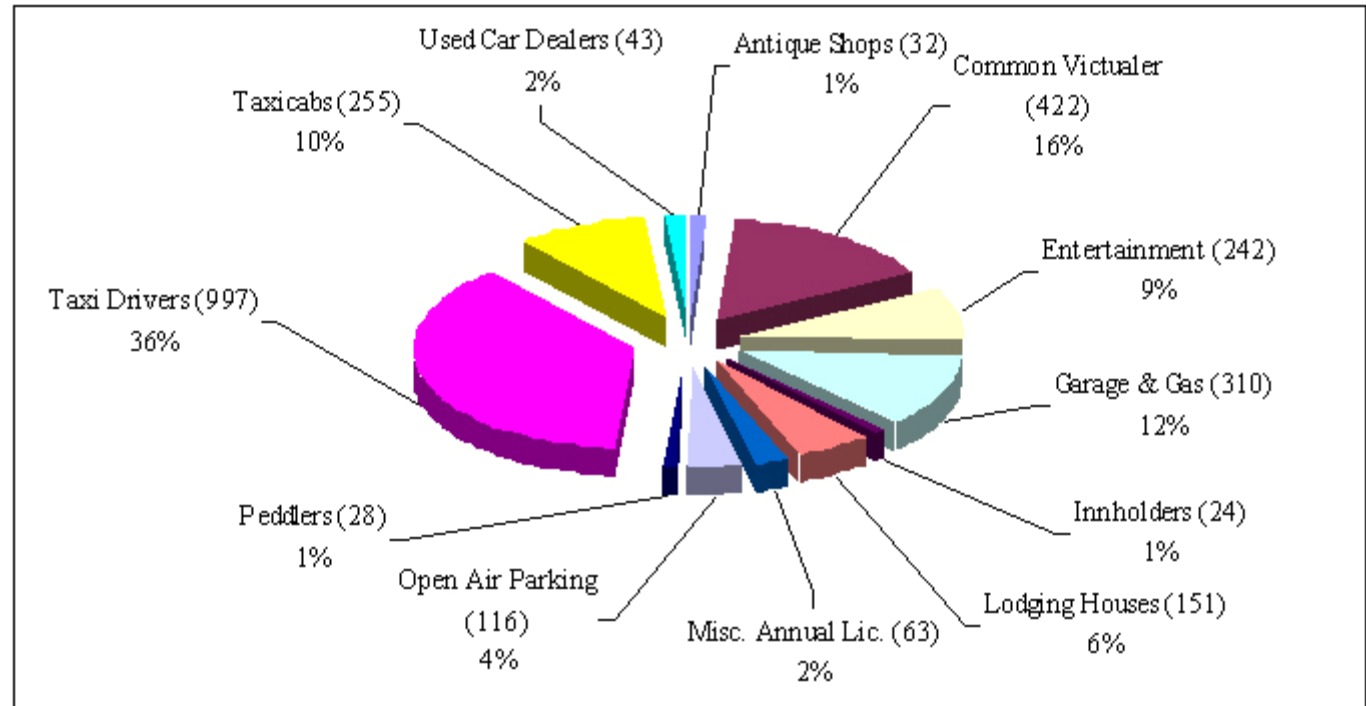
- The Cambridge Alcohol Advisory Board (CLAB), with support from the License Commission, produced the fourth annual Taste of Cambridge event, which featured 55 Cambridge restaurants, hotels and breweries, was attended by over 1,200 guests and raised over \$35,000. A significant portion of the proceeds went to BARC (Boston Area Rape Crisis Center) and Transition House.
- The Accessible Cambridge Taxi (ACT) Program continued during its third year to serve elders and persons with disabilities in Cambridge and adjoining communities. The program is administered by Cambridge Cab, which installed an updated telephone system to better serve the community, thereby reducing the number of complaints.
- Successfully completed the first full season of alcohol and food service on patios. Twelve restaurants and hotels applied for and were granted permission to use dedicated City sidewalk space.
- Held hearings and voted to amend the alcohol CAP policy to allow area to area license transfers and to increase the capacity for food oriented restaurants.

LICENSING

Chapter 95 of the Acts of 1922 and its amendments "established in the City of Cambridge a board of license commissioners, to consist of the Chiefs of the Police and Fire departments and a third commissioner to be appointed for a term of three years." In the years since its inception, regulatory authority has expanded to include other major licensing categories such as entertainment establishments, restaurants, shops and sales, taxicabs, livery and limousine vehicles, lodging houses and hotels. In addition, the Department is charged with enforcement of the City's Noise Ordinance.

Figure 1: Annual Licenses (Non-Alcohol)

The License Commission administers and regulates numerous categories of annual licenses. A total of 2,683 non-alcohol licenses, reflected below by category, were issued during Fiscal Year 2007.



The Pole and Conduit Commission, which is staffed by License Division personnel, has been an extremely active board during the past few years, greatly increasing the number of phone calls and walk-in customers served by our staff. The Commission processes and hears applications from local utility companies regarding poles, conduits and fiber optics.

One of the major tools developed by the City to assist in the regulation of all restaurants and pouring alcohol establishments is the License Commission’s Task Force. Consisting of agents of the License Commission, Fire Department and Inspectional Services, this investigative unit inspects all establishments under its purview to ascertain compliance with City rules and regulations as well as building and fire codes.

FY08 GOALS

- *GOAL 1: Inspect all alcohol licenses in a proactive effort to reduce underage drinking in Cambridge and diminish any violation of local rules and regulations.*

Figure 2a: Annual Alcohol Licenses Issued

The following chart shows a breakdown of the 253 alcoholic beverage licenses, by category, that are issued by the License Commission during Fiscal Year 2007.

Type of License	Issued	Percentage
Restaurants (All Alcohol Beverage), 1:30am	1	0.40%
Breweries*	2	0.79%
Educational Institute (Wine & Malt Beverage)	5	1.98%
Hotels (All Alcohol Beverage)	12	4.74%
Other Clubs (All Alcohol Beverage)	16	6.32%
Package Stores (Wine & Malt Beverage)	18	7.11%
Package Stores (All Alcohol Beverage)	22	8.70%
Restaurants (All Alcohol Beverage), 2am	46	18.18%
Restaurants (Wine & Malt Beverage)	51	20.16%
Restaurants (All Alcohol Beverage), 1am	80	31.62%
TOTAL	253	100.00%
<i>*Breweries are allowed to produce their own beer product and sell it, along with selling other alcoholic beverages, for on-premises consumption.</i>		

Figure 2b: FY06 Alcohol Disciplinary Hearings

Results of 9 Disciplinary Hearings held for alcoholic beverage establishments (7/1/05 – 6/30/06):

Form of Discipline	#
License Suspended for 10 Consecutive Days and hours rolled back	1
License suspended for 3 Consecutive Days	1
License suspended for 1 Day	2
Letter of reprimand/retrain all employees on company time	3
Placed on file with stipulation that licensee become active members of CLAB and package store group	2
Total.....	9

Figure 3a: Percentage of Alcohol Establishments Inspected

The License Commission attempts to inspect as many alcohol establishments as possible each year, however, it should be noted that package stores are not subject to inspection by the Task Force.

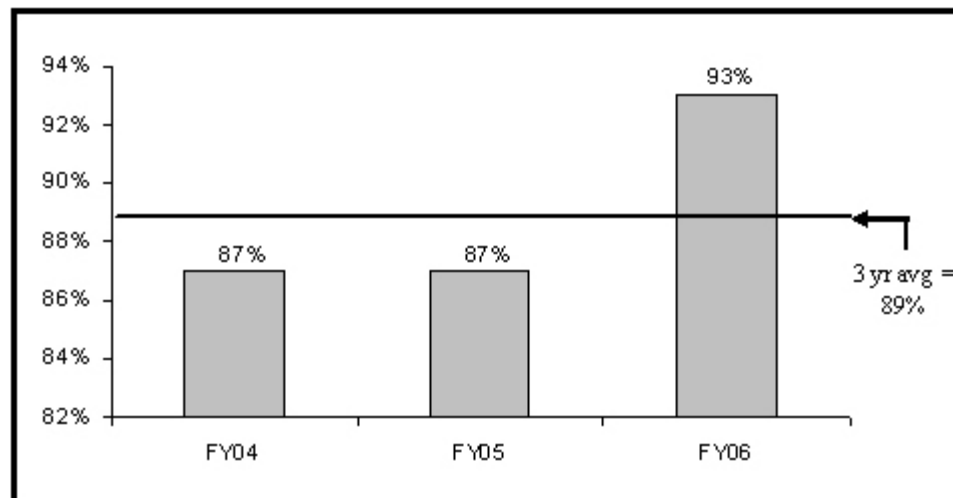


Figure 3b: Number of Alcohol Establishments Inspected

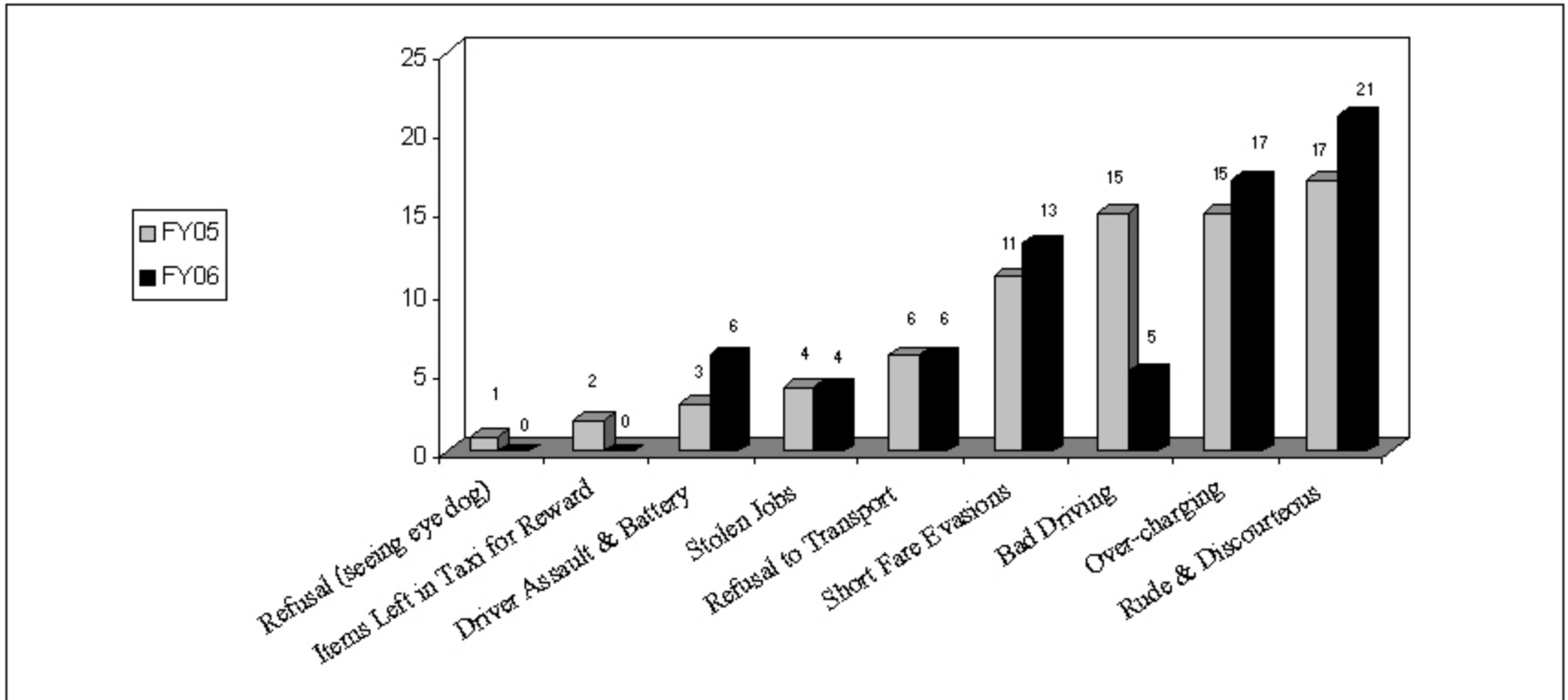
FY04	FY05	FY06	
179	190	200	Alcohol Licenses Inspected
206	219	215	Active On-Premises Licenses

- **GOAL 2:** Investigate all violations of out of town taxicab pick-ups.

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of illegal out of town taxicabs found in violation within the City of Cambridge	22	15	20	25

Figure 4: Hackney Complaints

The License Commission’s Hackney Unit works to quickly resolve all written passenger and driver complaints. The Hackney Police Officer and Assistant Hackney Inspector resolved 74 complaints in FY05 and 72 complaints in FY06. Not reflected below are the illegal out of town pick-ups by cabs licensed in other cities and towns.



- *GOAL 3: Promote social and cultural diversity and foster community.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of cultural events in the City involving staff participation through the Special Events Committee	26	33	30	32
2. Number of new hackney driver candidates who successfully complete the program at the Cambridge Taxicab School, Inc. and become licensed Cambridge taxicab drivers* *100% of new drivers (1,300) after 1994 have completed training.	113	100	100	100

- *GOAL 4: Continue to work with CLAB and the taxicab industry on the Cambridge safeRide program to provide free, safe taxicab rides on select holidays, thereby reducing the incidence of driving while intoxicated.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of rides provided during holidays	n/a	n/a	244	250

- *GOAL 5: Work with Inspectional Services and the Fire Department to ease the renewal process for liquor licensees under the new Certificate of Inspection Sprinkler Law requirement, by providing a faster and easier method of renewal.*

CONSUMERS COUNCIL

PURPOSE & OVERVIEW: The Consumers Council works in cooperation with the Attorney General of the Commonwealth. Its primary activity is the mediation of individual consumer/business disputes to eliminate the need for either party to go to court to resolve the conflict. The staff is also watchful for any trends in the marketplace that may call for direct legal intervention by the Attorney General. Using the expertise and information gained from the hundreds of individual complaints filed each year by area residents, the Council can be an informed voice offering suggestions for new or amended legislation that would provide better consumer protection for the citizenry. The Council provides educational information to consumers through a variety of media including its Web page, public workshops, distribution of consumer brochures and published articles. The Consumers' Council is a resource for, and works in partnership with, a variety of other City agencies to meet the diverse direct services needs of Cambridge residents.

Figure 5: Consumer Complaints

The primary work of the Consumers' Council is the mediation of individual consumer complaints filed by Cambridge residents or by consumers living elsewhere but having a dispute with a Cambridge-based business. The types of product or service involved in these complaints are reflected below.

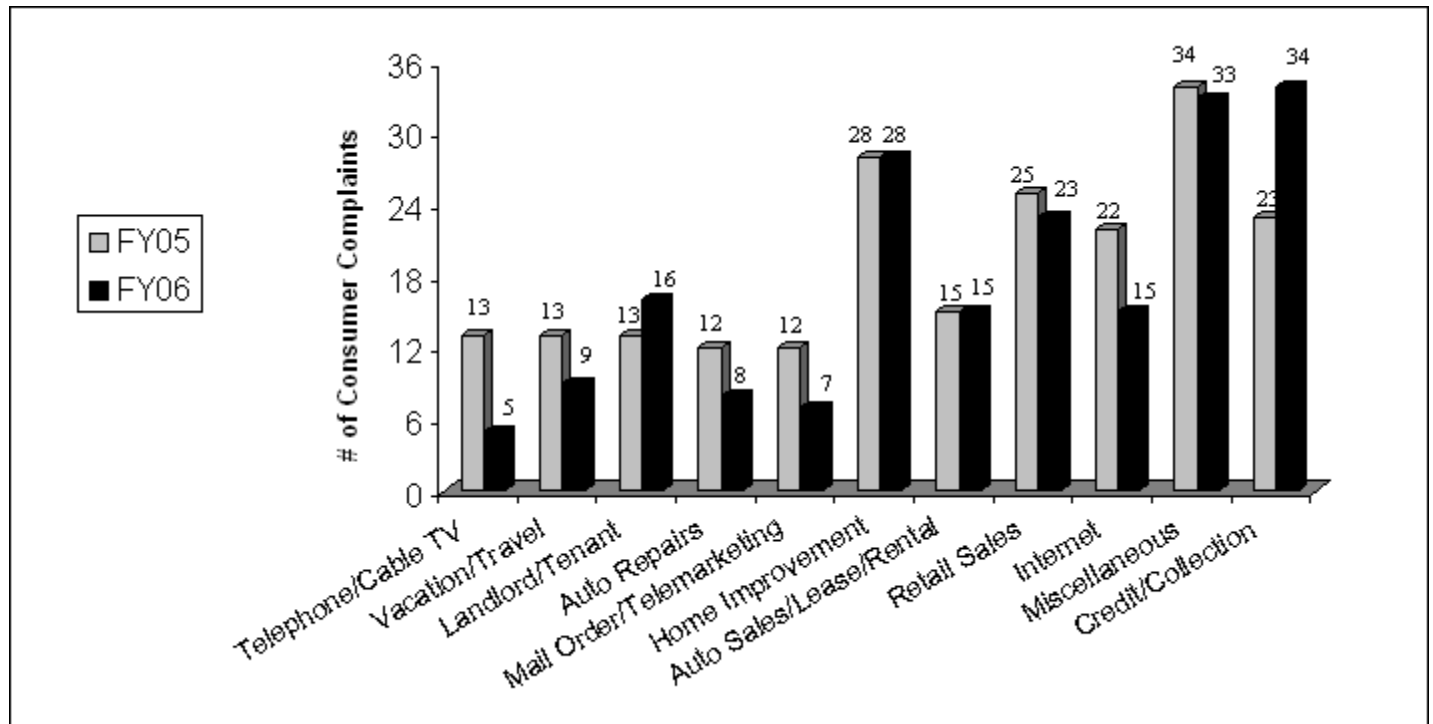


Figure 6: Complaint Resolution Process

The chart below shows the volume of complaints resolved and the method of resolution used.

Consumer Business Disputes Resolved In FY06 (7/1/05 - 6/30/06)		Consumer Business Disputes Resolved In FY07 (7/1/06 - 3/31/07)*	
Disputes Resolved in Mediation	100	Disputes Resolved in Mediation	85*
Disputes Resolved in Court	16	Disputes Resolved in Court	15*
Disputes Resolved by Other Means	58	Disputes Resolved by Other Means	47*
TOTAL	174	TOTAL	147*

FY08 GOALS

- **GOAL 1:** Sponsor consumer education events and activities to empower Cambridge consumers to be smart consumers and problem solvers through learned self-help strategies and information about their consumer rights. Where possible, structure educational activities for the elderly.

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Educational workshops or public forums held in Cambridge	2	3	4	3
2. Written articles, brochure/newsletter publication or significant Web page additions	12	15	18	12

- **GOAL 2:** Partner with other City departments, state agencies or consumer organizations to provide either individual consumer assistance or to take action on behalf of groups of consumers or all consumers in general.

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Joint efforts with other City agencies or non-profits	6	6	6	6
2. State-level activities on behalf of consumers	9	9	6	6
3. National consumer partnership efforts	5	5	5	5

FINANCING PLAN	DETAIL	SUMMARY
TAXES		(\$1,071,295)
Real Estate Taxes	(\$1,071,295)	
CHARGES FOR SERVICES		\$25,450
Photocopy/Reproduction	\$450	
Lic Hearing/Advertising Fee	\$25,000	
LICENSES AND PERMITS		\$1,835,200
Alcoholic Beverage	\$765,000	
Common Victualer	\$38,500	
Miscellaneous Licenses	\$21,000	
Lodging Houses	\$189,000	
Garage/Storage Of Inflammable	\$287,000	
Shops & Sales	\$4,200	
Hackney Carriage/Drivers	\$80,000	
Motor Vehicle Related	\$78,450	
Hackney Application	\$4,500	
Entertainment Summary	\$185,000	
Pole & Conduit	\$171,800	
Disposal Company	\$2,500	
Property Use License	\$8,250	
INTERGOVERNMENTAL REVENUE		\$50,000
Consumer Comm (Att Gen)	\$50,000	
TOTAL FY08 BUDGETED REVENUE		\$839,355

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$768,465
OTHER ORDINARY MAINTENANCE	\$60,190
TRAVEL & TRAINING	\$10,700
EXTRAORDINARY EXPENDITURES	\$0
TOTAL FY08 BUDGETED EXPENDITURES	\$839,355

FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	9	9	9

ACTUAL FY06	PROJECTED FY07		BUDGET FY08	WEIGHTS & MEASURES
<u>\$104,905</u> \$104,905	<u>\$107,445</u> \$107,445	WEIGHTS AND MEASURES	<u>\$111,510</u> \$111,510	<p>PURPOSE & OVERVIEW: The Department of Weights and Measures is charged with the responsibility of ensuring that equity and fairness prevail in the marketplace between the buyer and seller. The Department enforces all laws, ordinances and regulations relating to the accuracy of weight and measuring devices used by local business establishments. These include taxi meters, retail motor fuel dispensers, vehicle tank meters which are used in delivering home heating oil, hospital and health clinic scales, large capacity truck scales, small and medium capacity scales in factories, pharmacy scales and large capacity scales for the tipping of solid waste.</p> <p>It is the duty and function of the Department to enforce the Massachusetts General Laws and local ordinances and regulations relating to the accuracy of weighing and measuring devices that weigh, measure and count commodities offered for public sale. The Department seals or condemns devices tested, and performs such work in accordance with state laws and regulations and municipal ordinances, subject to review through reports and periodic checks by the State Division of Standards. The Department inspects prepackaged food and merchandise to ensure compliance with weight, measurement and count requirements, and for proper labeling as to weight, measures and extended prices. This office investigates complaints on measuring devices or those not conforming to legal standards, checks transient vendors for possession of licenses, and inspects weighing and measuring devices used by these vendors. The Department also advises merchants on the packaging and labeling of goods. As a result of the Consumer & Merchant Protection Act, Chapter 295 of the Acts of 1998, the Sealer of Weights & Measures also performs biannual inspections of all stores with three or more scanners.</p> <p>FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:</p> <ul style="list-style-type: none"> • Provided a Consumer Impact Statement to Division of Standards of Commonwealth of Massachusetts, that details the savings passed on to consumers by conducting inspections within Cambridge. • Attended Professional Development sessions offered by Federal, State and local organizations, including Retail Motor Fuel Dispenser training, Medium Capacity Scale training, audit testing of pre-packed goods training and Publication 19 Examination Procedure for Price Verification training. • As Chairperson of the Laws and Regulations Committee of the National Conference on Weights and Measures, the Sealer assisted in developing regulations on the labeling of Biodiesel and Fuel Ethanol, which were added in to Handbook 130, Uniform Laws and Regulations. • Continued outreach to business owners on local and state regulations and compliance. • Collaborated with the License Commission to ensure that the taxicab rates are accurately reflected on taxi meters as part of the annual inspection process.

FY08 GOALS

- *GOAL 1: Ensure accuracy of weighing and measuring devices through inspection of 100% of devices in the city.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Scales tested over 10,000 lbs.	6	6	6	6
2. Scales tested 5,000 to 10,000 lbs.	6	6	6	6
3. Scales tested 1,000 to 5,000 lbs.	7	7	7	7
4. Scales tested 100 to 1,000 lbs.	125	125	125	125
5. Scales tested 0 to 100 lbs.	580	590	590	700
6. Avoirdupois weights	130	120	130	130
7. Metric weights	210	200	210	210
8. Apothecary and Troy weights	195	200	195	195
9. Gasoline pumps	410	395	410	410
10. Vehicle oil tanks	23	20	19	19
11. Reverse vending machines	35	35	35	35

- *GOAL 2: Increase inspection of prepackaged food items and increase inspection of food and retail store scanner systems.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Prepackaged food inspections	1,850	2,000	1,850	1,900
2. Scanner system inspections	150	150	150	150

- *GOAL 3: Continue inspection of taxi meters; one inspection per meter per year is required.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Required inspections performed	255	255	255	255
2. Additional inspections performed	158	165	160	165

- *GOAL 4: Ensure equity and fairness in the marketplace by conducting inspections and providing educational materials to the public on weights and measures rules and regulations.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of spot inspections performed	120	125	120	120

- *GOAL 5: Monitor and update Department's Web page for citizens' questions and complaints.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Citizens' viewing Web page	n/a	n/a	1,000	1,000

- *GOAL 6: Implementation of an automated billing system for tracking of City revenues.*

- *GOAL 7: Utilize City TV-8 to produce a cable program on the activities of the Weight & Measures Department to provide outreach and education to consumers and business owners.*

FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$66,085
Real Estate Taxes	\$66,085	
CHARGES FOR SERVICES		\$27,500
Sealing Fees	\$27,500	
INTERGOVERNMENTAL REVENUE		\$17,925
State Cherry Sheet Revenue	\$17,925	
TOTAL FY08 BUDGETED REVENUE		\$111,510

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$101,485
OTHER ORDINARY MAINTENANCE	\$7,780
TRAVEL & TRAINING	\$2,245
EXTRAORDINARY EXPENDITURES	\$0
TOTAL FY08 BUDGETED EXPENDITURES	\$111,510

FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	1	1	1

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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ELECTRICAL

\$210,440	\$245,625	ADMINISTRATION	\$253,235
\$207,635	\$213,410	SIGNAL MAINTENANCE	\$219,165
\$912,000	\$935,290	ELECTRICAL SERVICES	\$939,290
\$831,815	\$965,540	EXTERIOR LIGHTING	\$1,170,490
\$4,000	\$4,000	RADIO OPERATIONS	\$4,000
\$9,675	\$10,000	COMMUNICATIONS	\$10,000
<u>\$2,175,565</u>	<u>\$2,373,865</u>		<u>\$2,596,180</u>

PURPOSE & OVERVIEW: The Electrical Department was established to oversee street lighting and the City fire alarm system, in order to allow fire reporting directly from the public and from those buildings where automated fire alarm systems signal directly to the Fire Department. The Department also provides electrical maintenance and

construction services to all municipal buildings, and provides lighting in all parks and outdoor recreational areas. In addition, the Department is charged with the installation and repair of communications systems such as departmental telephones, public emergency call boxes, pagers, fiber cable networks for computer data transmission between buildings, and cabling for local area data networks within City buildings. The Department also oversees the installation of cables, conduits and equipment by utilities and other contractors over and within all public ways.

SIGNIFICANT BUDGET MODIFICATIONS: The FY08 Electrical Budget includes an additional \$204,950 to cover the full-year increase in electricity costs for exterior lights.

FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:

- Worked with the Community Development Department to design lighting and utility work for the Tobin School playground and Trolley Square Park renovations.
- Connected additional buildings to and upgraded cables within the municipal fire alarm system.
- Assisted the Water Department with energy conservation for lighting and filter plant equipment, utilizing the NSTAR energy program.
- Relamped all of the streetlights in neighborhoods 5 and 6.
- Installed new lighting with construction of the South Mass. Avenue Project and Yerxa Road Underpass.
- Installed holiday lighting in various locations around the city, including on street trees and temporary trees, and assisted with the installation of lighted banners in both Harvard and Central Squares.
- Assisted the IT Department in a beta test site for the wireless internet project.
- Expanded Citywide Fiber Network for the wireless internet project and the public safety radio system.
- Installed card access system for the Public Works Department.

FY08 GOALS

- *GOAL 1: Maintain the municipal fire alarm system.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of fire alarm street boxes	615	620	620	625
2. Number of fire alarm systems in municipal buildings	34	34	34	34
3. Number of Fire Alarm System tests performed in City buildings	37	66	66	66
4. Number of service calls for disconnection or reconnection of private buildings	12,002	12,000	12,000	12,000
5. Cost per test - street boxes*	\$20.48	\$23.83	\$23.83	\$23.83
6. Cost per disconnect/reconnect - street boxes*	\$20.48	\$23.83	\$23.83	\$23.83
*Excludes administrative overhead.				

- *GOAL 2: The City will maintain street lighting and provide for optimum lighting in various neighborhoods and parks as a result of the purchase of streetlights from NSTAR Electric effective March 1, 2005.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Total number of lights	7,262	7,514	7,545	7,636
2. Number of streetlights maintained	6,280	6,510	6,510	6,586
3. Total number of park lights maintained	982	1,004	1,035	1,050
4. Number of bulbs and photo devices changed each year (group re-lamping program)	1,075	900	896	900
5. Percent of defective streetlights repaired within 72 hours	88%	85%	85%	85%
6. Number of lights repaired each year*	1,387	700	1,200	1,100
*The number of repairs will be reduced in FY08 due to the group re-lamping program.				

- *GOAL 3: Develop a master plan for future lighting which will address lighting levels, energy efficiency and dark sky issues.*

FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$1,819,380
Real Estate Taxes	\$1,819,380	
CHARGES FOR SERVICES		\$545,000
Master Fire Alarm Box Fee	\$130,000	
Signal Maintenance Fee	\$400,000	
Cut-Out/Plug-Out Fee	\$15,000	
LICENSES AND PERMITS		\$22,935
Street Obstruction Permits	\$22,935	
INTERGOVERNMENTAL REVENUE		\$207,865
State Cherry Sheet Revenue	\$207,865	
MISCELLANEOUS REVENUE		\$1,000
Telephone Commissions	\$1,000	
TOTAL FY08 BUDGETED REVENUE		\$2,596,180

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$1,322,855
OTHER ORDINARY MAINTENANCE	\$1,246,655
TRAVEL & TRAINING	\$1,670
EXTRAORDINARY EXPENDITURES	\$25,000
TOTAL FY08 BUDGETED EXPENDITURES	\$2,596,180

FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	14	14	14

ACTUAL FY06	PROJECTED FY07		BUDGET FY08	EMERGENCY MANAGEMENT
<u>\$147,875</u> \$147,875	<u>\$163,705</u> \$163,705	EMERGENCY MANAGEMENT	<u>\$164,285</u> \$164,285	<p>PURPOSE & OVERVIEW: The primary duty of this department is contingency planning for natural and man-made disasters and the coordination of preparedness, mitigation, response to and recovery from such emergencies.</p> <p>The Department works closely with its State counterpart, the Massachusetts Emergency Management Agency (MEMA), and also works with the regional office of the Federal Emergency Management Agency (FEMA).</p> <p>Preparation for disaster involves preparing contingency plans for natural and technological disasters that could affect the Cambridge community. Perhaps the most important components of these plans are having the means to contact people who would respond to the City's needs, and the information about resources that would be available to the City. Preparedness also includes educating the public regarding the risks we face and appropriate ways to plan for those risks.</p> <p>If a disaster occurs in Cambridge, the City, through its agencies, must respond to the needs of the public. A major disaster could easily present needs that exceed the capability of City agencies and would require that we obtain help from outside resources.</p> <p>In recovering after a disaster, Cambridge must act to return the city to normal. When any serious disaster occurs affecting Cambridge, this Department serves as the lead department in gathering the information required for a presidential disaster declaration and preparing all documentation required in seeking reimbursement of our costs from FEMA. In addition, a very important function of the Department during the aftermath of a major disaster is to ensure that all residents and local businesses are made aware of the various programs and resources available to assist them.</p> <p>After a disaster strikes, it is important to learn what can be done to reduce the consequences of a similar disaster in the future. City agencies must learn what they can do to limit the effects of disasters. The Department makes information available to residents and businesses regarding what they can do to mitigate the effects of disasters.</p> <p>The Emergency Management Department operates on the philosophy that any fire, flood or other disaster that displaces a family from its home should be treated as a disaster by the City. The Director or a member of the Emergency Management staff responds to all fires that are reported by the Fire Department as fires displacing families. At the fire scene, they advise victims on receiving assistance and about other resources. We work with both City and private agencies to ensure that all victims receive any assistance they may need. The Department has developed <i>After the Fire</i>, a 14-page brochure with advice about recovering from a house fire. This brochure was placed on the City of Cambridge Web site. It has proved very helpful to fire victims.</p>

The Department continues to educate residents on how to prepare for emergency situations. If one prepares for these consequences by having flashlights, battery-operated radios, water, non-perishable food, basic sanitary and medical supplies, and needed prescription drugs on-hand, one can reduce the potential impact of any emergency situation. Most residents are much less anxious about these situations when they realize that they can make some preparations in advance.

The Department visits special needs population facilities such as daycare centers, schools and nursing homes to verify the information entered into the Computer-Aided Management of Emergency Operations (CAMEO) database and other information required for emergency planning. We also assist daycare centers in developing their own emergency plans.

FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:

- Each municipality in the Commonwealth is required to prepare and maintain a Comprehensive Emergency Management Plan (CEM Plan). The Cambridge CEM Plan was completely re-written in FY02 and has been updated annually since. The Massachusetts Emergency Management Agency (MEMA) is asking towns to participate in a new revision of the CEM plan which involves a Web-based plan (called “eCEM”) and the maintenance of the plan on a MEMA server. Ultimately, the eCEM plan will be updated on a continual basis. The process of gathering data and inputting the data onto the MEMA database began in FY06. Work is now under way to coordinate our plans with Boston and the other 7 communities that abut Boston.
- The Department has continued to work closely with the staff at the Massachusetts Institute of Technology nuclear reactor laboratory on issues of safety and security.
- The Department participated in the Unified Command Centers for both the Boston/Cambridge 4th of July and the Head of the Charles Regatta. In addition to improving readiness and service at these events, participation with the other agencies serves as very valuable training.
- The Department continues to work with Cambridge residents who are victims of fires or other localized disasters. During FY06, the Department responded to 9 incidents in Cambridge involving 50 individuals who needed assistance from the Red Cross and other agencies. During the first 6 months of FY07, the Department responded to 7 incidents and assisted 26 individuals in obtaining assistance.
- The merger of the Federal Emergency Management Agency (FEMA) into the Department of Homeland Security opened up opportunities for additional programs to provide enhanced services to the City and provide new volunteer service opportunities to residents. Some programs that form part of Citizens Corps are: Community Emergency Response Team (CERT), Volunteers In Police Service (VIP’S) and the Medical Reserve Corps. Our Auxiliary Fire Department and Auxiliary Police Department are enrolled as part of Citizens Corps. During FY07, we received over \$2,400 in equipment for these volunteers from the Department of Homeland Security.

- The Director represents the City of Cambridge on the Metropolitan Mayors Coalition Emergency Planning Committee, the regional Hazard Mitigation Planning Committee and the Emergency Management Committee for the Urban Area Security Initiative (UASI). The UASI committee meets biweekly to coordinate the emergency planning in UASI communities. Work continues in the effort to identify regional hazards and explore ways to mitigate them. The UASI group also is working to develop the "eCEM" planning process to ensure that the plans of the communities are congruent and to enable sharing of information resources.
- The Department continued to update its Web site as well as worked with the City's Public Information Officer and the IT Department staff on emergency public information improvements. These pages include information on how to contact family members through agencies and links to Web sites posting casualty or survivor information.
- The Radio Amateur Civil Emergency Service (RACES) volunteer radio operators continued to train and participate in regional and statewide drills at least monthly. The RACES volunteers use 2 meter and 6 meter equipment and would be key links to MEMA during an emergency that disrupted ordinary communications channels. Our High Frequency (HF) equipment is capable of communicating with all parts of the United States and Europe. It would be used for disaster welfare inquiries if a major problem overseas were to affect the families of Cambridge residents.
- During FY07, the Department continued development of the Corporate Emergency Access System (CEAS) in Cambridge. This program is designed to ensure that Cambridge businesses and facilities are able to mitigate losses and recover rapidly from a disaster by providing access credentials and training to key personnel who are needed to preserve data and infrastructure in affected areas.
- The Department continued efforts to encourage residents to use the "ICE" system on their cellular telephones. The idea for the system originated in Cambridgeshire, UK, in the spring of 2005 and is being replicated widely. Residents are encouraged to store the telephone numbers of relatives who should be notified in emergencies in the phone prefixed with the letters "ICE" (In Case of Emergency). The system allows paramedics and other medical personnel to contact family or friends of a sick or injured person to learn of a person's relevant medical history.
- In September 2006, the Department participated with several other City agencies in *Operation Poseidon*, a multi-jurisdiction exercise funded by the US Department of Homeland Security. The scenario involved all of the UASI communities and was based on events set in Everett and East Cambridge. The exercise also involved the activation of the Emergency Operations Centers (EOC's) of the affected communities. All Cambridge agencies performed well during the drill. The exercise was a valuable learning experience for all involved.

FY08 GOALS

- *GOAL 1: Increase public awareness and education about preparing for natural disasters, as well as those caused by deliberate acts.*

- *GOAL 2: Ensure that all hazardous material facilities covered by Superfund Amendment and Reauthorization Act (SARA) file the appropriate information and include this information in the Computer-Aided Management of Emergency Operations (CAMEO) database. This effort includes providing free software to facilities that prefer to file their hazardous material inventories electronically and providing training and technical support to facilities using the software.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of Tier II inventories filed	53	55	55	55

- *GOAL 3: Continue planning for the disaster related needs of special needs facilities by arranging a site visit by a member of the Emergency Management staff to each special needs facility in Cambridge, including schools, daycare centers, healthcare facilities and the county jail.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of site visits	31	40	35	35

- *GOAL 4: Provide support to the Cambridge Auxiliary Fire Department, (CAFD) including equipment, vehicles and training. Members of the CAFD respond to all multiple alarm fires and most working fires in Cambridge. They also respond to major fires in surrounding communities and respond to other incidents upon request of other departments, including the Police Department, the Inspectional Services Department and the Water Department.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of members of CAFD	16	18	16	18

■ GOAL 4: (continued)

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
2. Number of fire responses*	11	-	14	-
3. Number of incidents involving police or other departments*	0	-	2	-
4. Number of training sessions	78	95	95	95
*FY07 Projected figures are actuals as of 3/31/07.				

FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$164,285
Real Estate Taxes	\$164,285	
TOTAL FY08 BUDGETED REVENUE		\$164,285

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$149,650
OTHER ORDINARY MAINTENANCE	\$14,235
TRAVEL & TRAINING	\$400
EXTRAORDINARY EXPENDITURES	\$0
TOTAL FY08 BUDGETED EXPENDITURES	\$164,285

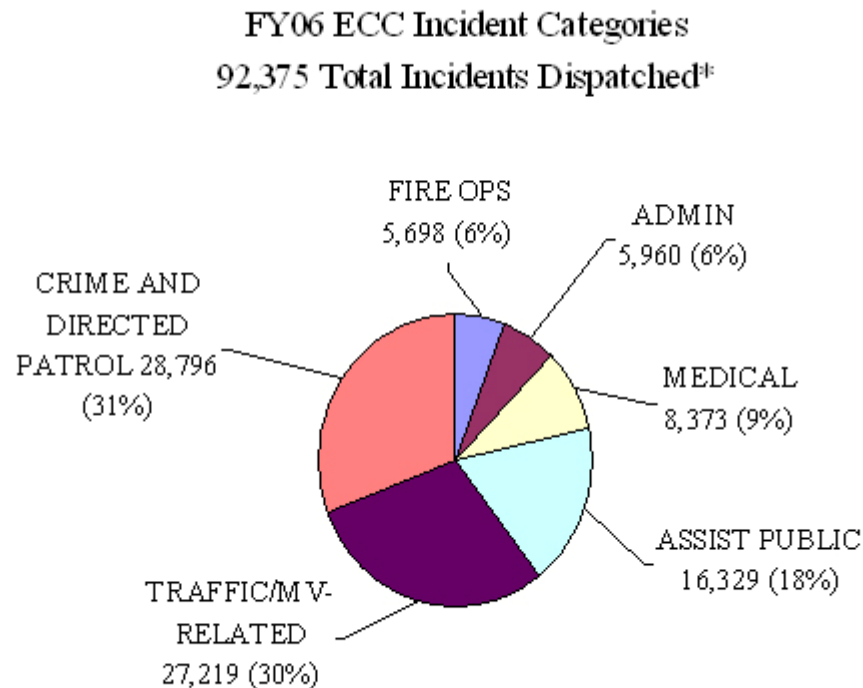
FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	2	2	2

ACTUAL FY06	PROJECTED FY07		BUDGET FY08	EMERGENCY COMMUNICATIONS
<u>\$3,337,430</u> \$3,337,430	<u>\$3,471,615</u> \$3,471,615	<p data-bbox="642 212 1150 240">EMERGENCY COMMUNICATIONS</p> <p data-bbox="577 326 1969 526">The ECC receives all calls for emergency service in the City and manages the coordinated dispatch of police, fire, EMS and other resources to meet any emergency that may occur. The Department also coordinates the automation of dispatching, police information, and fire information computer systems. The Department is responsible for the management of the City's radio systems, wireless phones, and public safety data networks. Finally, the Department participates in emergency planning and homeland security matters with various City, state and federal agencies.</p> <p data-bbox="577 570 1969 1019">In the first six months of FY07, ECC dispatchers generated 49,013 police, fire and EMS dispatches, processed 14,387 enhanced 911 call pickups from wireline phones, handled an additional 7,023 wireless 911 (cell) calls transferred from the state police wireless 911 center, answered approximately 120,000 non-emergency calls for the police and fire departments, received 769 fire box and City security alarm activations, recorded 6,640 fire box cutout transactions, and generated over 560,000 radio transmissions. In addition to this work load, dispatchers in the ECC performed many thousands of computer transactions on the state Criminal Justice Information System, plus other computer systems in support of police officers seeking license, warrant, arrest history, and other information. They also managed daily tests of fire box alarms and circuits; made 1,722 special notifications of supporting City, state, federal, and private (e.g., utility) organizations; kept an up-to-date list of 4,893 businesses and a contact database listing their emergency telephone numbers; processed over 9,000 towed vehicles; produced 99 tapes of 911 calls for the district attorney, police and fire; made hundreds of calls to the language translation line on behalf of 911 and non-emergency callers who could not speak English; and performed a wide range of other tasks in support of the public safety needs of the City.</p> <p data-bbox="577 1060 1373 1088">FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:</p> <ul data-bbox="625 1133 1969 1466" style="list-style-type: none"> • Projected to answer over 43,000 emergency calls and dispatch to over 98,000 police, fire, and EMS incidents in the City. • Continued to increase readiness for the handling of terrorist-sponsored attacks occurring in or near the City by leading or coordinating projects to upgrade subway communications throughout the MBTA network, acquire and install satellite communications in police and fire dispatch centers and EOCs, and begin to install a high-speed, dedicated Boston-area public safety fiber and wireless network (PSnet) to support police and fire operations during disasters. • Managed the Cambridge-side field dispatch operations for the Fourth of July and the Head-of-the-Charles events. 	<u>\$3,685,175</u> <u>\$3,685,175</u>	<p data-bbox="1398 215 1969 321">PURPOSE & OVERVIEW: The Emergency Communications Department operates the City's combined Emergency Communications and 911 Center (ECC).</p>

- Re-certified all Emergency Communications Department staff in CPR as part of the Emergency Medical Dispatch Program
- Received a grant of \$42,000 from the state 911 Public Safety Answering Point (PSAP) Training Fund and provided over 300 hours of additional training in Customer Service and other 911 dispatch topics for 35 dispatch staff.
- Assisted in the regional Operation Poseidon drill (a simulated terrorist attack on the Cambridgeside Galleria Mall) by providing tactical communications, ECC operational, and EOC coordination support.
- Supported over 30 computerized systems and the computing needs of the Fire and EC Departments as well as the wireless phone needs of all City departments.
- Improved the Emergency Medical Dispatch program by upgrading the protocols and converting from paper card sets to using Pro QA software integrated with Computer Aided Dispatch (CAD).
- Coordinated, assisted with or programmed an improved Warrant Management system and implemented the Fire On-Duty Scheduling and Attendance Reporting system.
- Planned and designed the new ECC on the 5th floor of the new Robert W. Healy Public Safety Facility.
- Conducted tours of the ECC for visitors from various cities and towns as well as various Cambridge school and community groups.
- Assisted the Mass. Major City Police Chiefs, the Mass. Municipal Association, and other groups in efforts to improve the state's E911 program, especially its efforts to ensure that large city 911 centers are provided the funds, equipment and training sufficient to improve 911 call handling.

Figure 1: Requests for Service

The ECC handles several categories of incidents including: Crime and Directed Patrol calls (crime and crime reports, minor criminal infractions, City violations, directed patrol assignments); Traffic/Motor Vehicle Related calls (motor vehicle stops by police, speeding, accidents, blocked drive and various traffic control matters); Assist Public calls (unwanted persons, noise, disturbance, 911 hang-ups, checks of persons and property, and varied requests for routine assistance from both Police and Fire Departments); Administrative calls (summonses, notifications, station assignments and the service of various court documents); Fire Operations calls (fires, hazmat incidents, private alarm and City firebox activations, and miscellaneous fire apparatus assignments); and Medical calls.



*Does not include 250,000 non-emergency, informational calls.

This figure shows that the largest fraction of service requests involve crime and directed police patrol assignments (31%). Assists to the public in quality-of-life matters and Traffic/MV related calls together account for 48% of service requests handled by ECC dispatchers.

Figure 2: Service Request Tracking (FY01 through FY06)

Three categories show a declining activity over the 6-year period, with the service requests for Crime and Directed Patrol category showing a significant declining trend beginning in FY03. The main reason for this decrease was a shift by the Police in recording certain directed patrol assignments as unit activities and not as CAD incidents. Traffic and Motor Vehicle service requests is the only category showing a noticeable increase arising in the last 2 years.

Category	FY01	FY02	FY03	FY04	FY05	FY06	% Change ('01-'06)
Fire Ops	6,620	6,425	6,529	6,282	5,778	5,698	-13.9%
Administrative	5,783	6,300	6,407	6,402	5,892	5,960	3.1%
Medical	8,319	7,724	7,607	7,670	7,908	8,373	0.6%
Assist Public	19,409	18,082	18,541	18,614	17,296	16,329	-15.9%
Traffic/MV-Related	23,703	24,606	21,971	22,898	26,181	27,219	14.8%
Crime and Directed Patrol	37,649	43,226	36,659	34,179	29,689	28,796	-23.5%
Total	101,483	106,363	97,714	96,045	92,744	92,375	-9.0%

Figure 3: Service Tracking (FY01 through FY06)

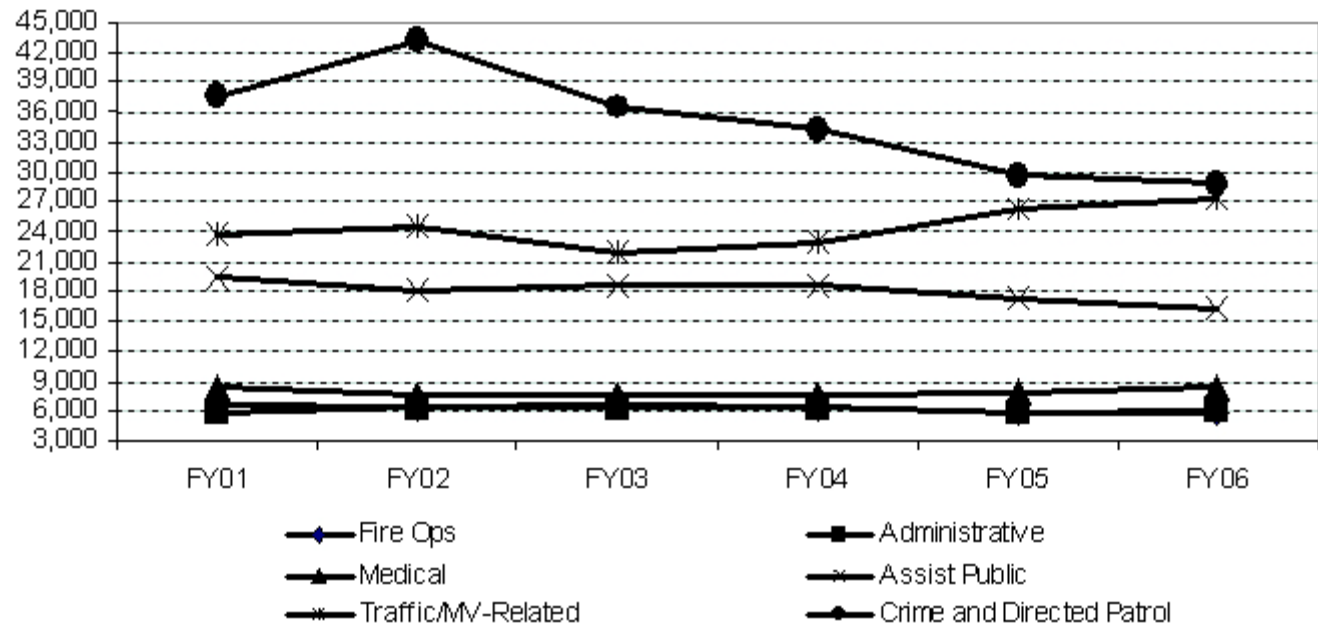
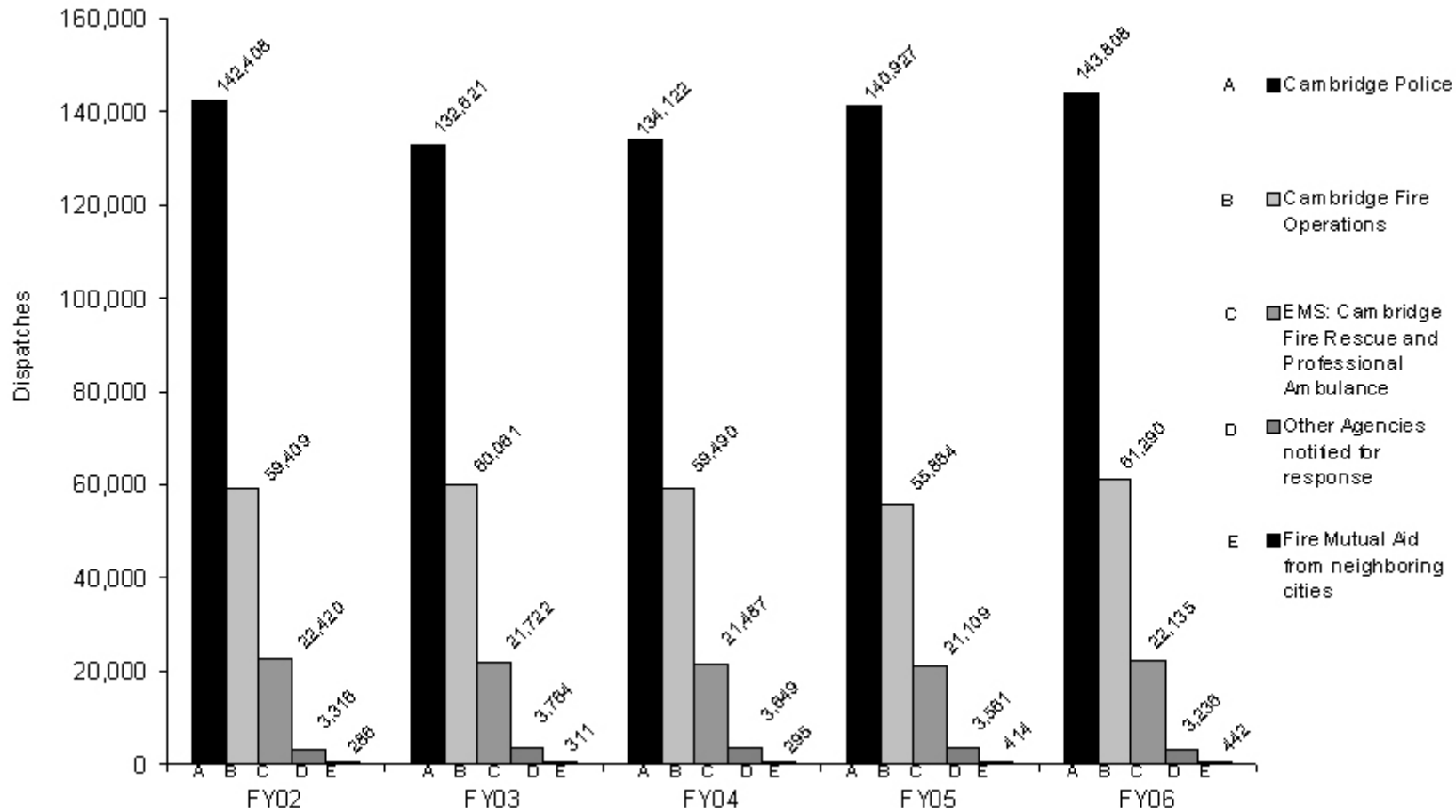


Figure 4: Dispatch Overview by Fiscal Year

The ECC dispatches units from the City’s Police, Fire, contract EMS, and Animal Control units as well as notifies other dispatch centers to send units from State Police, MIT, Harvard University and other public safety agencies that operate within the city. The chart and accompanying table below track the assignments made to police, fire and other unit types in response to these service demands for the 5-year period FY02 through FY06. FY06 shows an upward trend in most service dispatch types, especially EMS where the partnership between Cambridge Fire and Pro Ambulance is producing more multiple unit dispatches (e.g., a CFD non-transporting ALS unit plus a Pro BLS for transport).



- *GOAL 1: Efficiently process emergency calls and manage the dispatch of emergency units.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of 911 call pickups (land lines)	29,398	31,000	30,000	30,000
2. Number of 911 call pickups (cell phones)	12,379	15,000	13,000	16,000
3. Percent of 911 calls not answered by 6th ring	0.01%	0.01%	0.01%	0.01%

- *GOAL 2: Improve the skills of dispatchers in the Emergency Communications Center.*

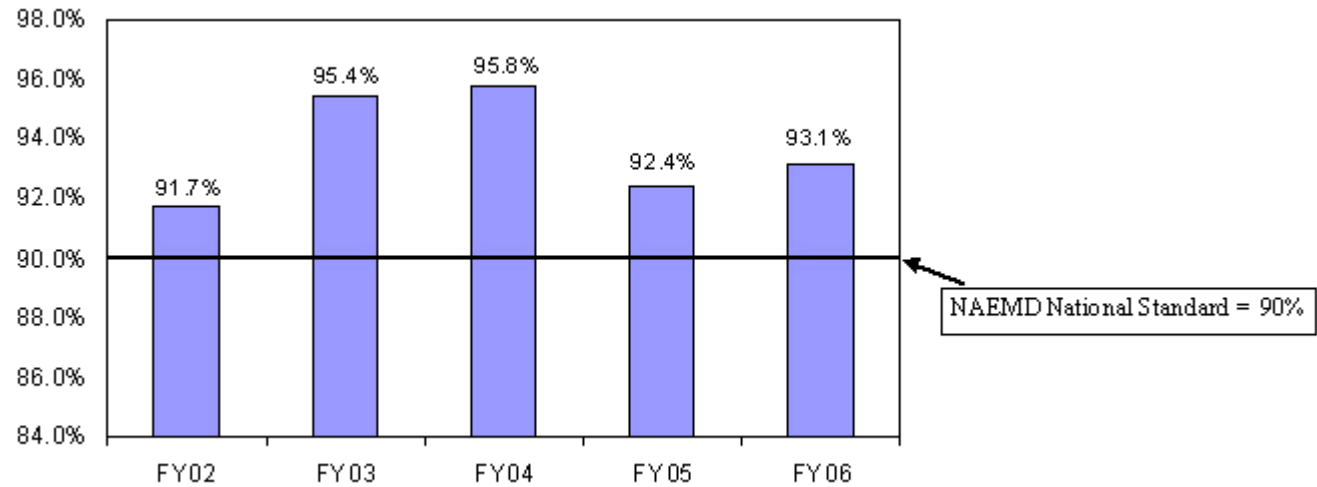
PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of training classes attended	121	60	60	150
2. Percent of dispatchers fully cross-certified	20%	25%	25%	35%
3. Percent of dispatchers with 40 WPM typing speed	44%	40%	35%	50%

- *GOAL 3: Improve the handling of non-emergency calls for assistance.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of non-emergency calls processed	255,000	250,000	260,000	260,000
2. Number of community meetings attended	9	8	8	12
3. Percent of dispatchers reviewed annually in quality control program	100%	100%	100%	100%

Figure 5: Dispatching Using Efficient Protocols

The ECC uses two special protocols for emergency medical and in-progress crime calls, respectively. A sample of these calls is selected and reviewed by Communications Supervisors each month as part of the ECC’s Quality Control Program. The ECC’s goal for emergency medical calls is to reach and exceed the National Academy of Emergency Medical Dispatch (NAEMD) national standard of 90% compliance.



The chart above shows that in the last five-year period the ECC has exceeded the 90% EMD compliance score. This high level of compliance means that callers with medical emergencies are assured that they are receiving the best call handling assistance and pre-arrival instructions from Cambridge dispatchers.

- **GOAL 4:** *Improve the use of Computer Aided Dispatch (CAD) and E911 Telephone Technology.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of dispatchers mastering CAD usage in major events	22	30	30	32
2. Replace all E911 telephone equipment with new computerized E911 system provided through State 911 funds	n/a	n/a	n/a	50%
3. Replace aging Cambridge Computer Aided Dispatch (CAD) System	n/a	n/a	n/a	25%

- **GOAL 5:** *Expand use of computer technology in police and fire vehicles to enhance response information, reduce paperwork, and improve ability to deliver community policing services.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Percent of fleet upgraded to improve speed and reliability of wireless mobile services for Police, Fire and EMS responders	n/a	n/a	n/a	50%
2. Percent implementation of Mobile Office for Public Safety	25%	100%	25%	100%
3. Implement Secure Regional Online System (PSnet) for managing major emergencies	n/a	n/a	10%	50%

- **GOAL 6:** *Improve handling of emergency calls.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Percent of EMS and Police In-Progress calls handled by protocol	100%	100%	100%	100%
2. Percent of EMS calls reviewed and rated	2%	3%	3%	3%
3. Percent of highest priority medical calls processed within 60 seconds	n/a	90%	50%	75%

- **GOAL 7:** *Update computer software licenses and operating systems to allow ECC, Police, and Fire personnel to deliver efficient services to the residents of the City of Cambridge.*

FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$3,685,175
Real Estate Taxes	\$3,685,175	
TOTAL FY08 BUDGETED REVENUE		\$3,685,175

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$3,469,815
OTHER ORDINARY MAINTENANCE	\$195,510
TRAVEL & TRAINING	\$15,850
EXTRAORDINARY EXPENDITURES	\$4,000
TOTAL FY08 BUDGETED EXPENDITURES	\$3,685,175

FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	39	39	39

SUMMARY: COMMUNITY MAINTENANCE AND DEVELOPMENT

FY06 ACTUAL	FY07 PROJECTED	PROGRAM EXPENDITURES	FY08 BUDGET
\$25,019,545	\$25,783,310	Public Works	\$26,879,690
\$17,251,425	\$17,386,185	Water	\$17,898,685
\$4,453,120	\$4,635,660	Community Development	\$4,940,930
\$469,650	\$489,675	Historical Commission	\$491,095
\$89,245	\$92,015	Conservation Commission	\$85,045
\$80,235	\$81,550	Peace Commission	\$83,680
\$1,051,815	\$1,126,160	Cable Television	\$1,211,455
<u>\$28,399,245</u>	<u>\$33,069,585</u>	Debt Service	<u>\$34,254,025</u>
\$76,814,280	\$82,664,140		\$85,844,605

FINANCING PLAN	FY08 BUDGET
Taxes	\$40,892,070
Charges For Services	\$33,740,150
Licenses and Permits	\$167,000
Fines & Forfeits	\$1,102,190
Intergovernmental Revenue	\$7,921,300
Miscellaneous Revenue	<u>\$2,021,895</u>
	\$85,844,605

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**PUBLIC WORKS
-Summary**

\$2,151,655	\$2,244,080		
\$14,497,440	\$14,812,730		
\$6,613,465	\$6,884,095		
<u>\$1,756,985</u>	<u>\$1,842,405</u>		
\$25,019,545	\$25,783,310		
		ADMINISTRATION	\$3,393,375
		SERVICE PROGRAMS	\$16,523,330
		SUPPORTING SERVICES	\$6,962,985
		SEWER REHAB/MAINT.	<u>\$0</u>
			\$26,879,690

PURPOSE & OVERVIEW: The Cambridge Department of Public Works (DPW), operating within the framework of the City's goals, provides dependable, high quality, and accessible service - maintaining, improving and expanding a safe, healthy,

attractive and inviting physical environment. The Department supports the infrastructure of a vibrant community through comprehensive planning, scheduled maintenance, collaborative efforts, the provision of information, and emergency preparedness and response.

With 211 positions and a budget of \$26,879,690 for FY08, the DPW provides essential services to approximately 102,000 Cambridge citizens. The overall responsibilities of the DPW include maintaining over 125 miles of streets, 200 miles of sidewalks, 223 miles of sewer lines (consisting of 85 miles of sanitary sewers, 78 miles of combined sewers, and 60 miles of stormwater drain lines), maintenance of 25 sewer and stormwater pump stations, 127 parks, playgrounds and public squares, 34 public buildings (excluding schools, hospitals and libraries), and a 66-acre cemetery. Also included is the collection of 25,000 tons of household and commercial rubbish, overseeing the collection of 12,000 tons of recyclables, maintenance of vehicles and equipment, and care of 15,000 City trees. The DPW is responsible for rapid response to all snow, ice and other weather emergencies including the response to flooding during significant storm events; enforcing litter, rubbish and sewer ordinances; engineering for City projects; public building construction and maintenance; 24-hour emergency services; providing assistance with State and Local elections; and providing assistance to approximately 150 special events throughout the year in Cambridge. The DPW also oversees a \$100 million capital improvement budget.

The DPW is organized into three units, each managed by an Assistant Commissioner: Engineering, Operations, and Administration. Within these units are 13 divisions: Administration, Business Services, Engineering, Street and Sewer Maintenance, Snow and Ice, Solid Waste, Parks and Urban Forestry, Cemetery, Building Operations, Building Maintenance, Building Administration, Vehicle Maintenance and Off-Hours.

SIGNIFICANT BUDGET MODIFICATIONS: The FY08 Public Works Budget includes service and material increases of \$413,675 for street sweeping, solid waste collection, curbside recycling, materials and supplies, and energy costs. Also, part of the increase is related to the estimated cost of park maintenance for the new park at 238 Broadway and Magazine Beach (\$75,000) which are projected to be completed this fall and spring, respectively, and \$75,000 for additional street maintenance.

In addition, the Public Works Department improved the efficiency and effectiveness of engineering,

construction, and street and sewer maintenance functions through a restructuring of three divisions. Engineering and construction functions for sewers and streets have been integrated into the Engineering Division, and the street and sewer maintenance functions have been consolidated into one maintenance division. This has allowed a portion of these costs to be funded by sewer service revenues instead of property taxes. The FY07 Budget included \$1,961,820 in sewer related costs which has increased to \$2,330,745 in FY08.

FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:

- Improved the efficiency and effectiveness of engineering, construction, and street and sewer maintenance functions through a restructuring of three divisions. Engineering and construction functions for sewers and streets have been integrated into the Engineering Division, and the street and sewer maintenance functions have been consolidated into one maintenance division.
- Completed the Yerxa Underpass construction project that included extensive utility, structural, stormwater, railroad, and landscaping work.
- Completed the Porter Square sewer separation, stormwater management, and surface enhancement project. This project included the replacement and rehabilitation of much of the drainage and sewer infrastructure in the Porter Square area as well as the reconstruction of much of the sidewalk and roadway around the Square. Finally, the project included the construction of the new plaza itself which incorporated a significant artistic element in the form of alternating black and white concrete pavers giving the impression of a large crosswalk or zebra crossing.
- Completed the Cambridgeport roadways sewer separation, stormwater management and surface enhancement contract - a significant project which advanced the overall Cambridgeport sewer separation effort, incorporated the reconstruction of the water distribution system in the area, and resulted in new sidewalks and roadways on Waverly, Sidney, Henry and Brookline Streets.
- Participated in the successful rezoning petition of the Concord-Alewife Area. The petition included significant stormwater management standard requirements from both a water quantity and quality perspective.
- Designed and implemented an Energy Information System (EIS) to track and manage the City's energy consumption in partnership with the Commonwealth's Rebuild Massachusetts Program.
- Implemented a new permit management system to track excavation and obstruction permits issued by the Department. The permit system recorded over 2,000 permit applications, and is used by all Public Works staff members involved in construction projects to track permit review, approval and inspection tasks, as well as all revenue related to the issuance of these permits.
- Installed high-efficiency heating, ventilation and air conditioning (HVAC) at City Hall, the Senior Center and the Coffon Building.
- Organized the first Recyclemania contest in the Cambridge Public Schools, which resulted in a 25% increase in paper recycling system-wide. Also launched a citywide campaign, "If it Rips, Recycle it!"

with the same goal for the residential waste stream.

- Funded through a Massachusetts Department of Environmental Protection grant, recruited over 20 Cambridge businesses to start separating food waste from the trash for curbside compost collection in September 2006. Participants include Harvard, Whole Foods, Sheraton Commander Hotel, Genzyme, Harvest Coop, Oleana, Rendezvous, Charlie's Kitchen, Hong Kong, Redline and Formaggio, collectively composting over 200 tons of food waste and saving nearly 420,000 pounds of greenhouse gas emissions.
- Monitored recycling participation at all large residential buildings with 13 units or more and graded them with an A, B, or C recycling status, based on how much is recycled per household per week. Currently, 81% of all large apartment buildings are recycling at a comprehensive level.
- Completed the installation of Diesel Oxidation Converters in 32 city-owned vehicles through an EPA grant for diesel retrofits, the result of a partnership created between the MIT Environmental Programs Office and Department of Facilities, and the City of Cambridge's Public Works and Community Development departments, in order to take on the challenge of reducing diesel engine pollution through the application of advanced clean-diesel technologies. This installation of advanced retrofit equipment is designed specifically to mitigate the negative health impacts on the City's most vulnerable populations: the elderly, children, chronically ill and communities that are exposed to a disproportionate share of the environmental burden.
- Implemented an anti-idling campaign, with the assistance of a grant from DEP, geared towards the City's fleet. Using DEP produced material, the City installed signage, static and dashboard stickers in vehicles, distributed educational material and aired a 30-second anti-idling public service announcement on local cable television.
- Implemented a new procedure for the replacement of vehicles that are not fuel efficient: a subcommittee of the interdepartmental Green Fleets Working Group was formed to review new vehicle requests; City departments are now required to make vehicle comparisons and to review "right-sizing" purchases.
- Appointed a Superintendent of Solid Waste whose focus will be to integrate Rubbish collection, Street Cleaning and Recycling into one division of the Department, assess current procedures and recommend efficiencies and improvements.
- Installed "Big Belly" solar powered compactor units at the kiosk in Harvard Square, Winthrop Park and Sennot Park with the goal of accommodating large amounts of waste at typically over-burdened public litter baskets.
- Painted the interior of the Administration building at the Cambridge Cemetery and installed new signage throughout; converted 3 roadways for additional grave space, developed additional cremation space on Casey Avenue and finished raising the Veterans' markers.
- Completed the installation of the Security Swipe Card system at three DPW facilities; completed the annual refinishing of the four youth center gymnasium floors; and installed a wheelchair lift at the Police Station.

- Provided in-house training opportunities for employees: trained 17 employees in Workers Compensation procedures; conducted safety meetings in operating divisions and monthly forums for supervisors; and provided hands-on Bombardier/Holder training for 14 employees, CDL training for 12 employees, and A.S.E. certification preparation training for 4 City mechanics. In addition, a 10-hour OSHA safety certification program was successfully completed by 21 construction managers and supervisors in the department.
- Worked with the School Department to create a green area at the King Amigos School following demolition of the courtyard.
- Repainted the masonry work of the William Howell Memorial feature.
- Managed the review, approval, and inspection of over 1,950 construction related permits through the new permit tracking system for street excavations and sewer connections.
- Completed sod replacement at Hoyt Little League Field and Sennot Park.
- Received "Tree City USA" award for the 15th consecutive year.
- Utilized completed tree inventory data to locate Sycamore, London Plane and Elm trees in order to evaluate and treat Anthracnose and Dutch Elm disease, city-wide.
- Provided construction management for major renovations at Gore Street Park and Alden Playground. Managed demolition and construction of a new park at 238 Broadway.

FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$19,470,010
Real Estate Taxes	\$19,470,010	
CHARGES FOR SERVICES		\$3,805,070
Water Usage Charge	\$400,000	
Parking Fund Parking Usage	\$671,460	
Sewer Service Charge	\$2,330,745	
Sewer Connection Fee	\$25,000	
Rubbish Tickets	\$25,000	
Cemetery Fees	\$310,000	
Document Sales	\$5,200	
White Goods	\$35,000	
Sale Of Recycling Bins	\$2,665	
LICENSES AND PERMITS		\$112,000
Public Works Street Permit	\$100,000	
Newspaper Boxes	\$12,000	
FINES & FORFEITS		\$900,000
Parking Fines	\$900,000	
INTERGOVERNMENTAL REVENUE		\$2,281,130
State Cherry Sheet Revenue	\$2,281,130	
MISCELLANEOUS REVENUE		\$311,480
Rent Of City Property	\$71,480	
Interest on Perpetual Care	\$45,000	
Sale of Lots and Graves	\$70,000	
Recycling Revenue	\$125,000	
TOTAL FY08 BUDGETED REVENUE		\$26,879,690

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$16,281,915
OTHER ORDINARY MAINTENANCE	\$10,093,520
TRAVEL & TRAINING	\$104,255
EXTRAORDINARY EXPENDITURES	\$400,000
TOTAL FY08 BUDGETED EXPENDITURES	\$26,879,690

FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	215	213	211

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**PUBLIC WORKS
-Administration**

\$945,340	\$980,555
\$579,410	\$609,010
<u>\$626,905</u>	<u>\$654,515</u>
<u>\$2,151,655</u>	<u>\$2,244,080</u>

ADMINISTRATION
BUSINESS SERVICES
ENGINEERING

\$994,590
\$515,735
\$1,883,050
\$3,393,375

ADMINISTRATION

PURPOSE & OVERVIEW: This division supports the general management and administrative activities necessary to make

the Department of Public Works function as a cohesive organization. The Administration Division is responsible for policy development, human resource and fiscal administration, budgeting, payroll, community relations, information systems and, most importantly, responding to the needs of the residents and businesses of Cambridge. The overall responsibilities and direction of the Department fall under the guidance of the Commissioner of Public Works.

In addition to the Commissioner, two Assistant Commissioners are in this division: an Assistant Commissioner for Administration, responsible for Administration, Business Services, Information Technology, Human Resources, Labor Relations, Community Relations, Public Information and the Operations Center; and an Assistant Commissioner for Operations, who has direct oversight of the operational functions of the Department: Street, Sidewalk and Sewer Maintenance, Parks and Urban Forestry, the Cambridge Cemetery, Buildings, Vehicle Maintenance, Solid Waste, Off-Hours and Snow and Ice operations.

The Human Resources unit, under the direction of a Human Resources Manager, provides on-site human resource support and services for the DPW workforce regarding recruitment, employee relations, Equal Employment Opportunity (EEO) requirements, benefits, payroll administration, training and employee programs for career development.

The Information Systems unit, under the direction of the Information Systems Manager, provides DPW users with full computer and information services support. Included in the responsibilities of the Information Systems Manager are: analyzing new business applications and matching business needs to computerized applications; and the daily support of PC hardware, software and computerized applications. In addition, the Information Systems unit is also responsible for supporting the Cambridge Request System, a customer service, work order tracking and asset management system.

FY08 GOALS

- *GOAL 1: Expand the capacity and efficiency of the workforce through training programs in technical, safety, professional development and customer service skills.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Total number of training programs fully implemented	52	54	54	56
2. Number of in-house safety training programs	16	18	18	18
3. Number of in-house computer literacy training classes	11	12	12	12
4. Number of individuals trained in customer relations	14	8	15	18
5. Number of professional/technical licensing classes offered	23	22	15	22
6. Percentage of employees receiving a minimum of 4 hours of training per year	45%	45%	50%	52%

- *GOAL 2: Continue the implementation of computerized customer service, work management and asset management tracking processes.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of divisions using work order management program	8	9	8	10
2. Number of pieces of equipment on scheduled preventative maintenance program	212	212	212	212

- *GOAL 3: Implement multi-level communications programs with the public and improve responses to customer requests and complaints.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of service requests received and responded to via the DPW Web page	621	450	700	750

- *GOAL 4: Improve productivity of the workforce by reducing sick time.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Average paid sick days per employee	8.3	7.5	7.8	7.5
2. Number of employees with no sick days every 6 months	143	100	125	125

BUSINESS SERVICES

PURPOSE & OVERVIEW: The Business Services division oversees the financial operations of the Department of Public Works. Responsibilities include managing the Department's operating and capital budgets, paying close to \$40 million in bills annually, and administering contracts and grants. The division is committed to paying vendors promptly, providing excellent customer service and operating as efficiently as possible.

FY08 GOALS

- *GOAL 1: Implement measures to enhance financial operations.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of individual and group training sessions on fiscal procedures, procurement laws, PeopleSoft Financial System and contract administration	n/a	20	20	15

■ *GOAL 1: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
2. Refine and expand financial reports sent regularly to project managers and division heads, percent complete	n/a	n/a	n/a	85%
3. Upgrade revenue tracking and reconciliation by replacing stand-alone cash registers with a computerized point-of-sale system.	n/a	n/a	n/a	100%

ENGINEERING

PURPOSE & OVERVIEW: The Engineering Division is responsible for the development and maintenance of construction and operating standards as they apply to construction work in the public right of way; similarly, it defines the standard for construction and utilization of the City’s stormwater drains and sewer systems. The Division develops both the permitting and inspection procedures to facilitate adherence to these standards.

The Engineering Division is also responsible for managing the capital infrastructure program as it relates to roadway and sidewalk reconstruction projects. This function includes project planning, preparation of bid documents, construction management and “as constructed” drawing development services. The Division also provides engineering oversight to major sewer, storm system and park construction projects, specifically, to structural repair work on our sewer and drainage systems, sewer separation projects and to the storm water management projects.

The Engineering Division reviews all applications for sewer use before they are sent to Massachusetts Water Resources Authority (MWRA) for final approval, and discusses the extent of sewer needs and capacity with new building developers. This Division also manages projects such as MWRA flow verification, combined sewer overflow metering, and monitoring the Fats, Oils and Grease (FOG) discharges from establishments that prepare or handle food.

The Engineering Division is also working with the Massachusetts Department of Environmental Protection (DEP) and the U.S. Environmental Protection Agency (EPA) to make our receiving waters swimmable and fishable, by submitting regular reports of maintenance and investigative activities performed which could affect the quality of our receiving waters. It is also responsible for the development and implementation of the City’s stormwater management plan as required by the EPA.

The Engineering Division is responsible for upgrading and maintaining records as they apply to defining the public right of way, easements, and City and private property lines. The Division is further responsible for the collation of all utility, water, sewer and storm locations and corridors throughout the city and the importation of them into the City GIS and hard copy systems. The Engineering Division provides customer research services with regard to such information.

FY08 GOALS

- *GOAL 1: Improve sidewalk conditions and roadway surfaces to improve pedestrian safety, vehicular safety and accessibility for persons with disabilities.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Miles of sidewalk replaced	5.5	6.5	6.0	6.5
2. Lane miles of roadway re-paved	12.4	17.0	15.0	22.0
3. Traffic calming projects completed	6	12	12	12
4. Access ramps upgraded	131	150	150	325

- *GOAL 2: Develop a comprehensive citywide street reconstruction schedule, which integrates the street condition monitoring system and is available via the Web.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Provide street reconstruction status via the Web, percent complete	0%	20%	20%	50%
3. Develop a street reconstruction schedule, percent complete	0%	50%	50%	100%

- *GOAL 3: Implement a comprehensive stormwater management program, in accordance with the Environmental Protection Agency's (EPA) Phase II requirements under the Clean Water Act. The following four goals outline the program elements.*

- *GOAL 4: Develop a public education/public participation program.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. New brochures with stormwater information	2	2	1	1
2. Stormwater Web page updates	5	10	8	8
3. Catchbasins with new curbmarkers	40	40	40	40
4. Stormwater public meetings attended	4	4	4	4

- *GOAL 5: Continue to implement an illicit discharge detection and elimination program.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Samples taken at Cambridge outfalls	80	80	80	110
2. Eliminate illicit connections in drainage system	0	4	4	4
3. Develop comprehensive regulations prohibiting illegal discharges to stormwater system, percent complete	30%	60%	80%	100%

- *GOAL 6: Develop a construction and post construction site runoff program.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Develop educational brochure for site development concerning erosion/sediment control, percent complete	0%	100%	80%	100%
2. Develop regulation/ordinance protecting stormwater with respect to construction site activities, percent complete	30%	60%	80%	100%
3. Revise existing sewer use regulations to address stormwater management issues, percent complete	30%	60%	80%	100%

■ *GOAL 6: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
4. Number of building permits reviewed	92	50	90	90
5. Develop guidelines for new development on stormwater management, percent complete	65%	100%	80%	100%

■ *GOAL 7: Identify capacity or structural deficiencies in the sanitary and stormwater systems throughout the city to reduce flooding and backup.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of meters installed to collect data	12	15	15	15
2. Number of reports for MWRA, DEP, EPA based on data from meters	14	15	15	15

■ *GOAL 8: Monitor construction and manage design of sewer separation and stormwater management projects.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Common manholes removed	1	20	20	20
2. Common manholes separated in Normandy Terrace Area	0	8	8	8
3. Construct Bishop Allen Drive Stormwater Mgmt. Project	0%	50%	50%	70%
4. Design Common Manhole Contract 4, Brookline St./Central Square area	0%	50%	50%	100%

- *GOAL 9: Incorporate Best Management Practices in all construction projects and remove illicit connections to improve water quality to the Charles River and Alewife Brook.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Linear feet of new stormwater drains installed	525	1,600	1,600	2,300
2. Linear feet of new sanitary sewer installed	290	1,000	1,000	500
3. Number of new catchbasins installed with deep sumps and hoods	30	50	50	50
4. Number of hoods replaced	8	15	15	15
5. Number of grit chambers constructed	0	2	2	10
6. Number of illicit connections removed	4	5	5	5

- *GOAL 10: Improve function and capacity of sewers and stormwater drains through improved maintenance.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of catch basins cleaned	1,400	2,000	2,000	2,000
2. Number of linear feet of pipe cleaned	55,000	50,000	50,000	50,000
3. Linear feet of pipe televised	55,000	45,000	45,000	60,000
4. Linear feet of pipe repaired	1,300	2,000	2,000	2,800
5. Number of structures connected to SCADA system telemetry	6	3	3	4

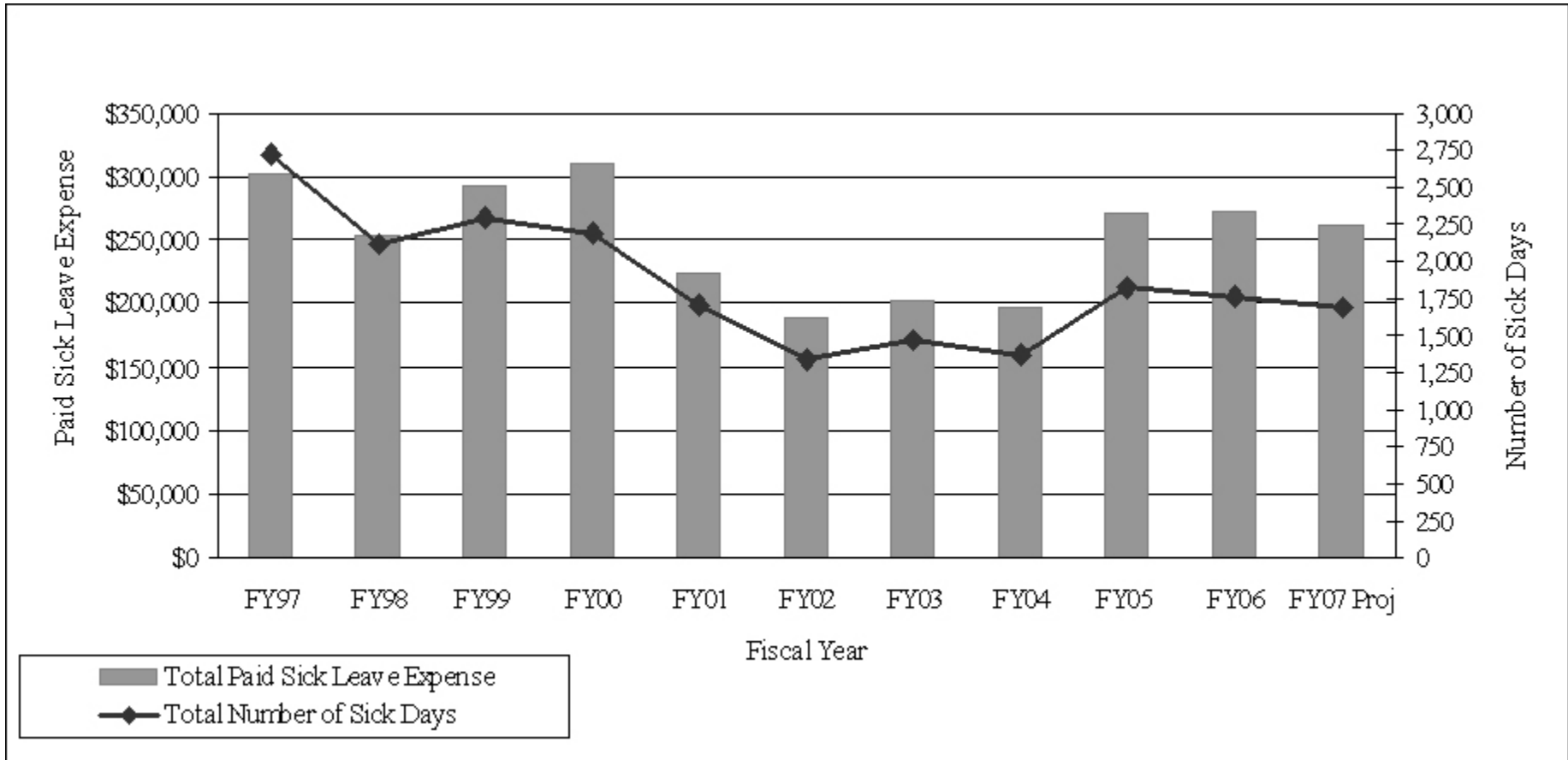
- *GOAL 11: Maintain a grease control program for sanitary system to reduce sewerage backups caused by fats, oils, grease (FOG).*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of business seminars	0	2	3	2
2. Number of pamphlets developed/ distributed	0	2	2	2
3. Number of inspections performed	30	60	60	60

- *GOAL 12: Improve stormwater and sanitary system conveyance by developing discharge standards and parameters for private development.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of site plans reviewed	75	50	75	75
2. Number of best management practices incorporated by new developers	33	25	25	30

Figure 1: Paid Sick Leave FY97 through FY07 Projected
 This chart shows the DPW sick leave trend in days and expense.

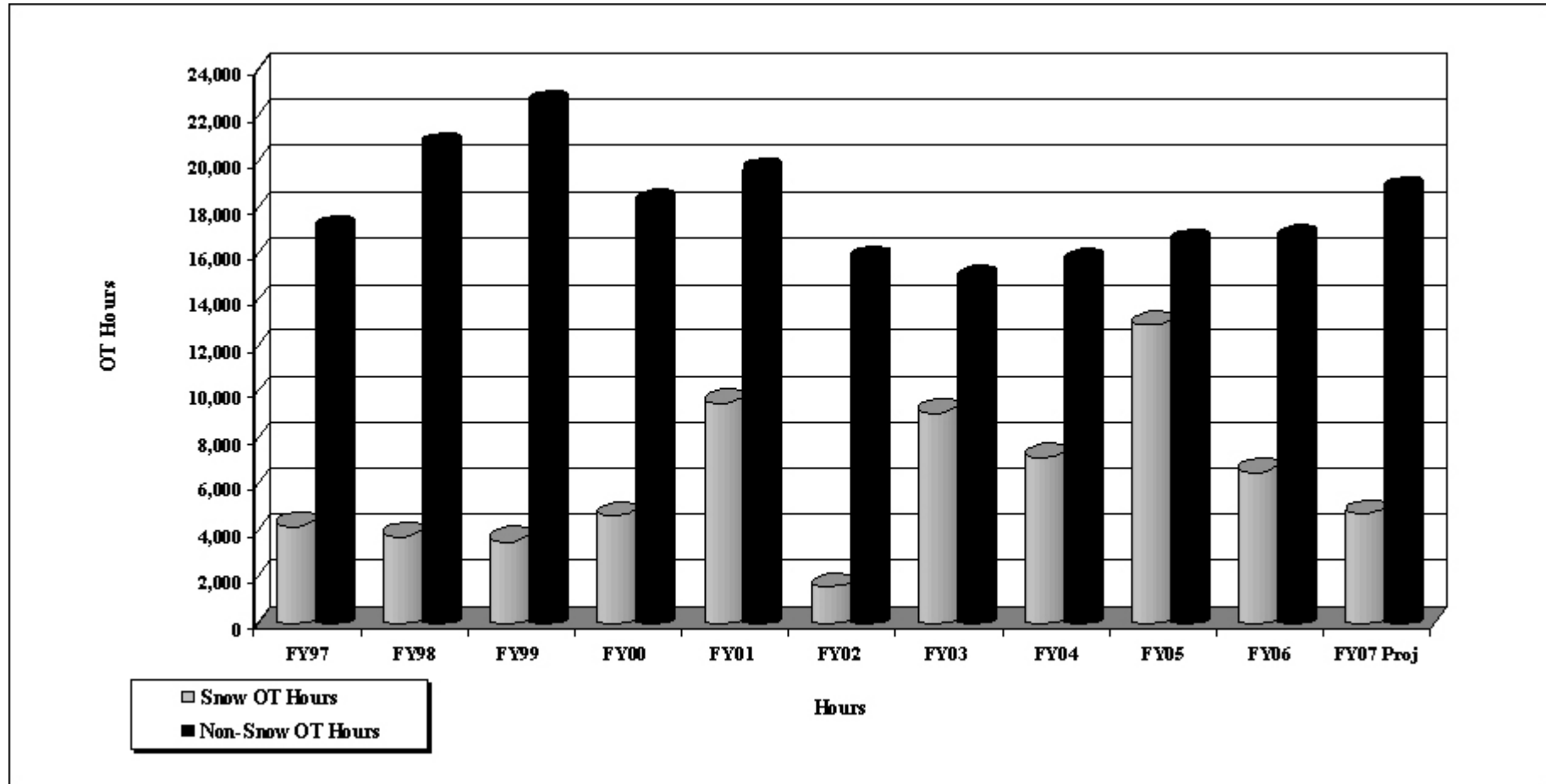


	FY97	FY98	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07 Proj
Total Paid Sick Leave Expense	\$302,497	\$254,377	\$293,008	\$310,284	\$224,825	\$188,850	\$202,966	\$197,523	\$270,825	\$273,000	\$262,449
Total Number of Sick Days	2,724	2,119	2,292	2,193	1,703	1,331	1,466	1,373	1,819	1,771	1,685
Avg Sick Days Per Employee	13.6	10.9	12.7	11.8	8.9	7.3	7.5	7.3	8.5	8.3	7.8

Note: Excludes personnel who were out in excess of 30 or more straight paid sick time which is considered long-term or extended illness.

Figure 2: Snow and Non-Snow Overtime (OT) FY97 through FY07 Projected

This chart shows DPW Overtime hours worked.



	FY97	FY98	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07 Proj
Snow OT Hours	4,250	3,815	3,634	4,715	9,609	1,600	9,155	7,241	13,012	6,622	4,917
Non-Snow OT Hours	17,120	20,780	22,607	18,278	19,634	15,799	14,973	15,678	16,547	16,716	18,800
Total OT Hours	21,370	24,595	26,241	22,993	29,243	17,399	24,128	22,919	29,559	23,338	23,620
Number of Positions	216	214	214	212	214	223	223	220	219	215	213

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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PUBLIC WORKS
-Service Programs/Public Ways

\$1,841,355	\$1,888,770
<u>\$485,250</u>	<u>\$303,940</u>
\$2,326,605	\$2,192,710

STREET AND SEWER MAINTENANCE \$2,977,680
SNOW AND ICE \$322,000
\$3,299,680

STREET AND SEWER MAINTENANCE

PURPOSE & OVERVIEW: The Street and Sewer Maintenance Division is responsible for the maintenance and accessibility of City streets, sidewalks, curbs and drainage structures as well as the maintenance and repair of the City’s wastewater collection system, including 125 miles of streets, over 200 miles of sidewalks, over 5,000 curbs and ramps, 223 miles of sewer lines, over 4,000 catch basins and 25 sewer and stormwater pump stations.

Effective street and sidewalk maintenance is achieved by focusing on creative aspects of pavement management along with permitting, inspection and restoration of street openings. The Division installs new curb cuts, repairs streets and sidewalks, addresses sidewalk vertical displacement, and is responsible for the maintenance of sidewalk ramps, tree wells, and manhole and catch basin castings. In addition to responding to the “pothole information line,” Division employees are involved in initial spill containment response. The Division has broadened its focus to include a wide spectrum of pedestrian needs, including pedestrian access through work sites, enforcement of the newsrack ordinance and implementation of ADA requirements. All contribute to improving the environment for pedestrians. In FY05, the Department also enhanced its sidewalk inspection and minor repair program. The Superintendent of Streets, a Senior Engineer, a Public Works Supervisor and two Utility Construction Inspectors are responsible for the permitting and inspection of utility companies’ work completed within public ways.

The sewer maintenance program includes responding to plugged sewer lines, cleaning catch basins on a regular basis, repairing broken sewer lines, controlling sewer odors, and inspecting and approving private connections to public sewers. An important part of the Street and Sewer Maintenance division’s duties with respect to effective sewer system maintenance is to meet with neighborhood groups and individual homeowners to advise them on methods to avoid damaging backups and to help inform the public about the respective responsibilities of the City and the homeowner regarding sewer connections.

FY08 GOALS

- *GOAL 1: Improve response time for service requests, including sidewalk and street repairs.*

	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
PERFORMANCE MEASURES				
1. Number of service requests*	570	800	1,800	1,600

■ *GOAL 1: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
2. Average number of days to close request*	11	15	20	15
*Starting in FY07, increases are due to the inclusion of permit requests in totals.				

■ *GOAL 2: Maintain rapid response time for requests for services, such as cleaning of blockages in sewer mains, emergency repairs of catch basins and pipes, and responding to odor complaints.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of service requests	221	400	400	400
2. Average number of days to close requests	2.5	2.5	2.5	2.5
3. Number of emergency service requests	57	50	50	50
4. Number of days to close emergency requests	0.3	0.3	0.3	0.3
5. Number of requests for structural repairs	n/a	65	80	80

■ *GOAL 3: Develop and implement a pedestrian and employee work zone safety program based on the Manual on Uniform Traffic Control Devices standards.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of Division safety meetings	3	12	12	12

■ *GOAL 4: Maintain permit compliance program.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Excavation permits	966	1,200	1,200	1,200
2. Excavations inspected	820	900	1,020	1,020
3. Sidewalk obstruction permits issued	665	700	650	700
4. Sidewalk obstruction permits inspected for compliance	565	490	550	595
5. Total newsracks in City	550	550	506	506
6. Newsrack vendors with compliance certificates	28	28	26	26
7. Non-compliance violations issued for newsracks	0	200	100	100

SNOW AND ICE

PURPOSE & OVERVIEW: The Public Works Department is responsible for maintaining safe, unobstructed public ways during the winter months. The snow and ice control program includes salting, plowing and limited removal of snow from 125 miles of streets, 18 miles of sidewalks and public areas. Pedestrian and bus stop areas along major arteries and major bus routes are hand-cleared by crews using both manual and mechanical means of snow removal. The snow operation is organized for emergencies with snow plowing crews, salting and hand-clearing crews. The DPW sends out 14 salting trucks immediately during light snow and ice conditions and 17 truck-mounted plows during heavier snow conditions. In addition, trucks from other City Departments help to supplement DPW plowing. When snow and ice begins to accumulate on streets in quantities of a ½ inch or more, salting of main arteries and streets is undertaken to prevent the buildup. Plowing begins when the snow accumulates 1½ to 3 inches. When the snow depth exceeds the DPW’s capabilities, private contractors augment the DPW’s snow clearing efforts. Hand-clearing crews are dispatched as necessary to clear school sidewalks, crosswalks, public buildings, high volume bus stops, parks and other areas.

During the winter season, DPW managers work with the Parking Control Officers in the Traffic Department regarding the enforcement of City ordinances related to clearing of snow and ice from sidewalks. This ensures sidewalks throughout the City are safe and passable.

FY08 GOALS

- *GOAL 1: Continue to maintain rapid response to all snow-related events while concurrently tracking all expenses associated with snow removal.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Overtime expense/snow bonuses*	\$212,400	-	\$152,420	-
2. Materials & supplies (salt, calcium pellets, liquid calcium) expense*	\$137,000	-	\$132,940	-
3. Outside plowing services*	\$227,000	-	\$68,400	-
4. Total expense*	\$604,000	-	\$353,760	-
5. Recorded snowfall (inches)*	20.5	-	17.5	-
*FY07 Projected represent actual values as of 3/31/07.				

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**PUBLIC WORKS
-Service Programs/Solid Waste**

\$1,289,230	\$1,539,880
\$4,367,890	\$4,379,010
<u>\$1,705,465</u>	<u>\$1,790,185</u>
\$7,362,585	\$7,709,075

**STREET CLEANING
RUBBISH REMOVAL
RECYCLING**

**\$1,509,365
\$4,815,030
\$1,838,575
\$8,162,970**

SOLID WASTE

PURPOSE & OVERVIEW: The Solid Waste Division is comprised of Rubbish Removal, Street Cleaning and Recycling. The

Division is headed by a Superintendent of Solid Waste who is charged with combining and consolidating operations in order to better enable the Department to achieve its goals of increasing recycling and decreasing rubbish disposal, as well as greater efficiencies in the Department's street cleaning operations.

STREET CLEANING

PURPOSE & OVERVIEW: The Street Cleaning Division is responsible for maintaining clean public ways through contractual street sweeping, which runs from April through December each year. This operation is augmented by the Division's own workforce consisting of 16 full-time positions. Two contract sweepers are used to clean both residential streets and major City squares. Currently, approximately 12,000 street miles are cleaned each year with over 5,000 tons of street refuse collected and disposed. At the end of each month, the sweepers also clean the industrial areas of Cambridge. This Division also utilizes the services of approximately 12-15 temporary employees throughout the year who help with litter pickup and assist the street cleaning crews.

Three street-cleaning crews, fully equipped with several pieces of equipment, clean the streets and squares of Cambridge on a daily basis, weather permitting. This Division has three "Green Machines" for picking up trash on sidewalks and along street curbs. These sidewalk vacuums are known for their versatility in picking up trash in difficult areas and dampening and disinfecting the street or sidewalk.

City squares are cleaned seven days per week between 7:00 a.m. to 3:00 p.m. Monday through Friday, as well as between 4:00 a.m. to 8:00 a.m. (street sweeping) and 6:00 a.m. to 10:00 a.m. (hand-cleaning crew) Saturday, Sunday and Holidays. This Division also has a small rubbish packer used by both Street Cleaning and Off-Hours Divisions in order to collect litter twice daily from the City squares during the week and three times daily on weekends.

FY08 GOALS

- *GOAL 1: Provide high quality cleaning of streets, sidewalks, and squares.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. From April through December sweep each City street at least once per month	91%	95%	100%	95%
2. Scheduled street cleaning days between April and December	180	228	180	180
3. Days street cleaning occurred (M-F)	190	217	200	190
4. Street miles cleaned between April and December (M-F)	10,564	12,071	11,120	10,564
5. Weekly litter pickups in Cambridge squares	14	16	16	16
6. Number of solar powered trash compactors installed in high litter areas*	n/a	n/a	4	6
*Based on the performance of the pilot program.				

RUBBISH REMOVAL

PURPOSE & OVERVIEW: The Department of Public Works’ solid waste disposal program is responsible for the weekly curbside pickup of solid waste from residential areas, public buildings, schools and commercial accounts. For public health and aesthetic reasons, prompt rubbish collection is essential. The DPW picks up for 62 commercial establishments who pay a semi-annual fee for this service. Once payment is received, a pre-numbered, color-coded sticker is issued and placed on the front door or front window of the establishment. Fees are based on amounts of trash collected.

The DPW’s enforcement unit is responsible for enforcing the City’s Refuse and Litter ordinance. This ordinance requires that trash placed on the curb the night before collection must be in rodent resistant barrels with tight fitting lids. Trash in plastic bags can only be placed at the curb on the day of collection, no later than 7:00 a.m. and empty trash barrels and recycling containers must be removed from the curb no later than 6:00 p.m. on the day of scheduled collection. The enforcement unit is also responsible for ensuring that every owner or occupant of private property bordering a street or walkway maintains the sidewalk or walkway up to the center of the street free of litter.

The white goods (large appliances) pickup program operates on a weekly basis. Residents are charged \$20.00 per pickup per appliance (\$15.00 for senior citizens) and receive an orange-colored sticker to affix to the appliance. White goods are picked up each Wednesday and brought back to DPW for the removal of Chlorofluorocarbons (CFCs), if necessary. The appliances are subsequently brought to a scrap metal disposal facility where they are recycled.

Regular weekday rubbish collection is carried out by eight rubbish packers, each staffed by a driver and two laborers. Additional solid waste is collected from other operations such as street cleaning, construction, litter pickup and urban forestry.

RECYCLING

PURPOSE & OVERVIEW: The Recycling Division’s mission is to encourage people to consume less, reuse and donate materials, and recycle what cannot be eliminated or re-used.

The Recycling Division plans, implements and maintains cost-effective recycling, toxics and waste prevention programs that are characterized by good communication, good customer service and high participation and recovery rates. The Division maintains and monitors the curbside recycling program and a Drop-Off Center open to Cambridge residents and Cambridge businesses and non-profits with 50 or fewer employees. The Division also maintains and monitors recycling in City buildings, schools, public areas, at festivals, and helps businesses and institutions plan and implement effective recycling and waste reduction programs.

With support from the Recycling Advisory Committee, the Division works to implement City policies, improve current programs, and expand efforts to meet or exceed the waste reduction and recycling goals outlined in the City’s Climate Protection Plan and the Massachusetts Solid Waste Master Plan. By reducing natural resource waste and supporting the purchase of products with recycled content, we can improve the health of our environment and economy for generations to come.

FY08 GOALS

- *GOAL 1: Maximize efficiency and effectiveness of curbside solid waste collection.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Complete assessment and evaluation of the rubbish routes	n/a	90%	40%	100%
2. Explore pilot for semi-automated rubbish collection	n/a	10%	0%	50%

■ *GOAL 1: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
3. Number of rubbish service requests received and responded to	260	250	260	260
4. Number of recycling service requests received and responded, excluding bin requests	2,118	3,200	1,800	1,800
5. Number of warnings/citations issued for solid waste violations	2,243	1,150	4,000	3,500

■ *GOAL 2: Increase the City's recycling rate and reduce the number of tons disposed.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. City recycling rate	32%	34%	34%	34%
2. Tons of rubbish collected by DPW from households, schools and City buildings	22,142	22,390	20,628	22,700
3. Tons of recyclables collected from households, schools, and City buildings	12,919	12,940	12,800	13,000
4. Cost per ton for rubbish	\$182	\$181	\$190	\$194
5. Cost per ton for recycling	\$115	\$127	\$124	\$128

■ *GOAL 3: Keep Cambridge a clean and environmentally responsive city and reduce the toxicity of trash land filled or incinerated.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of white goods (appliances) collected	2,102	2,100	2,100	2,100
2. Pounds of CFC's extracted from appliances	520	450	500	500

■ *GOAL 3: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
3. Pounds of computer monitors, TVs and other electronic waste collected	299,940	250,000	250,000	250,000
4. Pounds of hazardous batteries collected	1,525	1,800	1,800	1,800
5. Number of fluorescent bulbs collected	6,210	4,500	1,200	2,400
6. Number of pounds of mercury-containing devices collected	58	20	20	20
7. Gallons of motor oil collected	1,100	1,200	1,200	1,200
8. Gallons of paint collected	6,020	5,000	5,000	5,000

■ *GOAL 4: Expand the citywide recycling participation program.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of large residential buildings with comprehensive programs	288	281	297	307
2. Percentage of large residential buildings with comprehensive programs	80%	81%	82%	84%
3. Number of buildings receiving comprehensive technical assistance	6	15	15	15
4. Number of service requests received and responded to for recycling bins and toters	1,935	2,000	2,000	2,000

Figure 3: Total Waste Stream with Percentages of Major Recyclables for FY06

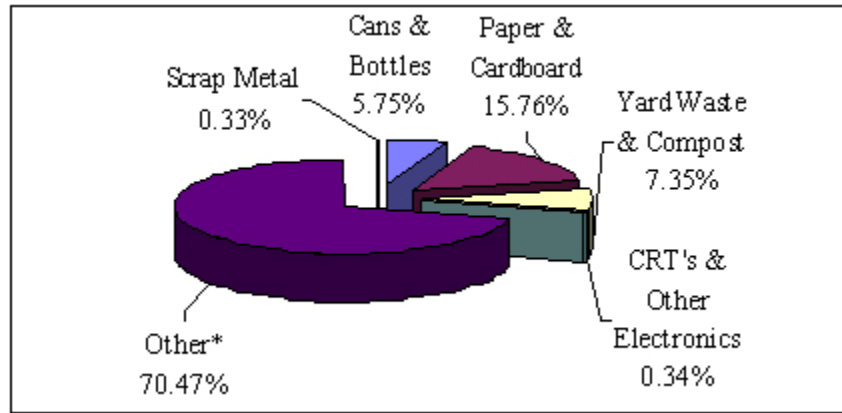
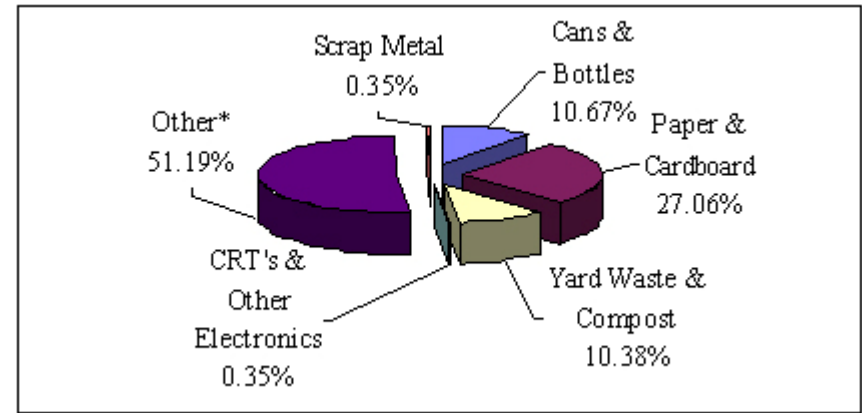


Figure 4: Total Waste Stream with Percentages of Major Recyclables for first 6 Months of FY07



*Other includes all rubbish as well as other recyclables.

Figure 5: Curbside Rubbish and Recycling Tonnage FY02 - FY07

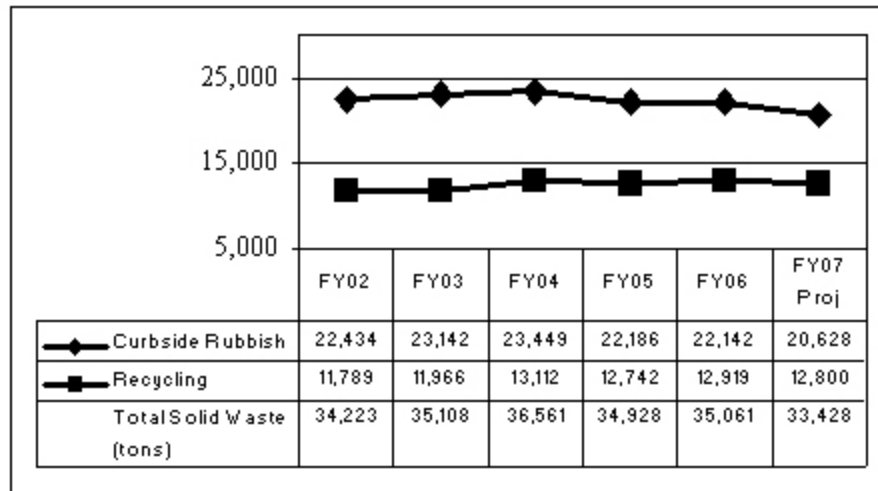
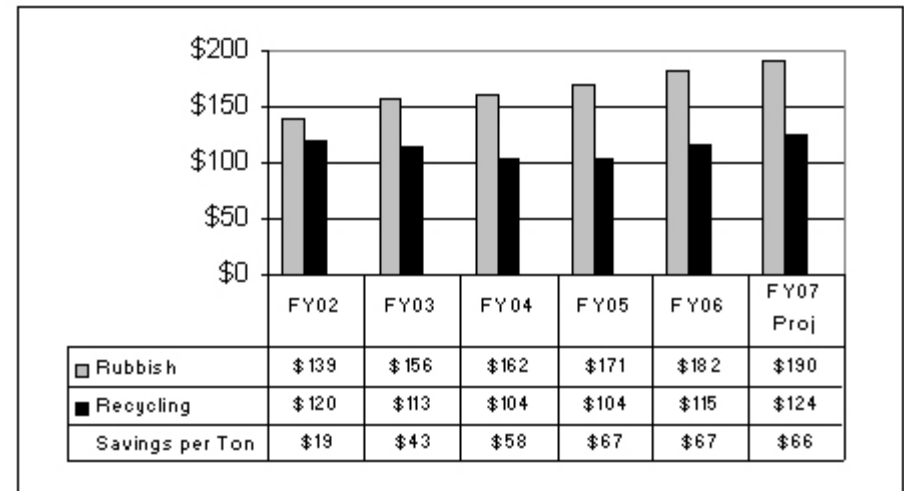


Figure 6: Cost per Ton of Rubbish and Recycling FY02 - FY07



Rubbish cost per ton includes collection and disposal fees. Recycling cost per ton includes collection, staff and equipment minus revenue from the sale of recyclables.

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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PUBLIC WORKS
-Service Programs/Public Grounds

\$3,971,270
\$3,971,270

\$4,047,855
\$4,047,855

PARKS & URBAN FORESTRY

\$4,190,520
\$4,190,520

PURPOSE & OVERVIEW: This Division is responsible for the maintenance and care of over 127 municipal and school properties, building grounds. In addition, it is responsible for implementing a program of arboriculture for approximately 12,000 public street trees and approximately 3,000 trees in parks and cemeteries.

The Parks System is divided into three City districts with their own respective crews, ensuring that both routine and preventative maintenance continues to be assertive and comprehensive. Seasonal beautification plans are now implemented at over 30 sites throughout the city.

The cyclical pruning of public street trees continues, and has reduced the number of emergency calls and resultant property damage due to falling limbs. The pruning of parks and cemetery trees is now in its fifth year. Based on the same cyclical concept as the street tree pruning program, the initiative features more crown thinning and reduction techniques intended to enhance tree health.

FY08 GOALS

- *GOAL 1: Maintain a commitment to customer service.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of service requests - Parks and Urban Forestry	914	600	850	850
2. Number of primary response service requests (requiring prompt response)	150	150	150	150
3. Average number of days to close request	8	7	7	7
4. Number of secondary response requests (scheduled work over 30 days)	764	460	500	500
5. Average number of days to close secondary request	108	70	70	70

- *GOAL 2: Continue to provide a quality park maintenance program.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of sites on contract, including parks, schools, islands	50	50	50	52
2. Number of overall sites maintained	102	102	102	104
3. Number of irrigation systems maintained	58	58	60	60

- *GOAL 3: Attain Tree City USA Growth Award for enhanced programs in education and partnerships, planning and management, and tree planting and maintenance.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Expand publicity of tree care and community forestry, number of pieces developed	1	n/a	1	2
2. Expand publicity of tree care and community forestry, number of distribution channels	1	n/a	1	4
3. Develop off-set planting program, percent complete	n/a	n/a	n/a	100%
4. Analyze tree data and set goals using inventory, percent complete	n/a	n/a	n/a	100%
5. Integrate work order system with inventory, percent complete	n/a	n/a	n/a	50%
6. Refine pruning program based on requirements of species and location, percent complete	n/a	n/a	n/a	25%

- *GOAL 4: Promote public awareness of the urban forest and of proper tree care.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of Cambridge School and community presentations	7	10	10	10
2. Number of volunteer events (tree planting, tree well maintenance)	2	2	2	2
3. Number of neighborhood tree walks	3	2	2	2

- *GOAL 5: Enhance commitment to community landscaping with an increase in seasonal plantings, and an assertive tree planting and maintenance program.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of planting sites	33	33	33	35
2. Number of three season displays	14	14	14	14
3. Number of street trees	12,000	n/a	12,000	12,250
4. Number of new trees planted	520	n/a	300	350
5. Number of trees pruned	3,700	3,500	3,500	3,500
6. Number of trees removed	139	100	85	100

**PUBLIC WORKS
-Service Programs/Cemetery**

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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\$836,980
\$836,980

\$863,090
\$863,090

CEMETERY

\$870,160
\$870,160

PURPOSE & OVERVIEW: The Cemetery Division is responsible for grave site preparation and other burial services, with a grounds and maintenance program on the cemetery's 66 acre site located on Coolidge Avenue in Cambridge. Ongoing work at the cemetery includes flower and tree planting, landscaping hilly terrain, resurfacing of cemetery roads, improvements to the drainage system, repair of historical monuments and development of selected areas for conversion to burial space. The Cambridge Cemetery is the resting place for two Medal of Honor recipients, the highest military decoration awarded by the United States: Joseph F. Scott and Alphonso M. Lunt; prominent literary figures Henry and William James and William Dean Howells; baseball Hall of Famers John Clarkson and Timothy Keefe, as well as other notable Cantabridgians.

Over the past few years, the Cambridge Cemetery has implemented a specimen tree and perennial island program. The goal of these two programs is to add pastoral beauty to open space in the Cambridge Cemetery. Customer service continues to be an important goal of the Cambridge Cemetery - whether the need is for immediate burial or genealogical information. To meet the need for enhanced customer service, there are ongoing improvements in the computerization of Cemetery records. Also, Cemetery signage is continually being upgraded.

FY08 GOALS

- *GOAL 1: Provide high quality grave site preparation and continue to improve cemetery maintenance and service.*

	FY06	FY07	FY07	FY08
PERFORMANCE MEASURES	ACTUAL	BUDGET	PROJECTED	PROPOSED
1. Number of interments	358	400	350	400
2. Number of maintenance requests received	45	60	60	50
3. Average number of days to complete maintenance requests	4	4	4	4

- *GOAL 2: Improve public information and access to information for Cambridge Cemetery visitors.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of new cemetery signs installed	35	40	40	50
2. Update Cemetery grave lot map, percent complete	30%	50%	50%	60%
3. Number of acres mapped in GIS	20	n/a	33	40

- *GOAL 3: Continue implementation of beautification program throughout Cambridge Cemetery and maintain landscape.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Total number of unique specimen trees planted at Cemetery	29	32	32	35
2. Number of new perennial islands created	1	1	1	1
3. Number of bulbs planted	1,500	1,500	2,000	1,500
4. Number of Cemetery trees pruned annually	100	100	100	100
5. Number of acres slice seeded at the Cambridge Cemetery	5	5	5	6

- *GOAL 4: Implement Cambridge Cemetery Master Plan to create additional space for traditional burial and cremation, while respecting the aesthetic and historic attributes of the Cemetery.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of new spaces for burial created	30	80	100	150
2. Develop design for columbarium, percent complete	n/a	50%	20%	50%

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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PUBLIC WORKS
-Supporting Serv./Public Bldgs.

\$1,356,880	\$1,363,405
\$1,317,115	\$1,346,730
<u>\$395,540</u>	<u>\$409,150</u>
\$3,069,535	\$3,119,285

OPERATION	\$1,470,480
MAINTENANCE	\$1,333,565
ADMINISTRATION	<u>\$404,530</u>
	\$3,208,575

BUILDING OPERATIONS

PURPOSE & OVERVIEW: The Building Operations Division is responsible for supplying custodial services to 11 municipal

buildings, including City Hall, the McCusker Center at 344 Broadway, Coffon Building, Police Headquarters, Lombardi Building, Area IV Youth Center, Frisoli Youth Center, Moore Youth Center, and the Frazier Building at 147 Hampshire Street. Additionally, while the Cambridge Senior Center at 806 Massachusetts Avenue is under a cleaning contract, it is also serviced during the day by in-house staff. The Buildings Operations division has two shifts: 6:00 a.m. – 2:00 p.m. and a smaller crew in the evenings between 2:00 p.m. and 10:00 p.m. The Division uses environmentally preferred cleaning products including, but not limited to, the use of HEPA filtered vacuum cleaners, to clean all public buildings.

FY08 GOALS

- *GOAL 1: Deliver high quality building cleaning services.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of buildings for which DPW holds user group meetings	11	11	11	11
2. Number of total meetings held for all buildings	72	72	72	72

- *GOAL 2: Maintain prompt response time for service requests, including moving, special events and cleaning services.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of service requests	127	100	100	100
2. Average number of days to close requests	5.5	5.0	7.0	6.0

BUILDING MAINTENANCE

PURPOSE & OVERVIEW: The Building Maintenance Division is responsible for services such as carpentry, painting, plumbing, lock installation and repair, and the fabrication of signs for public announcements, street postings, commemorative plaques and monuments. The employees in this Division provide services to many departments throughout the city. In addition, this Division provides service for parades, public functions and public celebrations, and responds to the need for temporary street signage for emergency snow plowing and street sweeping.

In addition to the many assigned duties performed by this Division, employees respond to numerous emergency calls related to building maintenance, such as heating, plumbing and ventilation problems throughout the city. This Division also provides services (e.g., setting up staging and public address systems) for approximately 75 special events each year.

FY08 GOALS

- *GOAL 1: Improve response time for service requests, such as plumbing, heating, carpentry, lock repair, moving and staging requests.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of work requests (Operations & Maintenance)	1,188	1,200	1,100	1,250
2. Average number of days to close request	18.8	5.5	15.0	12.0

PUBLIC BUILDING ADMINISTRATION

PURPOSE & OVERVIEW: The Public Building Administration Division is responsible for all aspects of construction, renovation and maintenance of the City's public buildings. The Division works under the guidance of the Superintendent of Buildings, who is responsible for supervising and directing the overall operation of the Building Operations and Building Maintenance Divisions. The Superintendent of Buildings is also responsible for the design and execution of new construction, renovations and extensive repair projects to all City buildings, assisting with the selection of design professionals, compilation of specifications and bid documents, and construction contract management. This Division performs ongoing field inspection and approval until the repair, construction or renovation is completed.

FY08 GOALS

- *GOAL 1: Reduce energy consumption through the installation of energy saving technology and upgrades of equipment.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of premium efficiency motors installed	3	3	6	6
2. Number of programmable thermostats installed	n/a	n/a	n/a	32

- *GOAL 2: Manage energy consumption through the implementation of energy management systems, where feasible.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of buildings with computerized system	2	3	3	3
2. Assess options for expansion, percent complete	0%	50%	50%	100%

ACTUAL FY06	PROJECTED FY07		BUDGET FY08	PUBLIC WORKS -Supporting Services/Vehicle Maintenance
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\$1,343,870
\$1,343,870

\$1,317,325
\$1,317,325

**VEHICLE & EQUIPMENT
MAINTENANCE**

\$1,380,840
\$1,380,840

PURPOSE & OVERVIEW: The Vehicle Maintenance Division is responsible for the scheduled maintenance, repair, and emergency service of over 300 City-owned

vehicles and pieces of equipment. The vehicles include cars, pickup trucks, heavy equipment trucks (e.g., dump trucks, pay loaders), rubbish packers, construction equipment, power lawnmowers and snow blowers. The Division also develops written specifications for the purchase of new vehicles and equipment.

Each April, the Division conducts a City taxi inspection at the DPW garage, inspecting over 250 taxis. In addition, the Vehicle Maintenance Division issues 150 State Inspection stickers each year for DPW vehicles.

The Division is headed by a Master Mechanic who, in addition to his supervisory and mechanical duties, also conducts in-house Commercial Driver's License (CDL) training. This training prepares employees to take the Registry of Motor Vehicles Driver's License examination for heavy equipment operation.

FY08 GOALS

- *GOAL 1: Maximize vehicle availability.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Percentage of working hours that vehicles are available (not out of service) for Fleet as a whole	98.5%	95%	98.5%	98.5%
2. Percentage of working hours that vehicles are available for Medium/heavy trucks	95.7%	95%	97%	97%
3. Percentage of working hours that vehicles are available for Light-duty units	98.2%	96%	98%	98%
4. Number of preventative maintenance service orders	181	325	170	170
5. Number of emergency breakdowns	109	100	100	100

- *GOAL 2: Provide complete and accurate work history and cost accounting for each DPW vehicle.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Total number of vehicles with computerized work history complete with repair and maintenance costs	211	220	220	254

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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PUBLIC WORKS
-Supporting Services/Off-Hour Services

<p align="center"><u>\$781,630</u> \$781,630</p>	<p align="center"><u>\$822,020</u> \$822,020</p>	<p align="center">OFF-HOUR SERVICES</p> <p>Off-hours employees respond to a variety of emergencies: initial after-hours sewer complaints, fallen trees and tree limbs, litter pickup, building security, storm-related cleanup, and coordination with Cambridge Police and Fire Departments in response to accidents and other emergencies. The importance of this division is highlighted by the ability of its personnel to respond rapidly to the many and varied citywide emergencies. There are three off-hour shifts: early evening, Monday through Friday (3:00 p.m. - 11:00 p.m.); late evening/early morning, Sunday through Friday (11:00 p.m. - 7:00 a.m.); and the weekend shift. This schedule ensures that DPW personnel will be available at all times to respond to City emergencies.</p>	<p align="center"><u>\$716,230</u> \$716,230</p>
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PURPOSE & OVERVIEW: This Division provides the DPW with continuous 24-hour response on a regular and emergency basis.

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**PUBLIC WORKS
-Supporting Services/Energy**

\$1,418,430
\$1,418,430

\$1,625,465
\$1,625,465

ENERGY \$1,657,340
\$1,657,340

ENERGY CONSUMPTION: The Department of Public Works pays utility and fuel expenses for 24 buildings, 50 parks, 22 pump stations, and pays for gasoline and diesel for more than 300 City vehicles that obtain fuel at the Public Works yard. Costs are supported by this budgetary allotment plus reimbursements from other City departments.

Global climate change and sharp increases in energy costs have led the City to develop programs to reduce energy consumption. The DPW chairs an interdepartmental Energy Management Task Force to coordinate these efforts. In FY06 and FY07, the City developed a tracking system of energy consumption. The Energy Information System (EIS) was developed in partnership with the Commonwealth's Rebuild Massachusetts program. The EIS quantifies energy consumption, costs and efficiencies for each City property - it has provided a baseline for energy conservation projects and will enable the City to track its savings as projects are implemented.

The charts below show the Department of Public Works' energy costs. FY08 projections reflect favorable bid prices for vehicle fuel and heating oil. Electricity and natural gas costs reflect below-market contract prices.

Figure 7: FY07 Projected DPW Energy Costs (\$1,625,465)

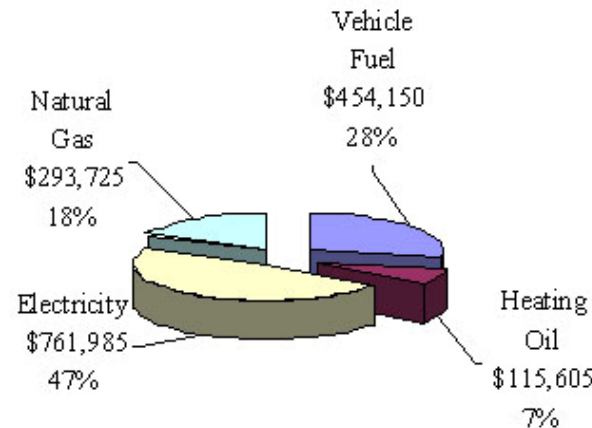
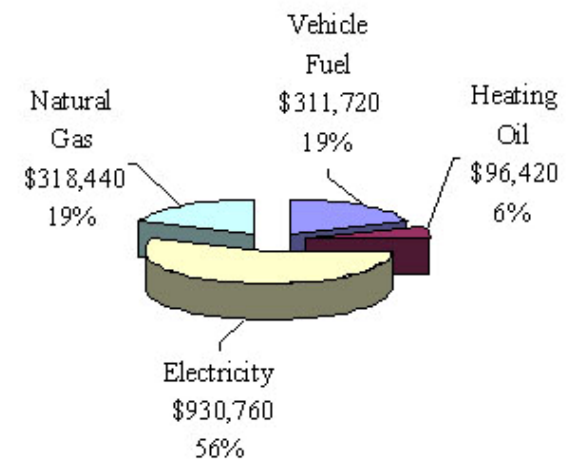


Figure 8: FY08 Projected DPW Energy Costs (\$1,657,340)



Using data from the Energy Information System (EIS), the tables and charts below give a summary of the City's energy consumption and cost for the period July 2005 through June 2006 (FY06).

Figure 9a: FY06 City Expenditures by Energy Category (\$6,723,135)

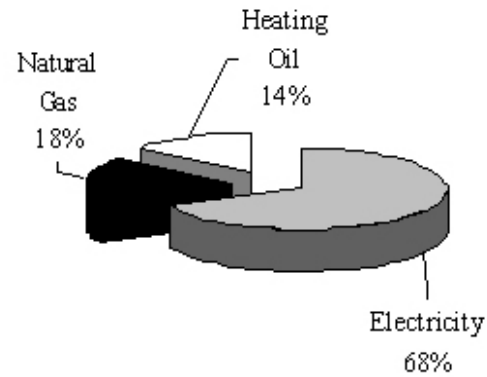


Figure 9b: FY06 City Expenditures by Usage Category (\$6,723,135)

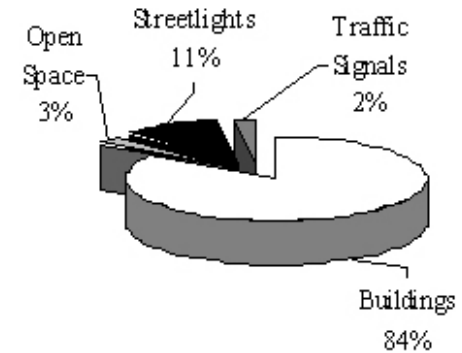
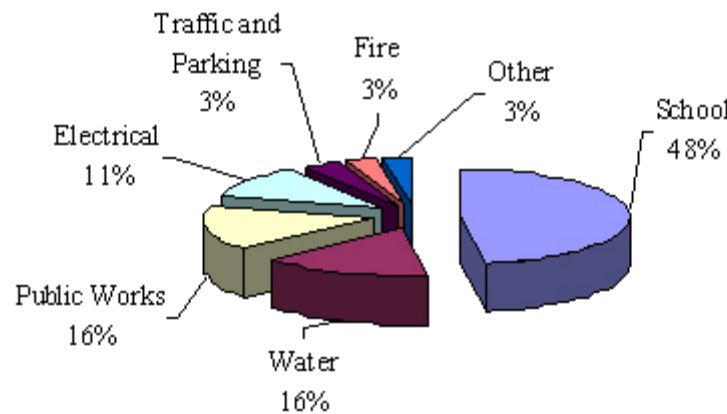


Figure 10: FY06 Energy Costs by Department (\$6,723,135)



EIS Expenditures (Jul '05- Jun '06)	
Department	Expenditures
School	\$ 3,193,515
Water	\$ 1,102,775
Public Works	\$ 1,063,525
Electrical	\$ 754,875
Traffic, Parking and Transportation	\$ 233,865
Fire	\$ 181,715
Other (Police, Library, ECC & DHSP)	\$ 192,865
TOTAL	\$ 6,723,135

Table 1: Historical Energy Price Breakdown by Source of Energy FY04 through FY07

Price History Table					Percentage Increase
Source of Energy	FY04	FY05	FY06	FY07	(FY04-FY07)
Unleaded gas (price/gallon)	\$1.09	\$1.47	\$1.96	\$2.73	150%
Biodiesel/diesel (price/gallon)	\$1.36	\$1.99	\$2.05	\$2.65	95%
Heating oil (price/gallon)	\$0.88	\$1.08	\$1.70	\$2.35	167%
Electricity (price/kilowatt-hour)	\$0.10	\$0.11	\$0.11	\$0.16	60%
Natural Gas (price/therm)	\$1.11	\$1.16	\$1.58	\$1.48	33%

Source: Energy Information System (EIS). Note that prices are fiscal year averages

FY08 GOALS

- *GOAL 1: Develop an Energy Information System in collaboration with the Rebuild Massachusetts program to track and manage the City's energy consumption.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Complete the system and import consumption data	20%	50%	95%	100%
2. Integrate the EIS system with the EPA's ENERGY STAR building benchmarking system (percent complete)	n/a	n/a	10%	100%
3. Create a reporting system for managers on energy consumption	n/a	75%	75%	100%

- *GOAL 2: Implement energy efficiency measures at City buildings by assessing, improving or upgrading building systems such as lighting and heating, ventilating and air conditioning (HVAC) systems.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of City buildings at which energy audits are performed	3	8	7	7

■ *GOAL 2: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
2. Number of City buildings in which lighting and mechanical systems are upgraded or replaced with high efficiency equipment	5	5	5	4
3. Number of City buildings assessed using the ENERGY STAR Portfolio Manager benchmarking system	n/a	n/a	n/a	10
4. Number of City buildings at which no-cost and low-cost efficiency measures are implemented	n/a	n/a	3	5

■ *GOAL 3: Continue to implement policies and procedures that increase energy efficiency.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Develop energy efficiency operation and maintenance guidelines for City buildings	25%	80%	50%	75%
2. Develop standard bid specifications for energy efficiency in City purchase and service contracts and train managers to implement these specifications	75%	80%	85%	95%

■ *GOAL 4: Expand the Energy Information System (EIS) to include vehicle fuel usage.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Develop system and import consumption data	n/a	n/a	n/a	100%
2. Create regular reports of vehicle fuel usage	n/a	n/a	n/a	100%

Table 2: Energy Consumption (Calendar Year 2006 Expenditures)

The table shows calendar year 2005 and 2006 energy consumption for properties managed by the Department of Public Works.

Buildings	Electricity Consumption		Natural Gas Consumption		Heating Oil Consumption		Total Cost
	Electricity (kWh)	Cost	Gas (therms)	Cost	Oil (gallons)	Cost	Energy (all sources)
Coffon Building	299,360	\$39,209	8,156	\$13,087	0	\$0	\$52,296
Cemetery (three buildings)	98,786	\$11,022	8,359	\$13,520	0	\$0	\$24,542
City Hall	792,792	\$93,374	32,904	\$49,442	0	\$0	\$142,816
DPW Complex	439,033	\$50,569	64,229	\$100,103	0	\$0	\$150,672
Lombardi Building	279,240	\$37,704	6,701	\$10,456	0	\$0	\$48,160
Senior Center	614,040	\$73,910	17,320	\$27,065	0	\$0	\$100,975
Area 4 Youth Center	190,160	\$26,708	12,896	\$20,291	0	\$0	\$46,999
Frisoli Youth Center	236,160	\$30,440	5,920	\$9,494	0	\$0	\$39,934
Moore Youth Center	54,337	\$11,680	8,682	\$14,138	0	\$0	\$25,818
City Hall Annex	576,600	\$67,162	0	\$0	0	\$0	\$67,162
Gately Youth Center ¹	75,358	\$9,957	0	\$0	0	\$0	\$9,957
Corporal Burns Building	40,204	\$5,323	0	\$0	0	\$0	\$5,323
Danehy Park Office	53,264	\$7,055	0	\$0	0	\$0	\$7,055
Traffic Meter and Maintenance Shop	36,561	\$6,996	0	\$0	0	\$0	\$6,996
Police Station ²	n/a	n/a	3,224	\$4,998	24,122	\$46,412	\$51,410
2006 Totals:	3,785,895	\$471,109	168,391	\$262,594	24,122	\$46,412	\$780,115
2005 Totals:	3,835,675	\$411,370	191,409	\$244,636	38,113	\$53,883	\$709,889

¹ Heat supplied through the Peabody School
² Electricity bills paid by Police Department
Source: Energy Information System (EIS)

Table 3: Energy Usage in City Buildings Compared to Nationwide Averages

This table compares energy usage in key City buildings to a national average, which helps identify buildings that are good candidates for energy efficiency improvements.

	2006 consumption per sq ft ³			2006 cost per sq ft ¹		
	Electric (kWh)	Gas (cubic ft)	Total (kBtu)	Electricity	Gas	Total
City Hall Annex (McCusker Bldg)	18.0	-	61.5	\$ 2.10	\$ -	\$ 2.10
Lombardi Building	11.6	30.0	69.7	\$ 1.57	\$ 0.44	\$ 2.01
Frisoli Youth Center	11.9	30.0	70.7	\$ 1.54	\$ 0.48	\$ 2.02
Coffon Building	12.5	30.0	72.6	\$ 1.63	\$ 0.55	\$ 2.18
Area 4 Youth Center	8.6	60.0	89.5	\$ 1.21	\$ 0.92	\$ 2.13
All Commercial Buildings (National Average) ²	14.1	43.0	91.0	\$ 1.97	\$ 0.66	\$ 2.63
Moore Youth Center	5.9	90.0	110.2	\$ 1.27	\$ 1.54	\$ 2.81
DPW Complex (three buildings)	6.5	90.0	112.1	\$ 0.74	\$ 1.47	\$ 2.21
City Hall	16.1	60.0	115.0	\$ 1.90	\$ 1.00	\$ 2.90
Senior Center	22.7	60.0	137.6	\$ 2.74	\$ 1.00	\$ 3.74
Cemetery Complex (three buildings)	25.4	210.0	296.8	\$ 2.84	\$ 3.48	\$ 6.32

¹ Cost per square foot based on 2006 Cambridge costs.

² Source: U.S. Department of Energy, Energy Information Administration (EIA), 2003 Commercial Building Energy Consumption Survey.

³Source: Energy Information System

Table 4. Status of Energy Efficiency Upgrades

This chart lists energy efficiency projects completed or planned by the City. These projects will reduce energy costs and greenhouse gas emissions, assisting the City in meeting its Climate Protection goals.

Description of Upgrade	Electricity Saved (kWh/yr)	Natural Gas Saved (therms/yr)	CO2 reduction (lbs/yr)	Estimated Annual Savings
Danehy Park Building lights	1,567	n/a	2,241	\$213
Vending Miser Pilots	4,881	n/a	6,980	\$664
Traffic Meter & Maintenance Office lights	5,391	n/a	7,709	\$733
Parking Lot #2 (Harvard Square) lights	9,784	n/a	13,991	\$1,331
Lombardi Building Air Conditioning	17,004	n/a	24,316	\$2,313
Area 4 Youth Center lights	18,218	n/a	26,052	\$2,478
Green Street Garage lights	53,310	n/a	76,233	\$7,250
Central Square Library lights	54,785	n/a	78,343	\$7,451
Russell Field House green building	86,909	n/a	124,280	\$11,820
City Hall Boiler Replacement	n/a	8,301	97,952	\$14,112
Senior Center HVAC improvements	55,413	8,400	178,361	\$21,816
Walter J Sullivan Water Purification Facility lighting	262,800	n/a	375,804	\$35,741
First Street Garage lights	263,964	n/a	377,468	\$35,899
LED Traffic Signals	750,342	n/a	1,072,989	\$142,565
Totals	1,584,368	16,701	2,462,718	\$284,384
Current Green Building Projects				
City Hall Annex	Gold LEED-certified			
Main Library Expansion Project	Construction will include LEED certification			
Robert W. Healy Public Safety Facility	Construction will include Silver LEED certification			
War Memorial Renovations	Construction will include LEED certification			
West Cambridge Youth and Community Center/VFW	Construction will include LEED certification			

**WATER
-Summary**

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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\$10,556,785	\$10,073,940
\$4,518,675	\$4,888,785
<u>\$2,175,965</u>	<u>\$2,423,460</u>
<u>\$17,251,425</u>	<u>\$17,386,185</u>

ADMINISTRATION	\$10,254,965
SOURCE OF SUPPLY	\$5,392,475
TRANSMISSION & DISTRIBUTION	<u>\$2,251,245</u>
	<u>\$17,898,685</u>

PURPOSE & OVERVIEW: The Cambridge Water Department (CWD) is a municipally owned and operated water utility servicing approximately 102,000 residents.

The CWD operates under the general direction of the City Manager. Five members comprise the Water Board, all of whom are appointed by the City Manager and serve in an advisory capacity to the City Manager and the Managing Director of the Water Department. The CWD is regulated by Federal and State drinking water codes and is comprised of three divisions: Administration; Source of Supply; and Transmission & Distribution. The mission of the Department is to provide a safe, adequate and uninterrupted water supply of the highest quality to the citizens of Cambridge.

The CWD has begun implementing a long-term strategic plan to ensure integrity and functionality well into the 21st century. The systems that comprise the Water Department are: the watershed and its related facilities such as gatehouses, dams, spillways and valves; the Stony Brook conduit and associated valving; the Fresh Pond Reservoir; the treatment plant; the Payson Park finished reservoir; the Payson transmission lines and associated valving; the distribution system; and three Massachusetts Water Resource Authority (MWRA) emergency interconnects. These interconnects serve as an emergency back-up supply. The Fresh Pond Master Plan provides the mechanism for enhanced source water protection, which is a vital first step in water treatment; the plan also provides for the overall stewardship of the reservation. Over the next several years, there will be continued emphasis on improving customer service via use of the Automatic Meter Reading (AMR) System, revitalizing the water distribution system, completing upgrades and restoration improvements to the Fresh Pond Reservation, the Stony Brook Conduit, Payson Park force and supply lines and treatment plant process optimization to improve the water quantity and quality delivered to our customers. Opportunities to perform water main infrastructure improvements in partnership with others performing utility work, such as sewer separation and Chapter 90 roadway work, will be pursued so as to optimize cost and to minimize disruptions to the public.

SIGNIFICANT BUDGET MODIFICATIONS: The FY08 Water Budget includes increases \$338,275 to cover full-year increase in electricity costs, \$80,000 for park maintenance costs associated with the renovated Northeast Sector Park, \$15,000 for Automated Meter Reading (AMR) system maintenance and \$10,350 for increased cost for supplies and materials. The FY08 Debt Service is scheduled to decrease by \$105,150.

FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:

- Completed the initial implementation of the Automatic Meter Reading (AMR) Program by transitioning all of the 15,000 accounts to the AMR system, which included the replacement of 8,400 meters during FY05, 06 and 07. The AMR project was completed ahead of schedule and within budget.

- Initiated the implementation of the "High Read" notification system, which uses daily meter reads from the AMR System to detect and highlight abnormally high water usage (potential leaks) and allows us to contact property owners when the problem begins, in order to minimize a high water bill and conserve water; asked all water customers to provide contact information (phone number and e-mail) to enhance customer service.
- Completed Emergency Action Plan (EAP) the Hobbs Brook Reservoir and Stony Brook Reservoir Dams.
- Initiated the energy savings program at the Water Department by replacing Sodium Vapor lights with High Intensity Florescent (HIF) lighting, which use about 50% less electricity than the original lighting.
- Submitted a grant request to the Massachusetts Technology Collaborative to study the feasibility of generating electricity at our "upcountry" dams.
- Produced over 5.4 billion gallons of high quality potable water to serve the City of Cambridge's needs.
- Completed additional key improvements as recommended by the Vulnerability Assessment (VA). Proposed further improvements to the City Manager for inclusion in the FY08 capital budget. Received and working to obtain additional Homeland Security funding for VA recommended improvements.
- Provided over 90 school programs, tours, open houses and Friends of Fresh Pond Reservation events to educate the public about the Cambridge Water System and the Walter J. Sullivan Water Purification Facility. As part of the public education process the staff has presented information about the Water Department to local colleges and universities and international groups.
- Completed the biannual leak detection of the 180 miles of underground water mains within the city.
- Continued cooperative infrastructure projects such as Cambridgeport Roadways, Yerxa Road underpass, sewer separation, North Point Development, Porter Square Roadway, South Massachusetts Avenue, Walden Street Bridge, Main Library renovation, West Cambridge Youth & Community Center/VFW (Huron Avenue), City irrigation projects, and Chapter 90 surface enhancement projects.
- Distributed 2006 annual "Consumer Confidence Report" on drinking water quality via direct mail and through the Department Web page.
- Completed design of 5, 10 and 20 year capital plan for the water system.
- Rehabilitated over 3,000 feet of water mains; replaced over 120 lead water services; eliminated 3,000 feet of parallel old 6" cast iron pipe; and maintained a 99.9 percent in-service rating for fire hydrants.
- Performed required regulatory water quality analytical testing and watershed monitoring, which resulted in over 55,000 tests. Maintained and expanded (added four metals, one organic compound and one bacteria) certifications of the Laboratory for a variety of drinking water parameters.
- Continued implementation of new US EPA drinking water regulations. The new regulations are 1) Long Term 2 Enhanced Surface Water Treatment Rule (LT2ESWTR) and 2) Stage 2 Disinfection Byproduct Rule (Stage2DBPR). This monitoring effort will continue over a two-year period to quantify Cryptosporidium and E-coli levels in the raw water.

- Implemented additional service agreements to maintain various specialized processes and equipment to ensure optimal operation of the treatment facility.
- Maintained and expanded the Department's Web page.
- Completed the transition of the manual water distribution system maps to GIS. This included editing maps for more than 40,000 linear feet of water main, finalizing the appearance and producing the first set of maps off of the GIS system for use in the field.
- Reviewed and monitored over 70 development and site remediation projects throughout the 24 square mile watershed.
- Responded to and repaired over 115 water main or service leaks in the water distribution system.
- Completed all of the required backflow prevention device testing, re-testing and surveying.
- Completed both the Northeast Sector and Little Fresh Pond Shoreline Restoration Projects at the Fresh Pond Reservation. These projects include the rehabilitation of over 25 acres of the Fresh Pond Reservation and are being partially funded through the use of Community Preservation Act (CPA) funds.

FINANCING PLAN	DETAIL	SUMMARY
CHARGES FOR SERVICES		\$16,885,425
Water Usage Charge	\$16,015,425	
Service Renewal	\$10,000	
Misc Water Charges	\$100,000	
Cross Connection Fee	\$475,000	
Retained Earnings/Water Fund	\$285,000	
INTERGOVERNMENTAL REVENUE		\$1,013,260
Mwpat Loan Program	\$1,013,260	
TOTAL FY08 BUDGETED REVENUE		\$17,898,685

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$5,647,455
OTHER ORDINARY MAINTENANCE	\$3,803,930
TRAVEL & TRAINING	\$28,855
EXTRAORDINARY EXPENDITURES	\$8,418,445
TOTAL FY08 BUDGETED EXPENDITURES	\$17,898,685

FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	63	63	63

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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\$1,083,170	\$1,087,710
\$564,905	\$587,635
<u>\$8,908,710</u>	<u>\$8,398,595</u>
\$10,556,785	\$10,073,940

**ADMINISTRATIVE
ENGINEERING & CROSS
CONNECTION
DEBT SERVICE**

**\$1,293,150
\$668,370
\$8,293,445
\$10,254,965**

PURPOSE & OVERVIEW: The Administration Division is responsible for performing administrative, personnel, financial, metering and customer relations functions. The Division also assists in the quarterly processing of water bills for the

15,000 metered accounts in the City and is responsible for the Automated Meter Reading (AMR) "high read" notification system, making inspections for leaks, faulty registrations, damaged meters, non-compliant water connections and other customer services.

FY08 GOALS

- *GOAL 1: Improve customer relations through the development of programs that educate the public and disseminate information.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. General Tours/Open Houses	31	20	24	24
2. School and Community Activities	52	50	48	50
3. Professional Development Activities	54	25	28	25
4. Update and maintain the Department Web page (number of updates)	12	12	12	12

- *GOAL 2: Improve metering, meter reading efficiency and customer service.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Meters replaced	4,543	350	400	750
2. Implementation of online AMR reading feature so customers can review their account activity	n/a	n/a	15%	75%

- *GOAL 3: Provide professional growth and development opportunities for all employees with an emphasis on meeting regulatory training requirements and implementing uniform work practices.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Percentage of staff receiving required DEP training	100%	100%	100%	100%
2. Department training contact hours obtained	654	550	568	550

ENGINEERING & PROGRAM DEVELOPMENT

PURPOSE & OVERVIEW: The Engineering Division is responsible for providing technical services to support the Department and developing and implementing new and existing programs; planning and overseeing capital improvements; maintaining maps/records; and coordinating water projects with other City departments.

FY08 GOALS

- *GOAL 1: Maintain long range capital plans.*
- *GOAL 2: Effectively manage existing programs and develop new programs in order to conserve water and protect public health.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Test all backflow prevention devices semi-annually; number of tests	5,945	6,000	6,000	6,000
2. Cross connection control surveys performed (number of establishments)	51	50	100	75

- **GOAL 3:** *Ensure that safe drinking water is provided during various construction, fire safety and industrial process activities by issuing water work permits in a timely manner, pursuant to citywide permit guidelines.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Percent of permits issued within two weeks	95%	95%	95%	98%
2. Number of construction permits	75	100	75	75
3. Number of hydrant rental permits	27	25	25	25
4. Number of fire pump test permits	227	200	200	225
5. Number of cross connection device permits	45	40	40	35

- **GOAL 4:** *Improve the management of records and mapping.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Advance electronic distribution system maps to include Payson mains, valve ties, current as-built information, hydrants, and other features	n/a	n/a	n/a	50%
2. Organize and maintain all water system as-built drawings	100%	100%	100%	100%

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**WATER
-Source of Supply**

\$792,240
\$3,681,640
\$44,795
\$4,518,675

\$845,640
\$3,996,735
\$46,410
\$4,888,785

**WATERSHED
WATER TREATMENT OPERATION
DEP ASSESSMENT**

\$972,415
\$4,373,650
\$46,410
\$5,392,475

PURPOSE & OVERVIEW: The Watershed division is responsible for the management and operation of the City's four reservoirs located in Cambridge, Belmont, Lexington, Waltham, Lincoln and Weston. The Hobbs

Brook and Stony Brook reservoirs are the primary source of water for our system. The total capacity of the two up-country reservoirs is 3,445 million gallons. The water is transferred to the terminal reservoir, Fresh Pond, via the Stony Brook Conduit. The Fresh Pond Reservoir has an additional 1,308 million gallons of water storage. The watersheds serving the three reservoirs total 24 square miles. The Division works to develop and implement intricate watershed protection plans and hazardous materials response plans, seeking partnerships where appropriate; conducts environmental and raw water quality monitoring; manages the grounds at the Fresh Pond Reservation (Cambridge's largest open space) and at the up-country reservoirs; implements the Fresh Pond Master Plan recommendations; performs and documents site activities; and works with all the stakeholders in the watersheds to ensure long-term protection of the City's drinking water supply.

FY08 GOALS

- *GOAL 1: Develop, implement and maintain Watershed Protection Plans to protect the City's source water supply.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Review, monitor and document site development and remediation projects throughout the watershed	70	70	70	70
2. Update Watershed Protection Plan to comply with DEP and EPA plans, regulations and protocols	70%	80%	80%	90%
3. Maintain the source area - Water Quality Monitoring Program	100%	100%	100%	100%
4. Develop, implement and maintain a watershed land acquisition plan	60%	70%	70%	80%
5. Continue to develop the Watershed Stormwater Management Plan	n/a	20%	20%	30%

- **GOAL 2:** *Manage watershed and reservoir improvements to ensure safe and continuous delivery of water to the treatment facility.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Implement the Dog Management Plan	50%	70%	70%	90%
2. Develop Kingsley Park soils stabilization program	50%	60%	60%	70%
3. Develop a Fresh Pond landscape maintenance/management plan	80%	90%	90%	100%
4. Develop a watershed/reservoir facilities maintenance/management plan	70%	80%	80%	90%
5. Implement the Northeast Sector Lands Restoration Project	50%	75%	95%	100%
6. Develop a plan for the Little Fresh Pond Watershed Restoration Program	n/a	25%	40%	100%
7. Develop the Black's Nook Resource Assessment	35%	50%	50%	60%
8. Develop a Fresh Pond Reservation Circulation and Access Plan	n/a	n/a	n/a	50%
9. Implement the Golf Course Stream C Restoration plan	n/a	n/a	n/a	50%

WATER TREATMENT OPERATIONS

PURPOSE & OVERVIEW: The Water Treatment Operations Division is primarily responsible for the operation of the Walter J. Sullivan Water Purification Facility at Fresh Pond. In addition to managing the treatment facility, this division maintains a certified water quality laboratory to support all divisions of the Department. This laboratory provides analytical services for the watershed monitoring program, plant process control, regulatory compliance, distribution system monitoring and a variety of customer support needs (e.g. homeowners, schools and businesses).

FY08 GOALS

- *GOAL 1: Optimize, operate and maintain the Water Treatment Facility.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Update and maintain maintenance and preventive maintenance programs	100%	100%	100%	100%

- *GOAL 2: Provide analytical services through the operation of a certified water quality laboratory.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Perform required Department of Environmental Protection (DEP) analytical testing	100%	100%	100%	100%
2. Total water quality tests performed	60,313	55,000	55,000	55,000
3. Water treatment plant tests performed	52,531	50,100	50,100	50,100
4. Watershed tests performed	2,182	2,000	2,000	2,000
5. Transmission and Distribution tests performed	5,600	4,100	4,100	4,100
6. Update and maintain quality and process controls	100%	100%	100%	100%
7. Perform annual certification performance testing	100%	100%	100%	100%

DEP ASSESSMENT

PURPOSE & OVERVIEW: The City is assessed by the Massachusetts Department of Environmental Protection (DEP) for the cost of administering the Safe Drinking Water Act (SDWA) in Massachusetts. This assessment is collected from all users of public water systems. The assessment makes up the difference between costs of administering the SDWA and the funds available through federal grant and state appropriations. The rate for FY08 is estimated at \$8.50 per million gallons of water usage. The assessment is based on prior year consumption. Our usage for FY07 is projected to be 5.4 billion gallons of water. The major benefit to public water suppliers from this assessment will be to enhance services provided by DEP (e.g., enhanced education and outreach programs, streamlining of existing programs, reduced permit review time and additional one-on-one assistance).

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**WATER
-Transmission & Distribution**

<u>\$2,175,965</u> \$2,175,965	<u>\$2,423,460</u> \$2,423,460
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TRANSMISSION & DISTRIBUTION

\$2,251,245
\$2,251,245

PURPOSE & OVERVIEW: The Transmission and Distribution Division is primarily responsible for the maintenance of the piping systems. The transmission system, which connects the up-country reservoirs to Fresh Pond, consists of 10.5 miles of pipe ranging in size from 30 to 63 inches. The distribution system, which connects the purified water to all of the users, consists of 180 miles of pipe, 14,057 services, 4,447 valves, 1,669 fire hydrants and 18,306 valve and service boxes. This division regularly performs leak detection and preventative maintenance, provides effective emergency response for leaks and low pressure situations and provides assistance and support to customers and other City departments. A partnership is maintained with the Fire Department to ensure the high degree of reliability of fire hydrants throughout the city.

FY08 GOALS

- *GOAL 1: Rehabilitate the water distribution system.*

	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
PERFORMANCE MEASURES				
1. Install, clean and line, and/or replace water mains; number of linear feet	1,380	2,000	2,950	4,000
2. Elimination of parallel old 6" cast iron pipe; number of linear feet	4,410	1,000	3,000	2,500
3. Number of lead services eliminated	118	200	120	120

- *GOAL 2: Ensure the highest degree of fire protection reliability and functionality through hydrant maintenance.*

	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
PERFORMANCE MEASURES				
1. Percentage of in-service hydrants	99.8%	99.8%	99.9%	99.9%
2. Number of fire hydrants replaced	41	30	40	30
3. Fire hydrants tested	100%	100%	100%	100%

- *GOAL 3: Expand and enhance the operation and maintenance of the water infrastructure to minimize the duration of water outages as a result of water main breaks and/or planned shutdowns to facilitate construction activities.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Valves replaced/repaired	28	30	50	40
2. Water mark-outs performed	2,762	3,000	2,770	2,750
3. Inspections performed	276	300	280	300
4. Water leaks found and repaired	74	75	115	85
5. Number of new water services installed	18	15	24	20
6. Number of work orders completed	285	325	290	300

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
\$1,095,570	\$1,121,180	ADMINISTRATION COMMUNITY PLANNING DEVELOPMENT ACTIVITIES	\$1,203,500
\$3,357,550	\$3,514,480		\$3,663,790
<u>\$0</u>	<u>\$0</u>		<u>\$73,640</u>
<u>\$4,453,120</u>	<u>\$4,635,660</u>		<u>\$4,940,930</u>

**COMMUNITY DEVELOPMENT
-Summary**

PURPOSE & OVERVIEW: The Community Development Department is responsible for planning and managing physical change in a manner that best supports the overall diversity of the City. The

Department works with the residential and business communities to improve the quality of life of the city by supporting sustainable growth that contributes to the tax base, expands job opportunities for residents and ensures a high level of services. In addition, the Department seeks to strengthen communication among and between City government, residents, the business community and major institutions.

To support the city's diverse population, the Department creates and preserves affordable rental and ownership housing; works to maintain the character of the city's 13 neighborhoods by undertaking comprehensive planning efforts and conducting review of large projects; retains and attracts businesses, strengthens the vitality of the city's commercial districts and provides assistance to the city's businesses, particularly small, women- and minority-owned businesses; plans transportation infrastructure that encourages walking, cycling and public transportation, enhances safety, and implements the City's vehicle trip reduction goals; renovates neighborhood parks and playgrounds; and protects and enhances the environment through encouragement of environmentally safe and renewable practices.

As the Community Development Department works to attain these goals, a broad array of interests and viewpoints are represented, including those of the Planning Board, the Affordable Housing Trust, citizens and community groups, non-profit organizations, private developers, the business community and other government agencies. The Department provides direct support to a number of standing committees, boards and commissions, and citizens' organizations, which include the Planning Board, the Affordable Housing Trust, the Pedestrian Committee, the Bicycle Committee, the Climate Protection Action Committee, and the interdepartmental open space and transportation committees.

The Department works to advance a variety of community initiatives with the assistance of ad hoc advisory committees including the Lesley University Working Group, and various neighborhood study committees that focus on their immediate locales. The Department also closely cooperates with many committees of the City Council including Ordinance, Housing, Economic Development, Training and Employment, Neighborhood and Long Term Planning, Health and Environment, and Transportation, Traffic and Parking.

A large portion of the Department's work is funded through federal programs including Community Development Block Grant (CDBG), HOME and the Lead Hazard Control Grant.

SIGNIFICANT BUDGET MODIFICATIONS: The FY08 Community Development Budget contains \$14,500 for the purchase of renewable energy certificates in support of the City Council Goal that 20% of the municipal energy load be derived from renewable energy sources by 2010. In addition, \$12,000 has been included to cover increased E-Z Ride Shuttle dues, \$5,500 to conduct the bi-annual commuter survey required by the Department of Environmental Protection and \$4,650 for the purchase of a Costar data base, in conjunction with the Assessing Department, which will allow the City to provide enhanced real estate information to businesses.

FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:

- Completed update of *Toward a Sustainable Future*, the Cambridge Growth Policy document, to reflect major zoning changes, increased development in the life sciences sector, significant residential construction over the past decade, as well as policy advances in areas such as housing, land use, and transportation.
- Convened Lesley University Working Group to provide a forum for neighborhood input into the school's plans for Porter Square, the Agassiz neighborhood, and Neighborhood 9. Completed work with Agassiz Working Group to review and provide input on Harvard Law School's Everett Street building plans.
- Based on analysis of the Prospect Street corridor, forwarded zoning recommendations and new design guidelines to City Council. Received an Urban Forestry grant from the Department of Conservation and Recreation for tree planting along Prospect Street. Commenced a planning study of the Charles River waterfront to increase opportunities for access to the River.
- Completed park improvements at Gold Star Mothers Park in East Cambridge and the Alden Playground at the Baldwin School in the Agassiz neighborhood. Received an Urban Self Help grant from the Massachusetts Executive Office of Environmental Affairs (EOEA) to fund park improvements at the Father Callanan Playground at the Tobin School. Commenced park improvements for new open space at Trolley Square, and began community design process for new open space across from Costa Lopez Park.
- Published Neighborhood 10 Study, including recommendations for improvements to commercial areas along Fresh Pond Parkway and Mt. Auburn Street. Published Neighborhood Study Updates for East Cambridge and Strawberry Hill.
- Conducted design review of development projects citywide, including the M.I.T. dormitory on Albany Street, Mt. Auburn Hospital, Harvard University Law School's Northwest Corner Building, Blessed Sacrament Church conversion to housing, and several large housing development proposals, including Water Street in North Point.
- Completed the sale of more than 60 affordable homeownership units to first-time homebuyers. These units were acquired through the City's first-time homebuyer financial assistance program, the non-profit housing development program, and the City's inclusionary housing program. Through these programs, and with assistance from City staff, more than 160 families have become homeowners in the past four years, including 35 middle income first time homebuyers who have benefited from \$4.6M in deferred loans.

- Worked with local non-profit housing developers to create more than 30 new affordable rental and homeownership units, with funding from the City and the Affordable Housing Trust. New projects include a 16-unit building acquired in Wellington-Harrington, an 8-unit building acquired in East Cambridge, and scattered-site units for first-time homebuyers and renters. Advanced plans for the redevelopment of the former print shop on Harvard Street in Area IV as affordable homeownership housing. Construction began at Columbia Court, a 13-unit homeownership development in Area IV, and continued on the 9 homeownership units at the former VFW on Mass. Ave. in North Cambridge. Construction was completed on 40 affordable rental and homeownership units at Trolley Square, 14 homeownership units at the Gateview Condominiums on Mass. Ave. in North Cambridge, and 6 affordable rental units on Howard Street in Riverside.
- Worked with private developers to create more than 70 new affordable units this year through the City's Inclusionary Housing Program, bringing the total number of units created since 1998 to 450. Units are located in neighborhoods throughout the city and include both rental and first-time homebuyer units.
- Educated nearly 500 Cambridge residents about homeownership at monthly workshops and provided one-on-one counseling to more than 150 individuals, increasing access to homeownership opportunities for Cambridge residents. In addition to the homebuyer education classes, special classes were offered on topics including post-purchase homeowner education and multi-family homeownership. Translators to serve speakers of Spanish, Portuguese, and Haitian Creole were available on request.
- Participated in housing outreach events throughout Cambridge to provide information about the City's housing programs and services including: National Night Out, Danehy Park Family Day, Hoops N Health and Riverfest. Conducted more than 10 information sessions throughout the year to review the application process for more than 80 affordable rental and homeownership units marketed by the Housing Division.
- Assisted more than 50 households through the City's low-interest home improvement loan programs. These loan programs help make home improvements affordable to households that otherwise would be unable to address their needs and help stabilize the residency of low and moderate-income homeowners in the city.
- Published a comprehensive report detailing the work and accomplishments of the Cambridge Affordable Housing Trust.
- Following public forums on issues affecting Harvard Square, convened a series of sub-committee meetings for detailed analysis of issues including physical appearance and ambience, marketing and branding, retail mix, outdoor activities, and information coordination.
- Assisted 38 Cambridge retailers through the Best Retail Practices Program, and provided matching grants for interior and marketing improvements to 10 businesses. Through the Façade Improvement Program, provided matching grants for 15 commercial storefronts and provided architectural design services to 20 additional businesses. Over the last four years, 297 retail businesses have received technical assistance and/or grants through these programs.

- Provided technical assistance to neighborhood-based business associations, including development of promotional materials for events such as “Shop Central Square” for the Central Square Business Association and “Shop Inman By Moonlight” for the Inman Square Business Association. Also provided technical assistance to businesses during the re-construction of the Walden Street Bridge.
- Offered eight educational workshops supporting personal and business financial growth including “Making Your Money Work,” “Steps to Starting Your Own Business,” “Tax Strategies for Small Business,” and “E-Marketing.” Also sponsored intensive entrepreneurial training for startups and business consulting for existing businesses.
- Initiated a new collaboration with the Cambridge Housing Authority to support career training opportunities for five residents to help them obtain jobs in the local Cambridge economy. Continued to support Just A Start’s Cambridge Biomedical Careers Program and the Cambridge Health Alliance Health Care Career Advancement Program. Through these programs, 36 Cambridge residents have upgraded their skills in preparation for jobs in the local health care and bio-medical sectors.
- Participated in the world’s largest biotechnology conference, “Bio2007,” held in Boston in May.
- Published first annual “State of the Cambridge Economy” and provided the report to the businesses and residents of the city.
- Continuing the City’s work in climate protection, enlisted 20 businesses in the Cambridge Climate Leader Program, developed a comprehensive energy efficiency program in collaboration with the Kendall Foundation, developed a plan for purchase and installation of renewable energy to reach the goal that 20% of municipal electricity come from renewable sources by 2010, and held two well-attended energy fairs. Received Environmental Purchasing and Sustainability Award from the Commonwealth of Massachusetts, recognizing the City’s efforts in implementing the Climate Protection Plan.
- Oversaw completion of the Yerxa Road railroad underpass and Porter Square pedestrian and bicycle amenities, and the continuing construction of the Harvard Square Enhancement, Mass. Avenue, and Lafayette Square projects.
- Traffic calming measures were designed for Upland Road, Windsor Street, Rindge Avenue, and Mount Auburn Street. Construction was completed for Huron Avenue and Blanchard Road.
- Completed and published a study of a potential multiuse path along the Grand Junction railroad line; worked on finalizing the design for a path connecting Belmont, Cambridge, and Somerville; and began to plan a conversion of the Purrington St. spur to a multiuse path. In recognition of efforts to improve conditions for pedestrians and encourage walking, received the Cambridge Public Health Department’s Golden Shoe Award.
- Received first EPA Best Workplace for Commuters designation given to a municipality in the Northeast. EZRide, the City- and business-supported shuttle service, increased ridership to approximately 1,000 passengers a day, necessitating an additional bus to accommodate increased demand. Under the City’s Parking and Transportation Demand Management program, monitored the implementation of 32 plans, covering over 5.5 million square feet of commercial development and approximately 30,000 commuting

employees and students.

- Deleted and preserved the affordability of 68 residential units occupied by low or moderate income families, reaching a total of 734 units deleaded since the program began in FY95. Sponsored outreach activities to educate Cambridge residents about lead hazards and mitigation, making contact with over 5,000 individuals at citywide events. In addition, 40 individuals were trained in deleading and lead-safe work practices.

FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$3,242,635
Real Estate Taxes	\$3,242,635	
CHARGES FOR SERVICES		\$296,395
Water Usage Charge	\$30,000	
Parking Fund Parking Usage	\$221,895	
Sewer Service Charge	\$44,500	
LICENSES AND PERMITS		\$55,000
Plan Review Permit (Com Dev)	\$55,000	
FINES & FORFEITS		\$50,000
Parking Fines	\$50,000	
INTERGOVERNMENTAL REVENUE		\$1,128,900
Federal Grants	\$33,305	
C.D.B.G.	\$1,079,410	
State Cherry Sheet Revenue	\$16,185	
MISCELLANEOUS REVENUE		\$168,000
Interest Earnings	\$150,000	
Bus Shelter Advertising	\$18,000	
TOTAL FY08 BUDGETED REVENUE		\$4,940,930

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$4,274,850
OTHER ORDINARY MAINTENANCE	\$571,940
TRAVEL & TRAINING	\$20,500
EXTRAORDINARY EXPENDITURES	\$73,640
TOTAL FY08 BUDGETED EXPENDITURES	\$4,940,930

FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	45	45	45

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**COMMUNITY DEVELOPMENT
-Administration**

\$485,330	\$506,795
\$136,795	\$170,845
\$299,840	\$264,870
<u>\$173,605</u>	<u>\$178,670</u>
\$1,095,570	\$1,121,180

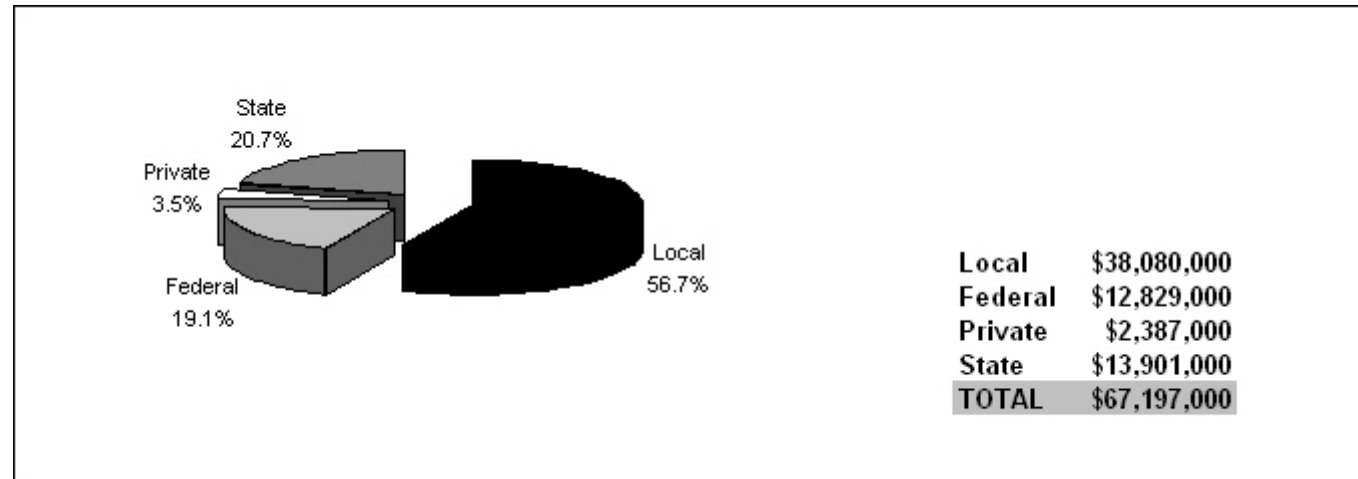
GENERAL MANAGEMENT	\$509,545
CDBG	\$180,310
FISCAL	\$332,175
CLERICAL	\$181,470
	<u>\$1,203,500</u>

PURPOSE & OVERVIEW: The Administration Division provides leadership, financial, regulatory and operational support to the Department. The Administration Division provides policy direction for staff and coordinates with other City departments

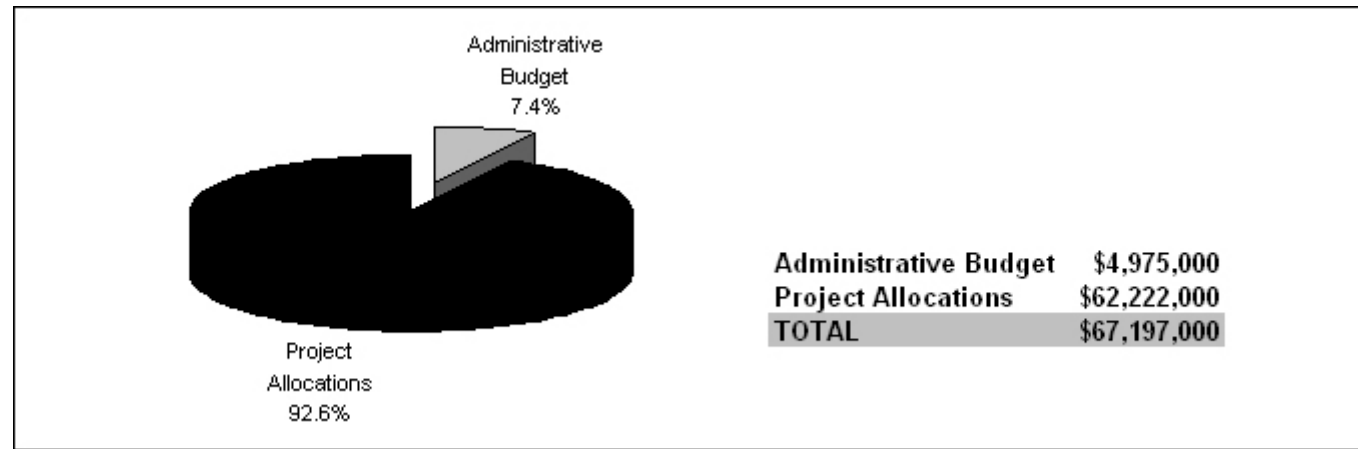
and state and federal agencies. A major priority of this division continues to be providing professional development opportunities to support staff retention and professional growth. The Division also works to promote diversity in the Department's workforce through its hiring, staff evaluation and training activities. In addition to leadership, the Division consists of general management, fiscal management, Community Development Block Grant (CDBG) program management and clerical functions.

The Administration Division manages programs and activities which total \$67,197,000 (as of January 1, 2007) from various sources. In addition to direct program support, these funds may be used to leverage the acquisition of additional state, federal and private funds to supplement local funds. These funds are allocated to achieve the highest levels of service delivery and infrastructure improvement output.

SOURCES OF FUNDS (1/1/07):



ALLOCATION OF AVAILABLE FUNDS (1/1/07):



FY08 GOALS

- **GOAL 1:** *Strongly advocate for improvements in state and federal legislation, regulation and funding for community development programs, particularly CDBG and HOME funding. Provide high quality technical assistance to the Community Development Department staff and the City regarding the best use of CDBG funds to support City objectives.*

- **GOAL 2:** *Provide administrative and operational support for all department operations, including document preparation, administrative assistance in personnel and operational matters, telephone support, and providing information to the public.*

- **GOAL 3:** *Continue ongoing staff performance management and evaluation process.*

- **GOAL 4:** *Provide ongoing professional and technical skills development with particular emphasis on personnel management, project management, public communication and customer service.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of staff receiving training	39	40	40	40

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**COMMUNITY DEVELOPMENT
-Community Planning**

\$1,198,910	\$1,227,220
\$538,605	\$601,395
\$247,280	\$251,120
\$95,565	\$99,595
\$386,785	\$416,455
<u>\$890,405</u>	<u>\$918,695</u>
\$3,357,550	\$3,514,480

PLANNING & DESIGN SERVICES	\$1,269,530
HOUSING PLAN & PROGRAM DEV	\$644,555
MULTI-FAMILY REHAB	\$264,005
JUST-A-START	\$101,515
ECONOMIC & EMPLOYMENT PLAN.	\$435,955
ENVIRONMENTAL/TRANSPORTATION	<u>\$948,230</u>
	\$3,663,790

PURPOSE & OVERVIEW: The goal of the Community Planning Division is to enhance the living environment for Cambridge's highly diverse population by providing professional planning and design services in the areas of zoning, urban design, neighborhood planning, parks and open space, data/geographic information and

graphics. This work includes conducting citywide and neighborhood planning studies, renovating and developing parks and open space, and providing information and technical assistance to the City's residents, property owners, developers and neighborhood groups. The Division works with the Planning Board to provide planning information and to facilitate public participation, urban design review, and analysis of special permit applications and proposed zoning ordinance amendments.

These planning activities are coordinated with City departments and other institutional, state and federal agency participants. Such planning requires a set of preliminary assessments and strategies to ensure that all participants, especially low and moderate-income residents, are involved in the process, from setting goals and priorities through implementation. Projects may be initiated by the City, neighborhood groups or non-profit organizations in response to identified needs of the neighborhood. Planning work may also involve integrating into the City's plans the goals of other entities, such as developers, institutions or other government agencies.

FY08 GOALS

- *GOAL 1: Provide planning information and assistance to the general public, property owners and project developers. Provide interpretation of the zoning ordinance and information on the outcome of Board of Zoning Appeal (BZA) and Planning Board cases. Provide urban design and planning information on the City or on current planning policy. Provide information on status of zoning amendments before the City Council and on zoning-related services provided by the Department or the City.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Provide public with information on planning, zoning or Planning Board cases (number of responses)	1,875	1,650	1,750	1,700

■ *GOAL 1: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
2. Act as City Liaison to neighborhood/citywide committees (number of meetings)	94	100	100	100

■ *GOAL 2: Review urban design improvements and master plans. Work with residents, property owners, developers and appropriate local, state, and federal agencies to ensure that all public improvements or private development represents high quality urban design.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Provide urban design and master planning services for a variety of projects and development areas throughout the City (number of projects reviewed)	38	30	35	30

■ *GOAL 3: Staff and assist the Planning Board in conducting its duties as it approves special permits. Research and develop appropriate amendments to the Zoning Ordinance.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of applications for Special Permits and Major Amendments to Special Permits processed and reviewed	14	12	12	12
2. Number of proposed amendments to the Zoning Ordinance processed and reviewed	10	6	7	8
3. Number of Planning Board meetings staffed. Review plans, provide research and materials, public notice and minutes	20	24	24	24

■ *GOAL 3: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
4. Identify sections of the Zoning Ordinance text requiring modification for technical reasons (number of zoning proposals)	2	3	3	3

■ *GOAL 4: Provide park and open space planning, design and construction supervision services for City parks and other open space initiatives. Work with residents and Open Space Committee to determine appropriate design. Prepare conceptual and construction drawings, contract documents and specifications for parks and open space projects throughout the city.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Value of construction contracts under supervision	\$1.25M	\$2M	\$1.8M	1.4M
2. Number of park renovations in design or construction phase	5	4	6	4
3. Number of projects on which staff provided technical assistance to other City departments regarding open space	9	6	9	6
4. Work with Open Space Committee, residents and public on open space initiatives such as seeking grant funding and enhancing online open space information (number of initiatives)	4	3	3	3
5. Work with Open Space Committee to update and complete 5-year Open Space and Recreation Plan (percent complete)	n/a	n/a	15%	100%

- GOAL 5:** *Conduct planning studies with residents, businesses and other affected parties to address significant planning issues such as zoning, urban design, housing, economic development, and open space. Working with the participants, develop recommendations and action plans. Conduct regular meetings on planning goals and progress on implementation.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Conduct neighborhood studies and regular updates (number of planning efforts under way)	3	3	3	3
2. Work with Lesley University Working Group on issues related to development in Porter Square, Neighborhood Nine and Agassiz areas (percent complete)	n/a	n/a	20%	85%
3. Initiate study of Neighborhood 10 and other commercial areas to protect ground floor retail (percent complete)	n/a	n/a	15%	85%
4. Work with neighborhoods bordering Charles River to develop recommendations for River Basin area or commence similar neighborhood study effort (percent complete)	n/a	30%	30%	90%
5. Work with City Departments to develop standardized specifications for the City's lighting inventory and address issues of optimal lighting, design, energy efficiency, and ease of maintenance (percent complete)	n/a	n/a	25%	100%

- **GOAL 6:** *Continue to increase the quality and availability of planning-related information to Department staff, other City departments, residents, property owners, developers, state and federal agencies. Conduct research and analysis for Department on economic development, housing and zoning. Provide graphic design services for the Community Development Department and other City departments.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Design and update GIS maps for Department analysis and public information (number of maps)	182	200	200	200
2. Public information materials and reports designed in support of Department's public outreach	94	90	80	80
3. Provide research and analysis for major Department initiatives (number of projects)	7	5	7	5
4. Enhance Department Web site to provide improved public information and outreach (number of major programs and projects added or significantly updated)	8	12	12	12
5. Analyze and present demographic, land use, and other information to City staff, elected officials and others (number of presentations)	5	4	4	4

HOUSING

PURPOSE & OVERVIEW: The Housing Division promotes and finances the development of affordable rental and homeownership housing; creates new opportunities for first-time homebuyers through education, counseling, and financial assistance; preserves and monitors the long-term affordability of existing affordable housing; improves the City's housing stock through low-interest loans to owners; develops and implements initiatives designed to increase the supply of affordable housing such as the inclusionary and incentive zoning programs; supports nonprofits in the development, rehabilitation, and management of affordable housing; coordinates with federal and state governments to leverage additional housing resources; and provides planning assistance and public information related to housing issues. The Housing Division will continue to provide housing programs and services for residents in response to continued high housing costs unaffordable to low, moderate, and middle-income residents.

FY08 GOALS

- *GOAL 1: Increase and preserve the supply of affordable housing by financing the acquisition, rehabilitation, and new construction of rental and homeownership units; administering the inclusionary zoning ordinance; preserving units with expiring use restrictions; providing low-interest home improvement loans to owners; promoting affordable unit set-asides from private owners under the Multifamily Rehab Program; and creating new programs to increase the supply of affordable housing in Cambridge.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of affordable rental units under development	26	40	40	30
2. Number of affordable homeownership units under development	26	20	20	30
3. Number of units in 1-4 family owner occupied buildings rehabbed (HIP program)	42	40	40	40
4. Number of privately-owned units set aside under multifamily rehab program (CNAHS)	5	10	10	10
5. Number of affordable units created through inclusionary zoning ordinance	152	100	100	70
6. Number of Harvard loan fund-assisted units	14	10	20	10
7. Work with Cambridge Housing Authority to develop planning strategy to address current funding shortfalls in state-assisted public housing stock (percent complete)	n/a	n/a	20%	100%

- **GOAL 2:** *Improve first-time buyer services by providing first-time homebuyer classes and individual counseling. Continue to offer and expand the availability of purchaser financial assistance such as soft second mortgage loans, and assist homebuyers in purchasing units.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of four-session First Time Homebuyer classes offered	10	10	10	10
2. Number of Special Homebuyer Classes (e.g., multi-family, post-purchase, second language)	3	3	3	3
3. Number of course participants	516	475	475	475
4. Number of Cambridge residents receiving individual counseling	163	150	150	150
5. Number of households assisted with purchasing units in Cambridge (soft second loans, downpayment assistance, new unit sales, unit re-sales, technical assistance, etc.)	54	30	40	50
6. Number of units purchased by first-time homebuyers with assistance from the Financial Assistance Program	10	8	8	8

- **GOAL 3:** *Improve information, referral and outreach services to Cambridge residents; maintain mailing list and notify residents about affordable rental and homeownership opportunities; and attend community events to publicize housing opportunities.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of responses to requests for information and referral services	7,562	3,600	3,600	4,000
2. Number of households added to database/ mailing list	726	400	510	400
3. Number of community outreach and educational events participated in	6	6	6	6

■ *GOAL 3: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
4. Number of projects provided with technical assistance for inclusionary zoning	11	10	10	10

■ *GOAL 4: Maximize the use of City housing funds, including the Cambridge Affordable Housing Trust, Community Preservation Act (CPA), CDBG, HOME, and Harvard Loan funds. Efficiently manage ongoing housing programs, including: affordable rental and homeownership programs, Home Improvement Program (HIP); Cambridge Neighborhood Apartment Housing Services (CNAHS); Rehab Assistance Program (RAP); and Housing Services Program. Provide effective loan management and construction management services to development projects.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Value of construction contracts managed by City rehab staff	\$18.9M	\$15M	\$20M	\$15M
2. Number of youths trained via Rehab Assistance Program (RAP)	177	125	144	125
3. Number of clients assisted through landlord and tenant counseling and mediation services under Housing Services Program	420	400	400	400
4. Work with nonprofit developers to evaluate project feasibility (number of sites and/or development proposals evaluated)	20	15	17	15

- *GOAL 5: Develop new housing initiatives to meet the need for affordable housing, especially housing for families with children, and the goal of maintaining a diverse population.*

- *GOAL 6: Establish and maintain asset management function for Trust, CDBG, HOME, DHCD, Inclusionary Zoning, and Harvard loan portfolio. Manage and monitor compliance with loan terms and deed restrictions on first-time homebuyer units and nonprofit-owned rental developments.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Perform asset management functions for Inclusionary Zoning, nonprofit-owned housing, and HOME, CDBG and Affordable Housing Trust-funded units (number of units monitored)	1,009	650	650	800
2. Number of units marketed by CDD, including Inclusionary Zoning, resale units, etc.	87	60	75	80
3. Number of applications processed for units marketed by CDD	596	400	400	500

ECONOMIC DEVELOPMENT

PURPOSE & OVERVIEW: The Economic Development Division provides support to the Cambridge business community through a variety of programs and activities. A healthy business climate not only benefits individual enterprises, but also generates jobs, tax revenue and supports an array of goods and services. The Division provides services in the following areas: commercial district revitalization (including the popular Façade Improvement and Best Retail Practices programs); technical assistance to existing and start-up entrepreneurs through an extensive series of workshops, such as “Steps to Starting a Business,” and “Tax Review for Small Business;” support for women - and minority - owned businesses; programs to encourage workforce development, especially in the biotech and health care fields; and real estate information in support of the City’s development districts and neighborhood retail areas.

FY08 GOALS

- *GOAL 1: Cultivate a supportive environment for business, with particular emphasis on small, women - and minority - owned businesses.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of business development events	4	4	4	4
2. Total number of small, minority - and women - owned businesses provided with business development services, including referrals to business and financial resources, start-up feasibility analyses, and business plan assistance	137	125	125	125
3. Provide Minority and Women-owned Business Directory online for Web accessibility and updates (percent complete)	n/a	n/a	n/a	100%
4. Publish electronic bulletin for Cambridge small businesses that includes information on programs and services, economic data, and business resources (number of electronic communications sent)	4	4	4	4
5. Total number of low-moderate income participants in financial literacy, e-commerce, marketing & promotions, pre-business and business planning workshops supported by the City in collaboration with non-profit agencies	61	75	75	75

■ *GOAL 2: Promote thriving commercial districts.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of facade or signage and lighting improvements completed	20	12	20	20
2. Number of businesses provided with exterior design services and information on accessibility, permitting, financing, and working with contractors	27	20	20	20
3. Number of small businesses served by Best Retail Practices program workshops and individual consultations	43	45	45	45
4. Number of small businesses provided with Best Retail Practices program grants to implement design and marketing recommendations	7	10	10	10
5. Provide technical assistance to Cambridge business associations, organizations, and neighborhood groups (number of initiatives)	14	12	15	12
6. Collaborate with neighborhood and business groups and property owners to identify vacancies and gaps in the retail mix, and solicit targeted businesses to complement the mix (number of contacts initiated)	25	25	35	30

- *GOAL 3: Support efforts to sustain a diverse array of employment opportunities accessible to Cambridge workers.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Continue to support Just A Start biomedical training and Cambridge Health Alliance healthcare career advancement programs to prepare adults for higher quality jobs in the Cambridge economy (number of participants enrolled in programs)	38	30	31	31
2. Create Cambridge Housing Authority Adult Resident Training Program to prepare Housing Authority residents for higher skilled jobs (number of participants enrolled)	n/a	n/a	n/a	5

- *GOAL 4: Monitor changes and trends in the Cambridge real estate market. Promote a real estate market that offers a diverse array of options for the development and leasing of business properties of different sizes, use categories and price ranges.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Track available commercial space and assist with site searches to market vacant commercial properties to optimize commercial mix (number of searches completed)	61	35	35	50
2. Maintain and publish a development log of projects to facilitate communication with other City departments (number of logs published)	4	4	4	4

■ *GOAL 5: Market Cambridge as a location for business.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Participate in conferences and trade events to attract and retain targeted businesses to Cambridge, with emphasis on biotech and life science companies (number of events)	6	10	8	8

■ *GOAL 6: Maintain a supportive business climate.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of new local businesses provided with information regarding economic development services available through the City	450	300	500	450
2. Convene economic development focus groups to provide input on existing and potential Economic Development programs (number of meetings)	n/a	n/a	n/a	4
3. Develop Economic Development annual report concerning state of the local economy (percent complete)	n/a	n/a	n/a	100%

ENVIRONMENTAL AND TRANSPORTATION PLANNING

PURPOSE & OVERVIEW: The Environmental and Transportation Planning Division plans transportation infrastructure projects with a special emphasis on pedestrian and bicycle facilities, traffic calming and transit access; implements vehicle trip reduction measures to improve safety and reduce congestion and pollution; participates in regional transportation initiatives that improve mobility; reviews development proposals to ensure that the city’s neighborhoods are protected and appropriate mitigation measures are implemented; promotes activities that increase the availability and use of renewable energy and other practices in support of the City’s Climate Protection Plan; and prevents childhood lead poisoning by removing lead paint from residential structures and yards.

FY08 GOALS

- *GOAL 1: Educate residents about the health and community benefits of travel by means other than single occupancy vehicles and the importance of respecting all road users.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of publications distributed	26,200	16,000	20,000	20,000
2. Number of transportation educational/promotional initiatives organized or participated in	16	10	11	10

- *GOAL 2: Reduce impacts caused by motor vehicles through Transportation Demand Management (TDM) program measures, promotion of alternative fuel and low-emissions vehicles, analysis of cumulative traffic impacts and review of proposed traffic mitigation strategies for new development projects.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of employers and large residential property owners consulted on implementing TDM program elements	38	40	40	40
2. Number of Parking and Transportation Demand Management (PTDM) plans and special permits reviewed and/or monitored for compliance	40	40	40	45
3. Number of City employee enrollments in MBTA pass subsidy program and other TDM incentives	572	600	600	625
4. Number of traffic impact studies, site plans, and park plans reviewed to ensure that they further the City's transportation goals	13	10	13	10

- **GOAL 3:** *Plan, advocate for, and implement improvements to enhance safety and encourage walking, bicycling, and public transportation use.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of traffic calming projects designed	5	4	5	4
2. Number of recent infrastructure and transit service improvements evaluated, including traffic calming projects	1	3	3	3
3. Number of projects undertaken or involved in to support and enhance conditions for bicycling, walking, and/or use of public transportation	6	6	9	6
4. Number of regional transportation planning projects or processes participated in	10	10	13	10

- **GOAL 4:** *Reduce energy use and greenhouse gas emissions, protect natural resources, and reduce potential human exposure to toxic substances.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of community initiatives engaged in to implement Climate Protection Plan	n/a	n/a	3	3
2. Number of businesses enrolled in Climate Leader program	n/a	n/a	15	20
3. Number of initiatives engaged in to reduce municipal greenhouse gas emissions	n/a	n/a	3	3
4. Number of major projects and sites requiring environmental review or management worked on	10	10	10	10

- **GOAL 5:** *Work with representatives from the community, state agencies and other City departments to design and implement major infrastructure projects.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of infrastructure projects under design	4	3	5	4
2. Number of construction projects where CDD assists in design oversight, including Lafayette Square/ Massachusetts Ave., Harvard Square and Blanchard Road	5	5	5	4

- **GOAL 6:** *Involve community in design and implementation of environmental and transportation policies and projects.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of public meetings hosted/ staffed with standing committees	43	34	42	36
2. Number of project-specific community meetings hosted/staffed or presentations to community groups	45	20	24	24

- **GOAL 7:** *Continue to create lead-safe, affordable housing in the City of Cambridge, through Lead-Safe Cambridge (LSC) financial, technical, relocation, and medical assistance, and to prevent childhood lead poisoning through outreach and education.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of private, residential affordable units deleaded	38	60	60	60
2. Number of private, residential affordable units receiving landscaping services to treat leaded soil	21	27	25	25

■ *GOAL 7: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
3. Number of eligible LSC dealeded units monitored for compliance with affordable housing covenant	301	425	425	400
4. Number of community events sponsored or participated in	47	40	38	40
5. Number of individuals contacted at community events, trainings, and workshops	5,519	5,000	5,000	5,000

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**COMMUNITY DEVELOPMENT
-Development Activities**

<p style="text-align: center;"><u>\$0</u> \$0</p>	<p style="text-align: center;"><u>\$0</u> \$0</p>	<p style="text-align: center;">CONTINGENCY</p> <p>principally for unforeseen overruns in already funded projects. This \$73,640 appropriation will be used to ensure the realization of affordable housing, neighborhood business development and open space projects undertaken during the fiscal year, since estimated costs are frequently lower than the actual cost of completing a project.</p>	<p style="text-align: center;"><u>\$73,640</u> \$73,640</p>	<p>This allotment represents the Community Development Block Grant (CDBG) contingency for FY08 and is reserved</p>
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ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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HISTORICAL COMMISSION

<u>\$469,650</u> \$469,650	<u>\$489,675</u> \$489,675
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<p style="text-align: center;">HISTORICAL COMMISSION</p> <p>preservation programs that protect more than 3,000 buildings in two historic and five neighborhood conservation districts, 27 individual landmarks, and 40 properties covered by preservation restrictions. In addition, the Commission is responsible for reviewing demolition applications for buildings over 50 years old and can protect significant buildings for a limited time to seek preservation alternatives. Restoration of historic public areas, such as the Revolutionary-era Fort Washington, the Old Burying Ground and Flagstaff Park, is an ongoing responsibility. The Commission also maintains City monuments and statues and installs historic markers at sites throughout the city. Staff meets with homeowners, developers and local groups to encourage preservation options and offer technical advice on preservation issues and historic exterior paint colors. The Commission also offers preservation grants to low- and moderate-income homeowners, affordable housing agencies, and non-profit organizations that own historically or architecturally significant buildings. Community Preservation Act (CPA) funds continue to have a beneficial impact on this program by greatly increasing both the number and amount of grants available. The Commission's educational and informational programs benefit children and adults in local schools and community groups. The Commission maintains an archive of the City's architectural and social history, including information on every building in the city, historic photographs and maps, and biographical material on many Cambridge individuals. The Commission's publications program includes histories of the architecture and development of Cambridge neighborhoods and an ongoing oral history project.</p> <p>FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:</p> <ul style="list-style-type: none"> • Conducted design review of several large projects in neighborhoods throughout Cambridge, including: 121, 163, and 164 Brattle, 1460 Cambridge, 9 Sparks, and 16 Lancaster streets, and 1581-1583 and 1587 Massachusetts Avenue (relocation). • Supported historic preservation projects with grants from CPA funds, including: exterior restoration of seven affordable housing projects (\$225,000); planned restoration of City-owned historic structures and landscapes, including the City Council Chamber (\$75,000), Engine 5 in Inman Square (\$100,000), and O'Connell branch library windows (\$50,000); and completed restoration of the base of the monumental flagpole in Flagstaff Park (\$11,840) and the historic concrete block wall at Brattle and Craigie streets (\$190,000). Provided \$245,000 for restoration of historically or architecturally significant buildings owned by non-profit organizations, including: roof and window repairs at Massasoit Lodge, 55 Bishop Allen Drive (\$11,840) and Margaret Fuller House, 71 Cherry Street (\$50,000); masonry work at Castle School, 298 Harvard Street (\$10,000); and restoration of stained glass windows at Old Cambridge Baptist Church, 1151 Mass. Ave. (\$50,000) and Faith Lutheran Church, 311 Broadway (\$50,000). 	<p style="text-align: center;"><u>\$491,095</u> \$491,095</p>
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PURPOSE & OVERVIEW: Established in 1963, the Cambridge Historical Commission (CHC) administers comprehensive historic preservation programs that protect more than 3,000 buildings in two historic and five neighborhood conservation districts, 27 individual landmarks, and 40 properties covered by preservation restrictions. In addition, the Commission is responsible for reviewing demolition applications for buildings over 50 years old and can protect significant buildings for a limited time to seek preservation alternatives. Restoration of historic public areas, such as the Revolutionary-era Fort Washington, the Old Burying Ground and Flagstaff Park, is an ongoing responsibility. The Commission also maintains City monuments and statues and installs historic markers at sites throughout the city. Staff meets with homeowners, developers and local groups to encourage preservation options and offer technical advice on preservation issues and historic exterior paint colors. The Commission also offers preservation grants to low- and moderate-income homeowners, affordable housing agencies, and non-profit organizations that own historically or architecturally significant buildings. Community Preservation Act (CPA) funds continue to have a beneficial impact on this program by greatly increasing both the number and amount of grants available. The Commission's educational and informational programs benefit children and adults in local schools and community groups. The Commission maintains an archive of the City's architectural and social history, including information on every building in the city, historic photographs and maps, and biographical material on many Cambridge individuals. The Commission's publications program includes histories of the architecture and development of Cambridge neighborhoods and an ongoing oral history project.

- Completed three studies and submitted reports and recommendations to the City Council: Lower Common Neighborhood Conservation District (NCD) study; Avon Hill NCD boundary and administration study; and Marsh/Half Crown NCD consolidation study.
- Completed the landmark designation of the Wiswall-Orne House (1803-04) at 107 Auburn Street, which is a rare and substantially intact example of a rear-wall chimney Federal era house, with significant associations with the Orne and Stone families, especially Caroline Frances Orne, the City's first public librarian. Completed the landmark designation study report for the Garment District, 200 Broadway (historically, Lysander Kemp & Sons), the only known structure remaining in Cambridge associated with soap manufacturing, once one of the city's largest industries. Executed a preservation restriction for the historic Parsons Building and surgical wing at Mount Auburn Hospital.
- Continued work on the oral history, *World War II and the Home Front*. Conducted over 100 interviews with veterans and civilians on the home front, including defense industry workers, medical and USO personnel; began transcription and editing of interviews to be included in the publication; and wrote brief histories of battles and war-related sites.
- Conducted a training seminar for members of the Cambridge Historical Commission and Neighborhood Conservation District Commissions, including presentations on due process, conflict of interest, deportment at public meetings, and architectural design review.
- Processed and created a research aid for the papers of Albert B. Wolfe, chair of the Cambridge Historic Districts Study Committee (1962) and the Historical Commission (1963-1973). The collection records the establishment of the City's historic preservation program and architectural survey; the adjudication of 40 precedent-setting historic preservation cases; and Mr. Wolfe's extensive correspondence with others in the field of historic preservation.
- Helped organize and present *Cambridge Discovery Days*, free walking tours on July 1 and 8, 2006, on a variety of topics in neighborhoods throughout the city. Led by more than 20 volunteer guides, the tours attracted over 400 participants. The walks were sponsored by the Historic Cambridge Collaborative, an informal group of non-profit institutions (including the CHC) organized to develop public programs that promote an appreciation of Cambridge history.

FY08 GOALS

- GOAL 1:** *Preserve the integrity of Cambridge's built environment by administering historic districts, neighborhood conservation districts, landmarks, and protected buildings through public hearings and staff review. The volume of applications is subject to economic conditions and activity in the real estate market.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Total number of applications reviewed by staff	366	350	342	360
2. Number resolved administratively	271	235	239	249
3. Number requiring public hearing	95	115	103	111

- GOAL 2:** *Advocate for the preservation of 50+ year old buildings important to Cambridge's social and architectural history through review of demolition permit applications. The volume of applications is subject to economic conditions and activity in the real estate market.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Total number of applications reviewed by staff	36	40	55	59
2. Number resolved administratively	21	26	33	36
3. Number requiring public hearing	15	14	22	23

- GOAL 3:** *Protect significant buildings through landmark designations and easement donations. Landmark designations protect buildings by order of the City Council; easement donations accomplish the same goal, with potential additional benefits to the property owner. Landmark designation studies sometimes result in the donation of an easement.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Total number of buildings protected as landmarks	26	29	27	29
2. Total number of buildings protected by easements	39	41	40	42

- *GOAL 4: Support neighborhood preservation by working with area residents requesting the establishment of new historic and neighborhood conservation districts (NCD).*
- *GOAL 5: Promote excellence in historic preservation practices through continuing technical assistance to homeowners, institutions, public agencies and commercial property owners. Assist homeowners in choosing historically appropriate exterior paint colors.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. On-site consultations with homeowners, institutions, public agencies, and businesses	178	160	162	166
2. Number of paint consultations	52	40	44	46

- *GOAL 6: Mitigate impacts on historic resources by participating in state and federal review procedures. The volume of reviews is subject to economic conditions and activity in the real estate market.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of environmental assessments performed under state and federal statutes	30	25	34	36

- *GOAL 7: Support affordable housing programs by providing financial assistance for exterior restoration to low- and moderate-income homeowners and housing rehab agencies. Community Preservation Act funds now allow grants of up to \$30,000 for homeowners and up to \$100,000 for agencies.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of grants to affordable housing agencies	4	8	10	10

- *GOAL 8: Support municipal and non-profit owners of historically or architecturally significant buildings by providing financial assistance for exterior restoration through Community Preservation Act funds.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of grants to City-owned buildings/landscapes	5	5	8	8
2. Number of grants to buildings owned by nonprofit agencies	4	8	8	8

- *GOAL 9: Maintain an active publications program to foster community awareness of Cambridge history.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. CHC selecting photographs and maps and writing captions. Publisher to design and print book	65%	100%	90%	100%

- *GOAL 10: Prepare for publication an oral history of World War II and the home front in Cambridge, in collaboration with the Veteran's History Project at the Library of Congress/American Folklife Center.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Transcribe recordings of oral history interviews	n/a	n/a	58	42
2. Edit transcribed interviews to be used in publication for content and length	n/a	n/a	5	100
3. Write narratives and complete manuscript for outside editor	n/a	n/a	n/a	80%
4. Staff and professional editor prepare manuscript for publisher	n/a	n/a	n/a	25%

- *GOAL 11: Provide learning opportunities to Cambridge residents and visitors through presentations about the City's architectural and social history in schools, to neighborhood groups and at public meetings. Continue to support neighborhood vitality through the placement of historic site markers.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of programs	76	70	36	42
2. Estimated audience	2,656	2,500	1,092	1,258

- *GOAL 12: Assist members of the public using the Commission's archive of Cambridge architectural and social history.*

- *GOAL 13: Enhance department Web site to provide improved public information and outreach.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of major functional or content additions	21	18	16	16
2. Number of page views at CHC Web site (page views are visits to a single page on a Web site)	n/a	350,000	400,535	450,585

FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$481,095
Real Estate Taxes	\$481,095	
INTERGOVERNMENTAL REVENUE		\$5,000
C.D.B.G.	\$5,000	
MISCELLANEOUS REVENUE		\$5,000
Royalties	\$5,000	
TOTAL FY08 BUDGETED REVENUE		\$491,095

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$462,915
OTHER ORDINARY MAINTENANCE	\$27,380
TRAVEL & TRAINING	\$800
EXTRAORDINARY EXPENDITURES	\$0
TOTAL FY08 BUDGETED EXPENDITURES	\$491,095

FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	5	5	5

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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CONSERVATION COMMISSION

<u>\$89,245</u> \$89,245	<u>\$92,015</u> \$92,015
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<p>CONSERVATION COMMISSION</p> <p>resources through regulatory review, planning, environmental monitoring and education. In pursuing these goals, the Commission undertakes a wide array of activities. The Commission administers the Massachusetts Wetlands Protection Act Regulations, by reviewing, permitting, and inspecting projects proposed in or near Cambridge's wetlands, floodplains and water bodies. Related to this, the Commission plays an important role in the implementation of the Massachusetts Stormwater Management Policy and Standards for development projects located near sensitive natural resources. The Commission also assists with the interdepartmental review of Environmental Impact Reports, other state and federal environmental documentation, and permit applications for projects that may impact Cambridge or its water supply. The Commission regularly provides technical assistance to other City departments and local advocacy groups on natural resources and environmental planning issues, and works with regional, state and federal agencies and community groups to address issues of both short and long-term environmental concern. The Commission also coordinates the 14 community gardens which serve approximately 460 Cambridge gardeners each year. The seven members of the Conservation Commission are appointed by the City Manager to three-year terms, and are served by one permanent staff person. The Director of the Conservation Commission also serves as a member of the Fresh Pond Advisory Board (FPAB), member of the Open Space Committee, administrator of the Community Gardens Program, member of the ABC Flooding Board, and coordinator for the Open Space Preservation component of the Community Preservation Act (CPA).</p> <p>FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:</p> <ul style="list-style-type: none"> • In FY07, the Director worked with City departments, businesses, developers and other groups in Cambridge to fulfill statutory requirements under the Massachusetts Wetlands Protection Act, through holding public meetings and hearings, issuance of permits, monitoring of construction activities and issuance of certificates of compliance. In addition, the Director provided time and training to new and existing members of the Commission. • The Commission participated in trainings offered by the Massachusetts Association of Conservation Commissions (MACC) as well as its annual conference. As a member of the FPAB, the Director participated in the implementation of the Fresh Pond Master Plan including, but not limited to, contract administration, public outreach and volunteer opportunities. • Served on the City of Cambridge Open Space Committee with representatives from the City Manager's Office, Community Development, Recreation, Public Works and Electrical Departments. The purpose of this Committee is to guide open space projects and develop open lines of communication between City departments. 	<p><u>\$85,045</u> <u>\$85,045</u></p>
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PURPOSE & OVERVIEW: The Conservation Commission's purpose is to protect and enhance the City's natural resources through regulatory review, planning, environmental monitoring and education. In pursuing these goals, the Commission undertakes a wide array of activities. The Commission administers the Massachusetts Wetlands Protection Act Regulations, by reviewing, permitting, and inspecting projects proposed in or near Cambridge's wetlands, floodplains and water bodies. Related to this, the Commission plays an important role in the implementation of the Massachusetts Stormwater Management Policy and Standards for development projects located near sensitive natural resources. The Commission also assists with the interdepartmental review of Environmental Impact Reports, other state and federal environmental documentation, and permit applications for projects that may impact Cambridge or its water supply. The Commission regularly provides technical assistance to other City departments and local advocacy groups on natural resources and environmental planning issues, and works with regional, state and federal agencies and community groups to address issues of both short and long-term environmental concern. The Commission also coordinates the 14 community gardens which serve approximately 460 Cambridge gardeners each year. The seven members of the Conservation Commission are appointed by the City Manager to three-year terms, and are served by one permanent staff person. The Director of the Conservation Commission also serves as a member of the Fresh Pond Advisory Board (FPAB), member of the Open Space Committee, administrator of the Community Gardens Program, member of the ABC Flooding Board, and coordinator for the Open Space Preservation component of the Community Preservation Act (CPA).

- In administering the Cambridge Community Garden program, informational materials and maps were distributed to interested residents and City staff. Coordinated the upgrade of existing gardens to include closed composting systems and ADA compliant raised garden beds.
- The work of the Arlington-Belmont-Cambridge (ABC) Flooding Board continued in FY07 to collect, distribute and analyze data associated with the Alewife Sub-Watershed.
- Created the powerpoint presentation for the Open Space Preservation component of the CPA, and attended all associated meetings and hearings associated with the recommendations of the CPA committee.
- Contributed to efforts by federal and state regulatory agencies, and local watershed groups to improve water quality in the Charles River and Alewife Brook watersheds. The Commission worked with other City departments in cooperation with the U.S. Environmental Protection Agency (EPA) and Massachusetts Water Resources Authority (MWRA) on efforts to make the Charles River “fishable and swimmable.”

FY08 GOALS

- *GOAL 1: Fulfill statutory requirements under the Massachusetts Wetlands Protection Act.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of public meetings/ hearings	36	32	32	32
2. Number of permits issued	18	15	15	15
3. Number of site inspections	112	100	110	100

- *GOAL 2: Administer and enhance the Community Gardens Program.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of gardens on public land	7	7	7	7
2. Number of gardens on private land	7	7	7	7
3. Estimated number of gardeners	460	460	460	475

- **GOAL 3:** *Assist with implementation of the Fresh Pond Master Plan through continued work with the Fresh Pond Master Plan Advisory Board and coordination with Water Department staff.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of public meetings	9	9	9	9
2. Number of projects being administered	3	4	4	2
3. Number of site inspections	28	25	25	25

- **GOAL 4:** *Work with the IT Department to update the Conservation Commission Web page. The Web page includes agendas and meeting minutes and functions to address the questions and concerns of the Cambridge community.*
- **GOAL 5:** *Assist the City Manager's Office with the administration of the Open Space Community Preservation Act resources.*

FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$60,415
Real Estate Taxes	\$60,415	
CHARGES FOR SERVICES		\$24,630
Water Usage Charge	\$23,130	
Conservation Comm	\$1,500	
TOTAL FY08 BUDGETED REVENUE		\$85,045

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$80,560
OTHER ORDINARY MAINTENANCE	\$3,525
TRAVEL & TRAINING	\$960
EXTRAORDINARY EXPENDITURES	\$0
TOTAL FY08 BUDGETED EXPENDITURES	\$85,045

FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	1	1	1

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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PEACE COMMISSION

<p><u>\$80,235</u> \$80,235</p>	<p><u>\$81,550</u> \$81,550</p>
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<p style="text-align: center;">PEACE COMMISSION</p> <p>\$83,680 \$83,680</p> <p>PURPOSE & OVERVIEW: The Cambridge Peace Commission's mission is to promote peacemaking within Cambridge, at the personal, neighborhood and citywide level. Originally established in 1982 to confront the concerns of nuclear war, the Commission has expanded its mission to challenge local forms of discrimination that foster violence and to promote ideas and programs that affirm diversity and build community within our city. Dedicated to the concept of thinking globally and acting locally, the Commission connects international issues with Cambridge. The Commission is a resource linking peace organizations, social justice efforts, anti-violence coalitions, communities and the municipal government. Its unique presence in Cambridge city government marks the city as a beacon for innovative, creative and inclusive approaches that value an engaged, informed, and concerned citizenry.</p> <p>FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:</p> <p>The Commission has addressed violence and promoted peace and justice in schools through:</p> <ul style="list-style-type: none"> • Working with the Peaceable Schools Group to organize a summer institute entitled “I=We”, equipping educators and community workers with tools, information and relationships for leadership, excellence and equity. • Working with the principal, deans, School Committee and staff at CRLS to introduce restorative justice principles and practices through a series of meetings, writing and a summer workshop. • Designing and co-leading, with the Health Coordinator, a 5-part introductory series on restorative justice practices for CRLS staff, students and community people. Supporting a diverse team to evaluate different models and pilot ideas for circles and panels. • In cooperation with CRLS administrators, guidance staff, career resource personnel and the School Committee, created policy, practices and resources advising students, parents and the guidance staff of the opt-out options for contact with military recruiters, the implications of military recruitment and alternatives available to ensure full student “choice.” • Coordinating the Youth Peace and Justice Corps (PJC) staff and student leaders, a project including a group of diverse CRLS students equipped with skills, relationships, awareness and action for self-esteem, social justice and peace, through meetings, reunions, retreats and opportunities for networking. • Presenting a series of workshops with CRLS classes on the roots of violence, restorative justice, community-building and participating in the Forum on Discrimination.
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PURPOSE & OVERVIEW: The Cambridge Peace Commission's mission is to promote peacemaking within Cambridge, at the personal, neighborhood and citywide level. Originally established in 1982 to confront the concerns of nuclear war, the Commission has expanded its mission to challenge local forms of discrimination that foster violence and to promote ideas and programs that affirm diversity and build community within our city. Dedicated to the concept of thinking globally and acting locally, the Commission connects international issues with Cambridge. The Commission is a resource linking peace organizations, social justice efforts, anti-violence coalitions, communities and the municipal government. Its unique presence in Cambridge city government marks the city as a beacon for innovative, creative and inclusive approaches that value an engaged, informed, and concerned citizenry.

FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:

The Commission has addressed violence and promoted peace and justice in schools through:

- Working with the Peaceable Schools Group to organize a summer institute entitled “I=We”, equipping educators and community workers with tools, information and relationships for leadership, excellence and equity.
- Working with the principal, deans, School Committee and staff at CRLS to introduce restorative justice principles and practices through a series of meetings, writing and a summer workshop.
- Designing and co-leading, with the Health Coordinator, a 5-part introductory series on restorative justice practices for CRLS staff, students and community people. Supporting a diverse team to evaluate different models and pilot ideas for circles and panels.
- In cooperation with CRLS administrators, guidance staff, career resource personnel and the School Committee, created policy, practices and resources advising students, parents and the guidance staff of the opt-out options for contact with military recruiters, the implications of military recruitment and alternatives available to ensure full student “choice.”
- Coordinating the Youth Peace and Justice Corps (PJC) staff and student leaders, a project including a group of diverse CRLS students equipped with skills, relationships, awareness and action for self-esteem, social justice and peace, through meetings, reunions, retreats and opportunities for networking.
- Presenting a series of workshops with CRLS classes on the roots of violence, restorative justice, community-building and participating in the Forum on Discrimination.

The Commission has worked to promote peace and justice locally as an alternative to violence by:

- Working with community, city, school, police and agency participation to continue a Restorative Justice Initiative.
- Working with youth centers, youth workers' networks and neighbors in the wake of violence to promote awareness and materials that propose alternative methods for addressing community harm.
- Collaborating with faith-based, peace and community members on workshop and education materials about the principles and practices of nonviolence, nonviolent communication and "The Metaphor Project."
- Sponsoring a City Council presentation from Families for Peaceful Tomorrows on the 5th anniversary of 9/11.
- Supporting the Community Crisis Response Team (CCRT) of the Cambridge Health Alliance, a volunteer team that helps individuals, families and neighborhoods respond to violence and trauma.
- Participating in the Citywide "State of the City" evaluation.

In the community, the Commission has fostered peace through building bridges by:

- Celebrating the 10th annual Peace and Justice Awards Evening with more than 300 Cambridge residents, honoring a diverse selection of local contributors to the community with a posthumous tribute, remarks from Charles Ogletree and inspiration from emma's revolution.
- Collaborating with communities of faith, school personnel and City staff, and chairing the Cambridge committee for the annual Holocaust Program which includes music, remembrances and reflections at Temple Beth Shalom.
- Collaborating with Cambridge youth groups, community members and local artists for a citywide event for Martin Luther King's birthday, including a vigil, community gathering and performances to celebrate peace-making in a time of war.
- Networking with neighborhood, human rights and peace organizations on events about Hibakusha, Middle Eastern women and Nonviolent Peaceforce; co-producing a concert with Holly Near; and co-sponsoring a monthly video series on themes of militarism, social justice, peace and women.

The Commission has acted locally for global concerns and globally for the community by:

- Sponsoring a report-back from the 25 person delegation of City officials, teachers, youth and community members as part of the 20th anniversary of Cambridge's Salvadoran Sister City; spearheading locally and nationally an awareness campaign to stop exploitive gold mining; hosting a delegation from El Salvador; and working with Latino organizations on issues of culture, immigration and globalization.

- Working with City departments and community members to design materials and events regarding the film “An Inconvenient Truth,” addressing concerns and actions about environmental degradation.
- Supporting a community effort to design and carry out a youth-centered reforestation project in Arniquet, Haiti.
- Promoting a facilitated dialogue on the Middle East among conflicting perspectives, entitled “See(k)ing Higher Ground,” which is now being used as a model for other communities; creating support for a community ad “We Stand with Human rights, Peace-building and Recognition of our common Humanity”; and supporting an interfaith Prayers for Peace gathering.
- Exploring and supporting the possibility of a people-to-people initiative with Bethlehem (West Bank) to foster exchanges based on real stories and human faces of Palestinians and promote humanitarian efforts to open the city.
- Acting as a clearinghouse and resource to community members, peace organizations and agencies on strategies and materials which support peace-making and nonviolence.

In recognition of its 25th anniversary in 2007, the Commission received a series of bequests, a Peace Millennium Award and organized a citywide recognition and resolution declaring Cambridge a "City of Peace" in 2007, a series of public events, promoted practices and tools for peace-building and began documenting the history, stories, and programs of the Commission.

FY08 GOALS

- **GOAL 1:** *Respond to school violence and create school peace by creating programs, workshops and institutes for public school teachers and staff to enable them to more effectively resolve conflict, appreciate diversity and promote peace-making in the classroom. Support model programs that foster Cambridge youth reaching out to peers across neighborhoods and racial/ethnic identity on issues of violence and social justice.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Community/school partnerships	12	7	20	20
2. Students receiving multicultural/ violence prevention programming	150	100	125	100
3. Youth involved in leadership development and peace-making efforts	42	30	50	25
4. Youth reached for peace-making and educational efforts	150	200	175	150

■ *GOAL 1: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
5. Teachers and staff receiving multicultural, violence prevention, or peaceable schools training/education* *Annual teacher's institute for 2008 occurring in 2007 fiscal year.	225	75	200	30

■ *GOAL 2: Build peace-oriented alternatives to violence. Support City, community and school collaborations to sustain violence prevention, diversity and peace initiatives and explore models of restorative justice and community mediation. Provide education and outreach on the costs of personal and institutional violence to Cambridge and support alternatives.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Community members reached on peacebuilding and/or violence prevention efforts*	610	250	500	300
2. Community-based networking events to address issues of violence and/or promote peacebuilding* *FY08 decrease due to a shift in focus toward 25th anniversary events.	14	7	8	6

■ *GOAL 3: Value and support Cambridge's diversity and bridge community divisions by creating, supporting and recognizing programs and groups that promote community building, peace and justice, and decrease violence. Sponsor forums, recognition, and educational and networking events that address issues of class, race and gender and build support for social justice and community issues.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of events for networking	19	9	16	16

■ GOAL 3: (continued)

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
2. Number of participants at community cultural and recognition events	975	450	750	750
3. City and community displays and events to recognize the 25th anniversary of the Peace Commission	n/a	n/a	2	4
4. Documentation in print and publicity of the 25th anniversary of the Peace Commission	n/a	n/a	25%	100%

- GOAL 4: *Thinking globally, acting locally by disseminating information relevant to Cambridge's diverse communities and linking cultural programming with social/political action for peace. Initiatives include ongoing response to current global issues through Sister City efforts; initiating municipal resolutions and policies of support for countries facing unwarranted injustices; creating public forums on issues of global concern; acting as a resource center for collaborative efforts among community, school, university, and local peace and justice organizations.*

FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$60,230
Real Estate Taxes	\$60,230	
INTERGOVERNMENTAL REVENUE		\$23,450
State Cherry Sheet Revenue	\$23,450	
TOTAL FY08 BUDGETED REVENUE		\$83,680

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$71,050
OTHER ORDINARY MAINTENANCE	\$10,780
TRAVEL & TRAINING	\$1,850
EXTRAORDINARY EXPENDITURES	\$0
TOTAL FY08 BUDGETED EXPENDITURES	\$83,680

FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	1	1	1

CABLE TELEVISION

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
\$463,860 <u>\$587,955</u> \$1,051,815	\$485,795 <u>\$640,365</u> \$1,126,160	CABLE TELEVISION/CITY TV-8 CCTV	\$566,375 <u>\$645,080</u> \$1,211,455
<p>PURPOSE & OVERVIEW: The Office of Cable Television/City TV-8 is responsible for the television production needs related to the programming on the City of Cambridge Municipal Television Channel. <i>City TV-8</i>, operating within the Cambridge broadcast footprint, is a resource that provides both original and acquired programming drawn from and relating to the City of Cambridge. The Municipal Channel strives to provide its viewers with a sense of the overall vitality for which the City is known in areas including, but not limited to, education, culture, arts, health and human services and history.</p> <p>As we move through the 21st century, <i>City TV-8</i> will play an increasingly important role in forging community understanding as it builds upon its legacy of presenting both public and cultural affairs programming. The Office of Cable Television, in its upcoming season, will continue to partner with a number of City departments and agencies to produce and broadcast programs and specials.</p> <p>In what has now become a regular focus for the Office of Cable Television, <i>City TV-8</i> will continue to produce original programming. Cambridge, with its important contributions to the local, national and international arena, is a stimulating environment for the production and dissemination of information and ideas. With the advancements and accomplishments being made in the areas of education, science, intellectual thought, politics and governmental leadership, to name a few, there is a wealth of opportunity to develop programming to stimulate and serve our viewing audience.</p> <p><i>City TV-8</i> also works with and develops programming specifically for City departments and agencies. This includes time-sensitive announcements to the public regarding snowstorms, school closures and other important notifications. In covering and broadcasting City Council and subcommittee meetings and hearings, one of its primary responsibilities, the office will continue to strive to improve the production value of its presentations.</p> <p>FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:</p> <ul style="list-style-type: none"> • Introduced additional lighting equipment into the Media Arts Studio - "Studio A" lighting grid, allowing for individualized customization of lighting schemes for studio based programs. • Purchased three new Sony DSR 400 production cameras which give us the ability to create multi-camera, in-sync productions in the field. • Provided the studio production team for two collaborative programs with the Center for Latin American Studies at Harvard University. 			

- In collaboration with the Mayor's Office, CITY TV-8 produced a long-form program on Criminal Offender Record Information (CORI) reform.
- Redesigned the CITY TV-8 Web site.
- Continue to cover and broadcast important City and community events and celebrations, including the Memorial Day Parade; Veteran's Day and Patriot's Day observances; the annual Dance Party; and Danehy Park Family Day.
- Continue to re-stock acquired titles and series in order to provide CITY TV-8 viewers with a viable alternative for educational, artistic and cultural programming.

FY08 GOALS

- *GOAL 1: Work with City departments utilizing the new services and technologies of the Office of Cable TV.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of departments utilizing services	30	30	30	30
2. Number of department related studio based programs	5	12	12	13
3. Number of bulletin and informational on-screen text messages generated	145	500	510	550

- *GOAL 2: Continue to provide a wide range of viewing options utilizing both acquired and City TV-8 produced programming.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Hours per week of programming	98	100	98	98
2. Programs per week	44	45	44	44
3. Number of in-house programs produced	38	35	32	40
4. Number of hours of live City Council and Subcommittee meetings covered/rebroadcast	94/208	100/200	90/200	100/200

■ *GOAL 2: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
5. Number of live events covered/rebroadcast (CRLS Graduation, Memorial Day Parade, Dance Party)	3	3	3	3
6. Number of sports programs covered/rebroadcast (CityRun Road Race and Mayor's Cup Baseball Tournament)	3	2	2	2

■ *GOAL 3: Work with City departments to write and produce high quality public service announcements for broadcast on Channel Eight.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of Public Service Announcements produced	3	3	3	3

■ *GOAL 4: Form a collaboration between the City TV-8 staff and Cambridge High School students to develop regular youth programming that will be produced at the new Media Arts Studio.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of youth programs produced (City TV-8, CEA, RSTA)	0	12	10	12

■ *GOAL 5: Explore Federal Preservation Grant and CPA opportunities to begin the process of cataloging and archiving the entire collection of City Council meeting videotapes.*

FINANCING PLAN	DETAIL	SUMMARY
TAXES		(\$13,670)
Real Estate Taxes	(\$13,670)	
CHARGES FOR SERVICES		\$1,225,125
Municipal Access Fee	\$1,225,125	
TOTAL FY08 BUDGETED REVENUE		\$1,211,455

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$515,475
OTHER ORDINARY MAINTENANCE	\$692,530
TRAVEL & TRAINING	\$3,450
EXTRAORDINARY EXPENDITURES	\$0
TOTAL FY08 BUDGETED EXPENDITURES	\$1,211,455

FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	6	6	6

DEBT SERVICE

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
\$20,952,770	\$24,756,125		
\$7,230,525	\$8,096,260	MATURING BONDED DEBT	\$25,381,705
\$0	\$600	INTEREST ON BONDS	\$8,655,120
\$0	\$600	SANDERS TEMPERANCE FUND	\$600
\$0	\$600	DOWSE INSTITUTE FUND	\$600
<u>\$215,950</u>	<u>\$216,000</u>	BOND SALE FEES	<u>\$216,000</u>
<u>\$28,399,245</u>	<u>\$33,069,585</u>		<u>\$34,254,025</u>

PURPOSE & OVERVIEW: The primary purpose of this allotment is to finance the debt service on all City bonds, with the exception of Water and School issues. Funds to cover the debt service on all issues related to improvements to the water system, including the construction of a new water

treatment plant and installation of an automated meter reading system, are included in the Water budget, and principal and interest payments on School issues are included in the School budget. Debt service on the one remaining Cambridge Health Alliance (CHA) issue, the construction of a new Ambulatory Care Center at the Cambridge Hospital, is included in this budget with reimbursements from the CHA included as a revenue to offset these costs. The allocations shown above, as well as the amount for debt service included in the Water budget, include the gross debt service on the loans from the Massachusetts Water Pollution Abatement Trust (MWPAT) for sewer reconstruction projects and the construction of the new water treatment plant. Approximately 40% of the total debt service on sewer loans and 32% on water loans from MWPAT are covered by subsidies from the State, with the remainder financed through sewer and water service charges respectively.

Funds budgeted in these cost centers cover debt service on a wide variety of projects, including sewer reconstruction in several areas of the City, open space improvements, street improvements, renovations to various public buildings including the new public safety facility and main library, and improvements to the City's many recreational facilities.

The City issued bonds on February 15, 2007 to finance the acquisition of and renovations to buildings to be used for the new public safety facility and the West Cambridge Youth and Community Center, street improvements, sewer reconstruction, public building renovations and recreation improvements.

The City also issued refunding bonds on March 15, 2007 to refinance \$35,740,000 in bonds issued in the late 1990's when interest rates were significantly higher than current rates. The True Interest Cost (TIC) of the bonds issued in the late 1990's ranged from 4.43% to 5.28%. The TIC on the March 2007 refunding bonds was 3.67%. The total interest savings over the next 12 fiscal years will be \$1,975,000.

In conjunction with both the February 15, 2007 and March 15, 2007 bond sales mentioned above, the City received the highest credit ratings awarded by the three major credit rating agencies: Moody's Investors Service, Standard & Poor's Corporation, and Fitch Ratings. Cambridge is one of only approximately 20 cities nationally to receive the highest rating from all three agencies.

SIGNIFICANT BUDGET MODIFICATIONS: The increase in the Maturing Bonded Debt and Interest on Bonds components of this budget for FY08 is directly attributable to the debt service payments on the February 2007 General Obligation bonds. While the Property Tax component of this budget has increased by \$2.3 million, other debt costs funded from other sources have decreased by \$1.1 million for a net increase in this budget of \$1.2 million.

MATURING BONDED DEBT. This allotment covers the cost of the principal payments on the City's existing bonded debt with the exception of the School and Water debt, which is included in their respective budgets. This allotment also includes the total principal payments on the City's loans from the Massachusetts Water Pollution Abatement Trust (MWPAT) and the Massachusetts Water Resources Authority (MWRA), that have been used to cover a large portion of the costs of the various sewer reconstruction projects throughout the City. There is no impact on this cost center for FY08 from the issue planned for the winter of 2008 because the first principal payment will not be due until the winter of 2009, which will be reflected in the FY09 budget.

INTEREST ON BONDS. The interest that the City pays on its bond issues is determined primarily by market conditions and the supply of bonds at the time of the issue, the maturity schedule of the issue, and the City's credit ratings. As mentioned above, the City's credit rating was reviewed by the three major credit rating agencies in conjunction with the bond sale on February 15, 2007 and confirmed at the highest level by all three agencies. Market conditions were comparable with those of February 2006 with the City receiving a TIC of 3.91%, slightly lower than the 3.95% received in February 2006.

SANDERS TEMPERANCE FUND. In 1864, Charles Sanders bequeathed \$10,000 to the City of Cambridge "to be held as permanent funds, the interest of which shall be paid" as salary to a person to be "employed as a missionary in the cause of temperance." For reasons that are unclear, the principal became unavailable many years ago. To keep the intent of the trust, the City has annually appropriated an amount equal to 6% of the original principal.

DOWSE INSTITUTE FUND. In 1858, the executors of Thomas Dowse's estate informed the City Council of their intent to establish the Dowse Institute with a grant of \$10,000 to be given to the City under the condition that the City would pay \$600 "in each and every year forever" to finance the Institute. In return, the Institute's trustees agreed to apply the annual appropriation to lectures "on literacy or scientific subjects to be delivered in Cambridge." In the same year, the City Council accepted the grant, and with the approval of the executors, the \$10,000 was used to defray the cost of the "Athenaeum," a structure which was used as a City Hall for many years.

BOND SALE FEES. This cost center provides funds for all costs related to the issuance of General Obligation bonds, including fiscal advisory and legal fees, rating agency services, and the preparation and printing of the official statements. In addition, fees related to loans that the City receives from the MWRA and MWPAT are included in this cost center.

FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$17,591,355
Real Estate Taxes	\$17,591,355	
CHARGES FOR SERVICES		\$11,503,505
Golf Course Fees	\$103,490	
Sewer Service Charge	\$11,400,015	
FINES & FORFEITS		\$152,190
Parking Fines	\$152,190	
INTERGOVERNMENTAL REVENUE		\$3,469,560
Mwpat Loan Program	\$1,227,060	
Misc Receipts/TCHCN	\$2,242,500	
MISCELLANEOUS REVENUE		\$1,537,415
Section 108 Ln Repayment	\$37,415	
Debt Stabilization Trans Sch	\$1,500,000	
TOTAL FY08 BUDGETED REVENUE		\$34,254,025

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$0
OTHER ORDINARY MAINTENANCE	\$216,000
TRAVEL & TRAINING	\$0
EXTRAORDINARY EXPENDITURES	\$34,038,025
TOTAL FY08 BUDGETED EXPENDITURES	\$34,254,025

THIS SPACE RESERVED FOR COUNCILLORS' NOTES

SUMMARY: HUMAN RESOURCES AND DEVELOPMENT

FY06 ACTUAL	FY07 PROJECTED	PROGRAM EXPENDITURES	FY08 BUDGET
\$5,695,360	\$5,886,100	Library	\$6,102,710
\$15,518,700	\$16,186,755	Human Services	\$16,997,140
\$166,405	\$186,215	Commission on the Status of Women	\$163,525
\$171,425	\$171,315	Human Rights Commission	\$176,640
<u>\$587,465</u>	<u>\$611,040</u>	Veterans' Services/Benefits	<u>\$620,100</u>
\$22,139,355	\$23,041,425		\$24,060,115

FINANCING PLAN	FY08 BUDGET
Taxes	\$20,109,030
Charges For Services	\$2,477,105
Fines & Forfeits	\$30,000
Intergovernmental Revenue	<u>\$1,443,980</u>
	\$24,060,115

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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\$3,981,865
\$1,713,495
 \$5,695,360

\$4,129,760
\$1,756,340
 \$5,886,100

MAIN LIBRARY \$4,278,555
BRANCH LIBRARIES \$1,824,155
\$6,102,710

PURPOSE & OVERVIEW: The Cambridge Public Library provides excellent collections, services and programs to meet the

informational, educational and recreational needs of city residents of all ages. The Main Library anchors the library system with in-depth collections, reference services and administrative support. The six branch libraries offer personalized services which are tailored to the unique needs of their neighborhoods. All libraries circulate books and audio-visual materials in addition to providing public access to the Internet and online databases. Library sponsored programs and events offer opportunities for residents to come together to share their experiences and cultures. Programming includes book discussion groups, author readings and topical lectures, as well as adult literacy classes, ESL conversation groups, children's story times and sing-alongs, and computer classes. Library services are offered a collective average of 311 hours each week and library online resources are available 24 hours a day.

SIGNIFICANT BUDGET MODIFICATIONS: The FY08 Library Budget includes \$10,000 to cover increases related to participation in the Minuteman Libraries Network and for computer supplies used to support public use computers. In addition, \$14,200 has been added to cover the full-year increase in electricity costs and \$12,000 to cover overtime costs for Sunday openings of the Main Library. Also, \$35,000 has been added to cover the cost of intermittent substitutes who provide service coverage at branches for staff who are on vacation, sick or attending professional development activities.

FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:

- Fiscal year 2006-07 has been one of the busiest in the history of the library system. Main Library activity is back to its pre-Longfellow levels and branch use remains strong.
- Circulation increased 7% and summer reading club circulation increased 12%.
- Lending activity between Minutemen Libraries and Cambridge has increased 6%.
- Attendance at library programs increased 15%.
- Registration of new borrowers increased by 20% (7,700).
- Participants in the young adult summer reading program STUFF read a total of 4,865 hours.
- Over 2000 books were made available in downloadable form.

Based on statistical reports compiled by the Massachusetts Board of Library Commissioners (MBLC) for FY06, the Cambridge Public Library was open 118% more hours, offered 303% more programs and circulated 27% more items than the group average. While productivity is high, costs per hour open are 24% less than average.

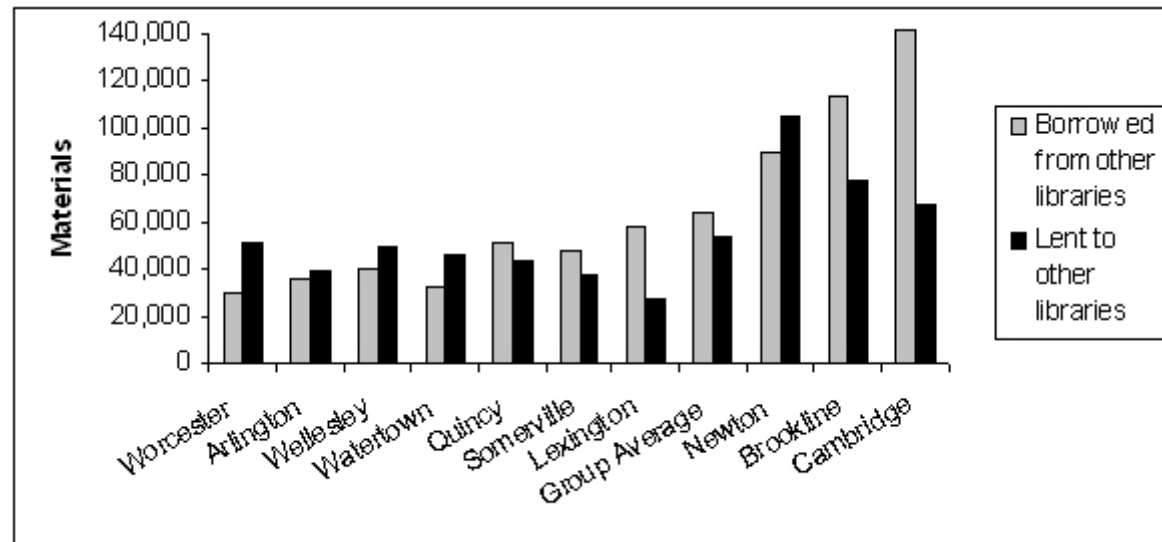
Figure 1: FY06 Comparative Statistics on Regional Library Use

The following table shows levels of library activity for a sample of local communities, in order of cost per hour open, as compiled by the Massachusetts Board of Library Commissioners (MBLC).

City	Total Hours Open Per Week (all locations)	Total Circulation	Circulation Per Capita	Number of Programs	Total Program Attendance	Reference Transactions Per Week	FY06 Cost Per Hour Open
Somerville	130.8	359,602	5.3	571	10,989	1,344	\$271.30
Watertown	190.0	347,444	12.2	239	4,283	190	\$310.70
Cambridge	311.8	937,654	10.0	3,761	81,623	5,608	\$349.10
Wellesley	108.2	562,353	22.7	423	14,484	620	\$363.00
Quincy	140.9	602,076	7.2	720	17,483	1166	\$359.00
Brookline	152	967,876	18.8	423	9,916	923	\$406.10
Lexington	88.2	617,055	21.3	333	15,616	877	\$440.10
Arlington	79.3	525,367	13.7	335	13,299	1,317	\$459.10
Group Average	143.4	738,031	13.9	933	22,613	1,766	\$458.92
Newton	126.3	1,863,123	23.7	1,714	37,753	3,409	\$822.80
Worcester	106.0	597,763	3.7	810	20,687	2,202	\$807.40

Figure 2: FY06 Borrowing and Lending Activity by Community

The following graph shows the total amount of materials borrowed from and lent to regional libraries, according to MBLC data.



FY08 LIBRARY SYSTEM GOALS

Programs and Services

- In a survey conducted by the City Council, 69% of respondents had used the Library in the previous 12 months. Twenty-six percent used the Library more than once a month. Thirty-eight percent rated library services as excellent and another 38% rated them as good. Since 2000, the percentage of residents who rate the Library as excellent has consistently grown, for a total increase of 17%.
- In partnership with the Mayor's Office, the Harvard Book Store and the Friends of the Cambridge Public Library, the Library sponsored the 4th annual "Cambridge Reads" program. Book discussion groups met all over the city in the months leading up to the October visit of Dr. Paul Farmer and *Mountains Beyond Mountains* author Tracy Kidder to Cambridge. They spoke to an enthusiastic crowd at CRLS and, thanks to the generosity of Harvard University, to a capacity crowd at Sanders Theater. The Library also hosted a Haitian cultural festival at the Central Square Branch as part of its outreach initiative.
- In a cooperative venture with Simmons College Graduate School of Library and Information Science, the University of Massachusetts, and the Institute for Museum and Library Services, the Library participated in an outreach effort to introduce urban high school students from minority groups and/or low income families to careers in libraries. Students were paid a stipend to attend training sessions, visit various types of libraries in the Boston area, interview librarians and improve their job searching skills, including interviewing and resume writing.
- Karl Haglund, author of *Inventing the Charles River*, was the keynote speaker at the annual meeting of the Friends of the Cambridge Public Library.
- In collaboration with Cambridge Public Schools, the Library hosted Newbery Medal award winner Linda Sue Park at the Central Square Branch.
- Teens had the opportunity to become skilled storytellers after participating in "Make 'em Laugh, Make 'em Cry," a federally funded LSCA grant awarded by the Massachusetts Board of Library Commissioners. Local storytellers Tony Toledo and Norah Dooley, among others, worked with the students who ultimately performed for local nursery school children at the Main Library.
- The Cambridge Public Library Literacy Project sponsored a presentation on "Immigration 2006: Facts and Fiction."
- In a collaboration with the Porter Square Book Store, the Library presented "Hot off the Press!": a presentation by local publishers about the year's best new books for children and young adults.
- Three libraries initiated new book discussion groups: O'Neill (2), Main (3) and Central Square (2) branches.
- Residents had increased opportunities to improve their English speaking skills with the establishment of new English conversation groups at the Valente, O'Neill and Central Square Branches.

- To promote good health and regular exercise, the Library initiated weekly walking tours of the Mid-Cambridge neighborhood. Walks had themes such as neighborhood art, literature, architecture, history and persons of note.

Facilities

- The Main Library Project Director, in cooperation with the City Manager’s Office, the Department of Public Works, the Purchasing Department and library staff completed work to reduce the cost of the project, re-bid the project, and successfully award a contract to a joint venture of Consigli/JF White. Construction began in January 2007.
- Replaced heating system at O’Connell Branch.

■ *GOAL 1: Maintain quality of service in an efficient and cost effective manner.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. System Circulation	940,330	950,000	1,000,000	990,000
2. Process network transfers	139,890	185,000	198,000	200,000
3. Questions answered	291,601	250,000	190,000	198,000
4. Access to online reference resources (# of sessions)	n/a	n/a	96,000	98,000
5. In-library computer sessions	134,109	140,000	100,000	105,000
6. Total program attendance	45,236	35,000	38,000	38,000
7. Total transactions	1,550,206	1,560,000	1,565,000	1,629,000
8. Cost per transaction	\$ 3.65	\$ 3.66	\$ 3.67	\$ 3.71

■ *GOAL 2: Provide library users with access to a broad collection of print, electronic, and audio-visual resources.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Select, purchase and catalog new acquisitions for library collection	34,508	24,000	24,000	24,000
2. Number of audio-visual items circulated	295,740	310,000	313,000	315,000

■ *GOAL 2: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
3. Process books, CDs and DVDs requested by other communities for their patrons	65,195	60,000	65,000	65,000
4. Process books, CDs and DVDs borrowed from other communities for Cambridge patrons	139,890	123,000	135,000	140,000
5. Pack and ship materials within the CPL and to other Minuteman libraries (number of bins sorted)	11,735	11,000	11,500	11,500
6. Fulfill requests for books, CD's, DVD's, etc. from branches and other libraries by retrieving materials from shelves and shipping to requesting library	65,195	63,000	68,000	68,000
7. Deliver library materials to home-bound residents, nursing homes and senior housing (number of books)	11,294	11,000	11,000	11,300
8. Deliver library materials to home-bound residents, nursing homes and senior housing (number of deliveries)	621	750	650	600

■ *GOAL 3: Promote literacy development and library use for children and teens.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Send out Welcome Baby packets to parents of newborns in Cambridge	n/a	1,000	650	750
2. Offer programs for caregivers and pre-walking children to demonstrate how books and reading can be incorporated into daily routines	n/a	10	12	15
3. Offer weekly toddler singing programs at all locations	n/a	312	300	300

■ *GOAL 3: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
4. Visit children at day care centers and nursery schools and conduct on-site story times	n/a	n/a	n/a	26
5. Conduct a campaign to ensure that all public school kindergarten students have library cards	n/a	100%	100%	100%
6. Host book discussion groups for children and teens (# of sessions)	n/a	n/a	n/a	25
7. Offer regular programs at the Youth Centers	n/a	45	45	45
8. Circulation of children's materials during summer reading program	46,562	48,000	52,312	52,000

■ *GOAL 4: Promote library services to all residents.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Register new borrowers	6,490	6,000	7,710	6,000
2. Develop a brochure to promote library services to new residents and new cardholders	n/a	n/a	n/a	1
3. Distribute library services brochure	n/a	n/a	n/a	2,000

■ *GOAL 5: Offer a wide array of electronic information services to residents within the library and remotely.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Audio-books downloaded	n/a	n/a	2,200	2,800
2. Provide electronic access to reference resources (number of titles)	n/a	n/a	n/a	476,439
3. CPL Web site user sessions	n/a	n/a	n/a	200,000
4. CPL Web site page views	n/a	n/a	n/a	500,000

FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$5,650,560
Real Estate Taxes	\$5,650,560	
FINES & FORFEITS		\$30,000
Library Fines	\$30,000	
INTERGOVERNMENTAL REVENUE		\$422,150
State Cherry Sheet Revenue	\$311,530	
Cherry Sheet-Aid To Pub Libry	\$110,620	
TOTAL FY08 BUDGETED REVENUE		\$6,102,710

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$5,081,165
OTHER ORDINARY MAINTENANCE	\$984,895
TRAVEL & TRAINING	\$36,650
EXTRAORDINARY EXPENDITURES	\$0
TOTAL FY08 BUDGETED EXPENDITURES	\$6,102,710

FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	60	60	60

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
\$447,620	\$488,650	ADMINISTRATION	\$477,780
\$425,845	\$455,280	PUBLIC SERVICES	\$430,425
\$833,360	\$828,660	REFERENCE SERVICES	\$857,165
\$809,705	\$790,175	CIRCULATION SERVICES	\$915,365
\$438,010	\$525,865	TECHNICAL SERVICES	\$517,030
\$440,840	\$449,830	CHILDREN'S SERVICES	\$471,880
\$365,715	\$366,425	SUPPORTIVE SERVICES	\$374,135
<u>\$220,770</u>	<u>\$224,875</u>	COMPUTER TECH. SUPPORT SVCS	<u>\$234,775</u>
<u>\$3,981,865</u>	<u>\$4,129,760</u>		<u>\$4,278,555</u>
		Library. It provides the backup for the branch collections.	

LIBRARY
-Main Library

PURPOSE & OVERVIEW: The Main Library serves as the heart of the library system, providing the infrastructure and support services for administration, facilities management, cataloging, materials processing, reference services, outreach to senior citizens, children's services and programs, as well as personnel functions. The City's most comprehensive and expansive library collections can be found at the Main

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
\$288,965	\$301,335	O'NEILL (NORTH CAMBRIDGE)	\$317,335
\$251,165	\$273,655	VALENTE (CAMBRIDGE FIELD)	\$290,890
\$187,240	\$196,470	BOUDREAU (OBSERVATORY HILL)	\$199,695
\$161,100	\$169,785	O'CONNELL (EAST CAMBRIDGE)	\$176,075
\$165,490	\$161,350	COLLINS (MOUNT AUBURN)	\$193,465
<u>\$659,535</u>	<u>\$653,745</u>	CENTRAL SQUARE	<u>\$646,695</u>
<u>\$1,713,495</u>	<u>\$1,756,340</u>		<u>\$1,824,155</u>

**LIBRARY
-Branch Libraries**

PURPOSE & OVERVIEW: Branch libraries are designed to provide neighborhood-based services especially to children and their families. The branch collections specialize in high demand materials, popular fiction for adults and children, audiovisual materials as well as books and magazines in languages other than

English, where demand exists. The Central Square Library houses materials in Spanish, Kréyol and Bengali as well as a Black Studies collection. The Valente Branch offers an extensive collection of materials in Portuguese and the O'Connell Branch offers story hours and a collection in Chinese. Branch libraries are intended to offer basic services and not to duplicate the in-depth and expensive reference materials available only at the Main Library. Branch libraries are responsible for much of the outreach efforts by the library to neighborhood constituencies. Their small size enables them to be more inviting to those unfamiliar with public libraries and how they work.

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
\$2,126,815	\$2,223,580	ADMINISTRATION	\$2,467,090
\$1,551,550	\$1,583,005	OFFICE OF WORKFORCE DEV.	\$1,765,540
\$1,914,020	\$1,924,455	PLANNING AND DEVELOPMENT	\$2,143,655
\$1,801,625	\$1,956,970	COMMUNITY SCHOOLS	\$1,997,105
\$1,390,420	\$1,434,060	RECREATION	\$1,462,315
\$978,615	\$1,007,335	ELDERLY SERVICES & COA	\$1,057,315
		CHILDCARE & FAMILY SUPPORT	
\$2,694,700	\$2,787,945	SERVICES	\$2,861,140
\$497,750	\$562,255	GOLF COURSE	\$558,225
\$725,410	\$733,690	COMMUNITY LEARNING CENTER	\$775,945
<u>\$1,837,795</u>	<u>\$1,973,460</u>	YOUTH PROGRAMS	<u>\$1,908,810</u>
\$15,518,700	\$16,186,755		\$16,997,140

**HUMAN SERVICES
-Summary**

PURPOSE & OVERVIEW: In FY08, the Department of Human Service Programs (DHSP) will continue providing staffing and leadership for major community collaborations, such as the Agenda for Children and the HUD Continuum of Care for services to the homeless. The Agenda for Children brings together residents, policy-makers and service providers in the areas of health, human services and education to improve children’s literacy and the quality and availability of out of school time programs. During FY07, the Department

continued implementation of an inclusion initiative to enhance the capacity of all DHSP Out of School Time Programs to serve children with disabilities in inclusive environments along with their typical peers. These initiatives support the City Council’s goal related to education.

All of the Department’s work befits its original charge (by ordinance in 1980) of “creating and coordinating services which enhance the quality of life for Cambridge residents.” The Department works to respond appropriately to changing needs and opportunities with a combination of services provided directly by the City, with planning and technical assistance for local groups and services provided through contracts with community agencies. Among the service components of the Department itself are Community Schools, Recreation, Youth Centers, Fuel Assistance, the Council on Aging, the Community Learning Center, the Multi-Service Center for the Homeless, Haitian Services, the Cambridge Prevention Coalition, the Commission for Persons with Disabilities, the Kids’ Council, and the Center for Families and Child Care. Services purchased by the City for residents through not-for-profit agencies include: homeless services; mental health; substance abuse services; domestic violence programs; food programs; legal assistance; and specialized services for newcomers and linguistic minority communities. The Department, in its overall goals for the year, is continuing to emphasize collaborations among the divisions and with other City departments and human service providers to meet the needs of Cambridge’s most vulnerable residents, in support of the City Council’s goals to improve access to services, to support the diversity of the City, to enhance educational opportunities for children and youth and for adults with limited educational background and to enhance workforce opportunities for teens and adults.

SIGNIFICANT BUDGET MODIFICATIONS: The FY08 Human Services Budget reflects the following increases: In collaboration with the Agenda for Children and the Early Learning Opportunities Steering Committee, \$200,000 has been provided to replace a portion of the Federal Early Learning Opportunities Act

grant which enabled the city to greatly expand early literacy services to families and caregivers of young children at risk. The City funds will continue early literacy education and supports to parents and primary caregivers of young children so that children will enter school ready to learn. A portion of the funds supports outreach to engage underserved populations in a range of city activities and services. \$5,300 in travel funds has been added to the Kids' Council budget to increase the number of members from the youth involvement subcommittee who will be able to attend the National League of Cities conference. \$125,000 has been added to the Mayor's Summer Youth Employment Program (MSYEP) to cover the cost of expanding the program from 750 to 800 youths as well as cover the increase in the minimum wage paid to participants from \$6.75 to \$7.50. An additional \$90,000 has been included to provide increased staff in classrooms to support inclusion and expansion of site support for programs addressing behavioral issues in the classroom. \$50,000 has been added to extend the hours of programming in youth centers so that four youth centers are open 4-5 nights per week for eight weeks, which is an increase of two weeks from last year. \$10,000 has been added to the King Open Extended Day Program (KOED) to match funding from the King Open School for contracted academic supports targeting upper grade students who are in warning or needs improvement categories on MCAS. \$15,000 to cover increased energy costs has been included in the FY08 Budget as well as \$7,800 to provide staffing for Friday afternoon hours at the Senior Center.

The War Memorial Facility is scheduled to be closed for extensive renovations in the early summer of 2007 for a period of approximately sixteen months. In order to provide some continuity of recreational programming, the Recreation Division has arranged with neighboring institutions and organizations for use of their pools. In addition, gymnastics and tennis classes for children and tennis and volleyball programs for adults are scheduled to take place in the War Memorial Field House. The Field House will be open during most of the scheduled construction. Consequently, budgeted costs for part-time staffing at the pool have been reduced as well as associated revenues.

GOALS:

- In collaboration with the School Department, the Cambridge Health Alliance, Cambridge Public Library, Cambridge Police Department, Cambridge Community Foundation and community partners, continue implementation strategies to achieve the two goals adopted by the Kids' Council for the Agenda for Children: *Children and their parents need to be able to read; and Children and youth need access to supervised activities in nurturing and safe environments.*
- Continue to expand inclusion efforts in Department Out of School Time Programs so that children with disabilities will be effectively supported and actively engaged in all programs.
- In partnership with the Chamber of Commerce and individual employers, increase opportunities for businesses to connect with youth, such as hiring teens, acting as mentors and providing homework support.
- To improve public access to the array of health and human services available to residents through City and community providers, enhance access to the online resource guide and paper directory through both

community providers and community organizations and through direct information and referral telephone support for residents seeking services.

- Promote opportunities for seniors to remain in their homes and neighborhoods by supporting Aging in Place and other initiatives which provide services to seniors in their homes.
- Continue to secure federal, state and local resources for the homeless Continuum of Care, coordinating the collaborative efforts of City and local service providers to end homelessness for as many individuals and families as possible.
- In partnership with the Human Services Commission, create opportunities for local human service agencies to build their capacity through informal educational and networking events on management issues and on services available for clients through cross-referrals.
- Expand opportunities for Cambridge residents of all ages to come together with their neighbors and across the City through continued support and staffing for community building events, such as Arts in the Park and “Screen on the Green” movie nights.
- Continue expanding the number of collaborating agencies in the Community Learning Center student leadership initiatives to train student leaders as trainers in the areas of health, early literacy, and community outreach/engagement.
- Using departmental and outside partners, enhance middle school after school programming, meeting the developmental needs of 6th, 7th and 8th graders for stimulating enrichment, learning and recreational activities and for positive relations with peers and caring adults.
- Support the professional development of the childcare workforce through grant opportunities for scholarships and collaboration between early education and care, adult basic education and workforce development systems.
- To ensure appropriate taxi service is available for Cambridge senior and disabled residents, continue to collaborate with the License Commission to increase taxi accessibility.

FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:

- In collaboration with the City Council’s Neighborhood and Long Term Planning Committee, the Council on Aging hosted the Second Senior Town Meeting in which over 150 seniors participated in workshops and a forum to share their concerns and views with City officials.
- Served 38,519 meals and snacks in 26 sites throughout the city during the 2006 Summer Food Service Program. Meals were served at four open sites, including parks, DCR pools, housing developments and at 22 enrolled sites.
- Hosted successful event with community providers and foundation representatives to explore collaborative outreach models for engaging hard to reach populations, especially the variety of linguistic communities in the City.

- Continued to provide meals to elders at the Citywide Senior Center 365 days a year, providing important nutrition and building community with seniors from across the city. Also provided wellness programs, English for Speakers of Other Languages, multi-cultural celebrations, computer classes, monthly social events and creative arts activities.
- Provided parent support and fostered community through a network of parent/child playgroups, family literacy events and a Caring for Babies Forum.
- Fostered community by providing staff and programmatic support to numerous community celebrations including Area IV Community Pride Day, Hoops “N” Health, Community Gospel Celebration, Arts in the Park events, the 15th annual North Cambridge Crime Task Force’s Day and Night Out Against Crime, and Danehy Park Family Day, among others.
- Partnering with Cambridge Community Television, Municipal Cable and talented young people, the Cambridge Prevention Coalition promoted media messages about underage drinking during Alcohol Awareness Month in April.
- Organized a successful Youth Worker Conference for staff across the City working with teens, to increase awareness about the causes of and response to youth violence.
- Worked with Cambridge Youth Sports Commission providing forums for sports and fitness providers, promoting opportunities for sharing resources and helping families take advantage of the wide variety of sports and fitness activities available to their children.
- Served over 300 adult residents through the Cambridge Employment Program, offering career counseling, job search assistance and referral to education and training, supporting workforce development opportunities for residents.
- Collaboratively developed a Monday evening program in which Center for Families staff provide care at the Multi-Service Center for the children of homeless families accessing services, making the evenings safe, enriching and fun for the children while freeing parents to concentrate on their housing search work.
- Served a record number of 813 youth in the Mayor’s Summer Youth Employment Program, providing youth with a learning and skill building experience as well as a paycheck.
- Across all the Department’s programs serving children and youth, progress was made in enhancing the capacity to serve children with disabilities in inclusive environments through extensive staff training, on-site coaching, expanded communication to families about inclusion efforts and strengthened linkages with schools.
- Cambridge was selected for the second time as one of the nation’s 100 Best Communities for Children and Youth by America’s Promise based on the City’s demonstrated commitment and success in serving young people.

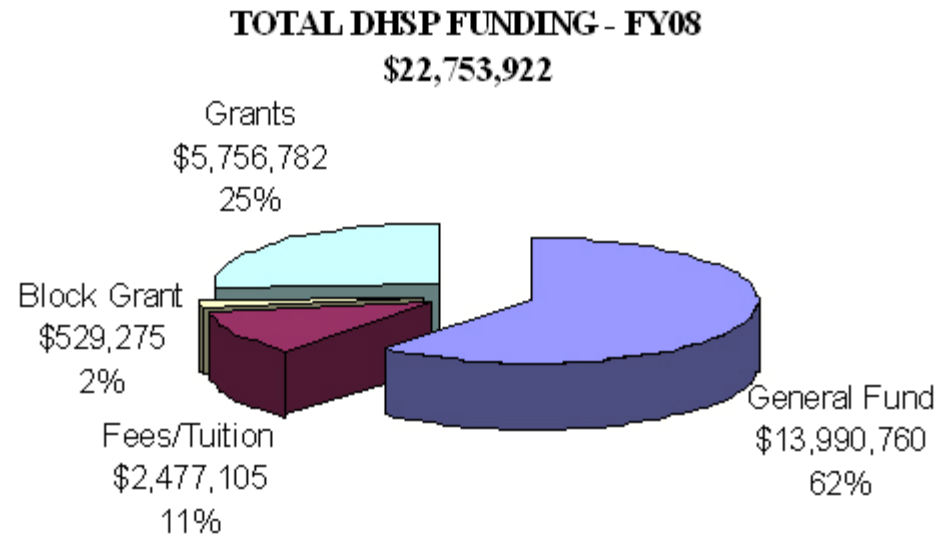
FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$13,709,495
Real Estate Taxes	\$13,709,495	
CHARGES FOR SERVICES		\$2,477,105
Recreation Activity	\$60,000	
League Fees	\$13,650	
Swimming Pool Fees	\$40,000	
Golf Course Fees	\$558,225	
Senior Center Meals	\$20,000	
Childcare Tuition	\$1,115,230	
Special Needs Revenues	\$8,000	
Community And Youth Activities	\$30,000	
Senior Center - Central Sq	\$20,000	
Community School Revenue	\$465,000	
Extended Day Revenue	\$85,000	
Field Permit/Non City Leagues	\$62,000	
INTERGOVERNMENTAL REVENUE		\$810,540
C.D.B.G.	\$529,275	
Direct State Grant Revenue	\$15,000	
State Cherry Sheet Revenue	\$266,265	
TOTAL FY08 BUDGETED REVENUE		\$16,997,140

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$14,151,765
OTHER ORDINARY MAINTENANCE	\$2,755,625
TRAVEL & TRAINING	\$64,750
EXTRAORDINARY EXPENDITURES	\$25,000
TOTAL FY08 BUDGETED EXPENDITURES	\$16,997,140

FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	127	128	128

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**HUMAN SERVICES
-Grants and Contracts**



GRANTS ACTIVITIES: Grants not appropriated during the budget process continue to provide major funding for services to families, homeless individuals, child care programs, adult basic education, older adults and low-income fuel assistance clients. Some services described below are provided directly by Department staff; others are provided through subcontracts with community agencies. The grant amounts below reflect currently available information about grants from the State or Federal FY08 budgets and may change as those budgets are finalized.

DEPARTMENT OF TRANSITIONAL ASSISTANCE, EMERGENCY TRANSITIONAL PROGRAMS (\$88,979). This program provides casework support for men who are moving from homelessness toward permanent housing, and who are housed at the YMCA during the transitional period.

U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT, EMERGENCY SHELTER GRANT PROGRAM (\$140,870). These funds are used to assist Cambridge overnight and day shelter programs with operating and facility improvement expenses, and for other services for homeless persons.

MASSACHUSETTS DIVISION OF HOUSING AND COMMUNITY DEVELOPMENT/HOUSING ASSISTANCE PROGRAM (\$173,250). These funds are utilized to provide housing search and stabilization services to families through the Multi-Service Center.

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT SUPPORTIVE HOUSING PROGRAM (SHP) (\$2,218,968). This represents SHP grants administered through the City to fund 26 Cambridge programs assisting homeless persons through a continuum of care with housing and services.

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT SHELTER PLUS CARE (\$121,824). Administered through the City and the Housing Authority, this grant provides housing subsidies for homeless individuals with disabilities. Several collaborating community agencies and the Multi-Service Center are contributing housing search and supportive services as required for local match.

FUND FOR HOUSING THE HOMELESS (\$18,447). This fund consists of donations and proceeds from special events to meet the needs of homeless persons being placed in permanent housing.

U.S. DEPARTMENT OF EDUCATION, BUREAU OF NUTRITION (\$86,000). Federal reimbursement ensures those children receiving free or reduced-price meals during the school year can receive nutritious meals during school vacations. DHSP operated 26 meal sites in the summer of 2006, serving 38,519 meals and snacks.

MASSACHUSETTS DOE/EMPLOYMENT RESOURCES INC. (\$933,133). The Community Learning Center receives state funds for Adult Basic Education, English for Speakers of Other Languages (ESOL), civic education, volunteer coordination, education for homeless adults, workplace education, family literacy and health education. A grant of state funds through Employment Resources Inc. (ERI) supports a portion of these activities and a series of classes offered for Cambridge Housing Authority residents.

BOSTON ADULT LITERACY FOUNDATION/MAP TO SUCCESS FAMILY LITERACY COLLABORATIVE (\$44,000). These collaborative grants, including a new contract from the Cambridge Public Schools, support training of adult students as trainers in the areas of health, early literacy, workforce development, navigating the school system, and community engagement/outreach.

CAMBRIDGE HOUSING AUTHORITY (\$76,383). Funds from the U.S. Department of Housing and Urban Development are subcontracted to the Community Learning Center from the Cambridge Housing Authority to provide classes in basic computer skills and Bridge Program transitional classes for CHA residents who are interested in attending college.

FOUNDATIONS/FRIENDS OF THE CLC/MISC (\$97,475). The Community Learning Center receives funds from several foundations, for transitional classes for adults with a GED or high school diploma who are interested in attending college, for training students as computer lab assistants and literacy trainers and for additional ESOL classes.

MOUNT AUBURN HOSPITAL (\$14,000). These funds are used for ESOL classes in the workplace for hospital employees.

CAMBRIDGE HOUSING AUTHORITY (\$57,500). The Office of Workforce Development receives funds from the Cambridge Housing Authority to expand Cambridge Employment Program job search services to public housing residents.

EXECUTIVE OFFICE OF ELDER AFFAIRS/PROJECT BREAD (\$83,675). The Council on Aging uses an annual award from the State Elder Affairs Formula Grant Program primarily for the Substance Abuse Services for Seniors (SASS) program, weekly medical and grocery shopping transportation, and the Citywide Senior Center's weekend coordinator position. Project Bread funds support the senior center food pantry.

LOW INCOME FUEL ASSISTANCE/EMERGENCY FOOD AND SHELTER PROGRAM (\$1,103,787). The City of Cambridge is the only municipality currently operating a fuel assistance program in the Commonwealth. The program will serve over 2,000 households in Cambridge and Somerville over the 2006-07 winter season with financial assistance for heating bills and rental assistance if heat is included in the rent. EFSP funds of \$10,000 are included and are used for emergency situations.

MASSACHUSETTS DOE, CENTER FOR FAMILIES (\$139,761). This Massachusetts Family Network grant funds parent outreach, education and support to families with children prenatal to age three.

CHILDREN'S TRUST FUND, CENTER FOR FAMILIES INITIATIVE/MISC (\$68,830). This Massachusetts Family Center grant funds support programs for families with children from birth to age six.

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION/ MASSACHUSETTS DPH (\$224,000). These grants fund the Cambridge Prevention Coalition, which provides substance abuse prevention services to youth, parents and other groups within the City by planning and implementing community strategies to reduce underage access to alcohol.

MASSACHUSETTS EXECUTIVE OFFICE OF PUBLIC SAFETY, NORTH CAMBRIDGE CRIME TASK FORCE (\$38,000). This grant is awarded to the City through the Community Policing Grant Program to support community involvement in crime prevention efforts. The grant is used to cover the salary of the Task Force's coordinator as well as Taskforce operations.

CAMBRIDGE PERFORMANCE PROJECT (\$11,500). The Performance Project operates theatrical, dance and other performing arts classes, using a mix of funds from State agencies, private foundations and contributions from businesses and individuals.

MASSACHUSETTS SERVICE ALLIANCE/MEDICAL FOUNDATION (\$16,400). Cambridge Youth Programs has been awarded Service Alliance Funds for Youth Council administration of mini-grants to community groups to address needs identified by young people. Medical Foundation funds are used for Frisoli Youth Center Teen Advisory Board to implement a tobacco and drug abuse educational program for pre-teens.

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**HUMAN SERVICES
-Administration**

\$482,595	\$481,780	LEADERSHIP	\$493,625
\$776,430	\$803,340	OPERATIONS	\$800,520
\$111,605	\$138,025	IT	\$134,405
\$488,070	\$522,160	EXTENDED DAY	\$553,480
\$268,115	\$278,275	AGENDA FOR CHILDREN	\$285,060
\$0	\$0	EARLY CHILDHOOD INITIATIVE	\$200,000
<u>\$2,126,815</u>	<u>\$2,223,580</u>		<u>\$2,467,090</u>

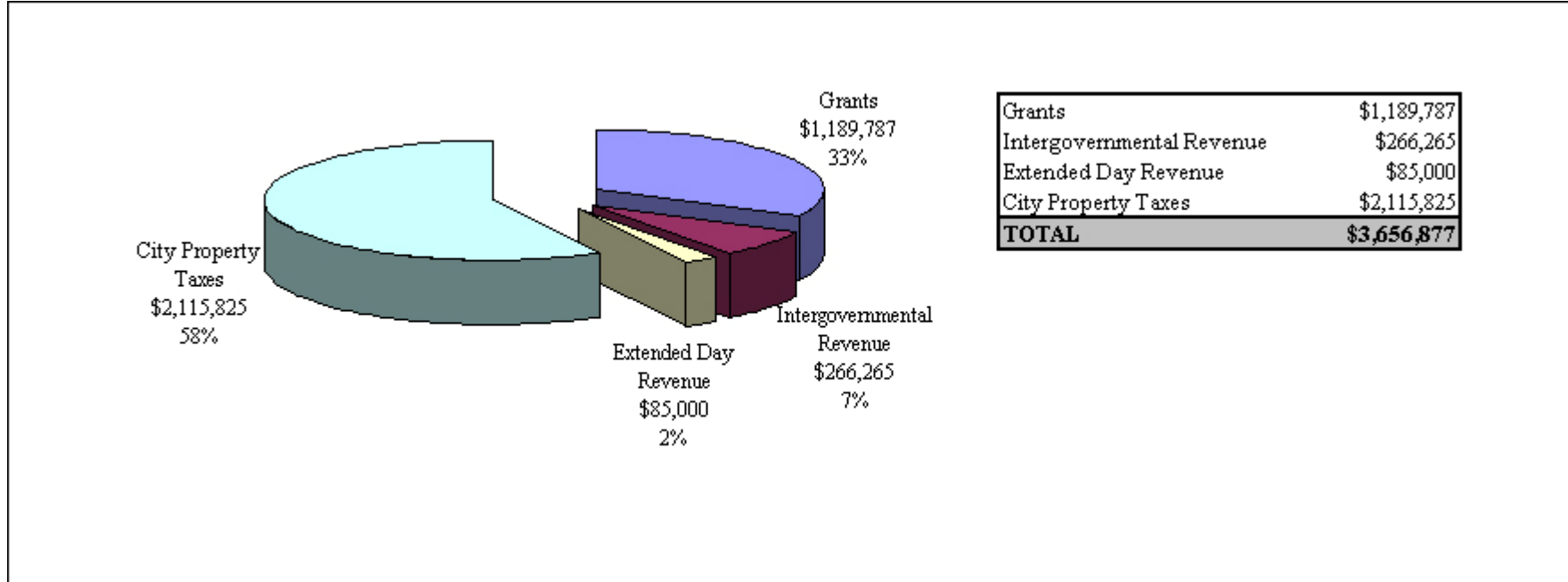
PURPOSE & OVERVIEW: The Administration Division provides leadership, financial, personnel, IT and clerical support to the operating divisions of the Department as well as to the 28 satellite locations, almost 200 salaried and 450 part-time and seasonal employees. The Division provides oversight to the Agenda for Children, a collaboration of

DHSP, the School Department, the Cambridge Health Alliance, the Cambridge Public Library, the Cambridge Police Department, the Kids' Council, and the community.

The Division acts as the liaison with other City Departments including Purchasing, Auditing, Personnel, Payroll, Finance, Law and IT as well as outside vendors and contractors. The Division manages a budget of \$6.3 million in grant funding, and \$16.5 million in the general fund, which includes \$2.5 million in tuition and fees. The Division is responsible for budget preparation, accounts payable and receivable, and expense and revenue tracking and reconciliation as well as the recruitment and hiring of staff, all payroll processing, employee orientations, employee benefit tracking and other related functions. For the past several years, the Division has led a department-wide effort to build a more collaborative culture supporting the City Council's goal of enhancing diversity. Cross-divisional teams led by staff have been working to address issues of communication, diversity and staff support and validation. One component of the project has been a joint effort with the Personnel Department to develop comprehensive supervisory training for managers. Efforts are under way to build more intentional opportunities for cross-program collaborations both to better serve clients and to enhance opportunities for staff growth and development. In addition, the Division worked with a department-wide working group to develop a handbook for staff and is working with a group to redesign the DHSP orientation to provide a more comprehensive introduction to the Department, its policies and its operating principles.

The Department's IT staff acts as a liaison with the City's IT Department and responds to the Department's IT needs. The Division is also responsible for the administration of the Federal Fuel Assistance Program serving over 2,000 low-income households. In addition, the Division administers the Federal Summer Nutrition Program providing nutritious meals and snacks at 26 sites throughout Cambridge.

FUNDING SOURCES/ADMINISTRATION



This figure includes funds anticipated to be received in FY08, but not yet appropriated.

**HUMAN SERVICES
-Office of Workforce Dev.**

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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<u>\$1,551,550</u> \$1,551,550	<u>\$1,583,005</u> \$1,583,005
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OFFICE OF WORKFORCE DEV. \$1,765,540 \$1,765,540
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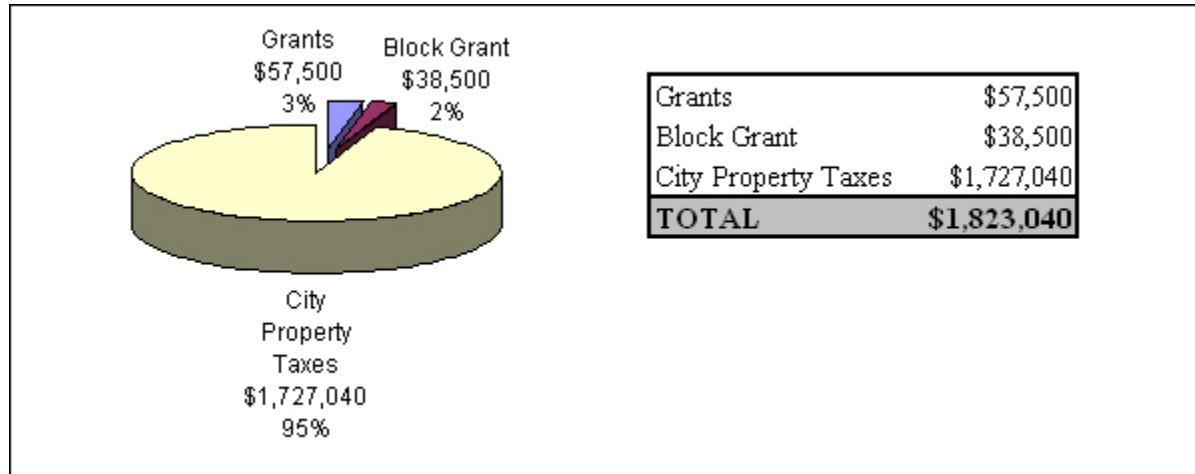
PURPOSE & OVERVIEW: The mission of the Office of Workforce Development (OWD) is to expand employment and training

opportunities for Cambridge youth and adult residents. It does so by developing partnerships with employers, community-based organizations, the schools and post-secondary institutions. Through a combination of direct service, program coordination, and outreach efforts OWD services reach over 1,000 residents and businesses each year.

Consistent with City Council goals around education and economic development, OWD oversees a number of programs that support learning and increase the employability of residents. The Cambridge Employment Program (CEP) offers free job search assistance to adults seeking employment and makes referrals to education and training programs. The Mayor’s Summer Youth Employment Program (MSYEP) places hundreds of youth each summer in jobs throughout the City and offers workshops to increase participants’ skills and career/college readiness. The school year components of MSYEP, the Fall Youth Employment Program and the Neighborhood Service Project, provide younger teens with fall work opportunities and a spring community service learning program. For older teens, OWD operates an internship with Harvard University and its clerical union, and offers ongoing cycles of an intensive, six-week job-readiness program.

OWD manages a variety of efforts to coordinate access to information about employment, training and youth development opportunities. These include the Youth Employment Center at the high school; the Cambridge Reaching All Youth Committee (for youth program providers); the Jobs Consortium (for local job developers); and the Business Advisory Committee (for local employers). The Office coordinates the Summer Jobs Campaign to recruit private sector jobs for older teens, working collaboratively with Just A Start's TeenWork program, the Workforce Program of the Cambridge Housing Authority and the Chamber of Commerce. OWD contacts every resident who has applied for a temporary nine-week position with the City to inform them about employment services and other programs. OWD creates and distributes an annual directory of employment and education opportunities for residents, *Cambridge Works and Learns*. The Office works closely with the Chamber of Commerce and Economic Development staff to help residents maximize the benefits of existing economic development activities and participates in regional planning through its work with the Metro North Regional Employment Board.

FUNDING SOURCES/WORKFORCE DEVELOPMENT:



This figure includes funds anticipated to be received in FY08, but not yet appropriated

FY08 GOALS

- *GOAL 1: Continue job placements and employment and training referrals for adult residents of Cambridge.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of CEP job placements	97	110	110	110
2. Number of CEP referrals to education and training	25	50	20	30
3. Number of nine week applicants contacted for job search assistance	290	185	300	300
4. Number of employers participating in OWD sponsored activities with residents and employment and training providers	10	30	20	30

- *GOAL 2: Coordinate the efforts of local employment and training providers and support the professional development of local program staff.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of local youth and adult program staff participating in service coordination efforts	54	50	50	50
2. Number of workforce development professionals attending OWD sponsored trainings and workshops	102	110	100	100

- *GOAL 3: Improve career awareness and work readiness of students and increase access to, and quality of, summer and school year jobs and internships.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of students enrolled in school to career activities including internships	38	40	45	40
2. Number of student enrollments in work-readiness and career awareness workshops	144	130	130	130
3. Number of youth visits to the Youth Employment Center	458	400	425	425
4. Number of private sector summer and school year jobs	120	120	120	120
5. Number of employers, post-secondary representatives and community-based agencies engaged in school to career/career awareness activities	61	35	45	45

- *GOAL 4: Enhance experience of Mayor's Summer Youth Employment Program (MSYEP) participants by increasing staff capacity, infusing school-to-work best practices and creating connections to year-round programming.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of youth enrolled in MSYEP who receive work experience, work readiness workshops and career awareness activities	751	750	813	800
2. Number of supervisors/mentors trained in working with young employees	120	120	120	120
3. Number of students enrolled in Summer Work and Learning projects with school-to-work competencies	248	250	224	250
4. Number of youth served in school year employment and service learning activities	53	50	60	60
5. Percent of youth enrolled in MSYEP who report satisfaction with their job	94%	95%	97%	97%
6. Percent of supervisors who were very satisfied with their youth worker(s)	83%	90%	75%	90%

**HUMAN SERVICES
-Planning and Development**

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
\$112,655	\$113,575		\$116,975
\$875,110	\$792,995	LEADERSHIP CONTRACTS	\$922,235
\$129,935	\$132,135	COMMISSION FOR PERSONS WITH DISABILITIES	\$135,795
\$126,880	\$128,345	KIDS' COUNCIL	\$135,635
\$616,040	\$700,745	HUNGER AND HOMELESS SVCS	\$770,315
<u>\$53,400</u>	<u>\$56,660</u>	HAITIAN SERVICES	<u>\$62,700</u>
\$1,914,020	\$1,924,455		\$2,143,655

PURPOSE & OVERVIEW: Planning and Development staff assist various groups in assessing community needs and seeking resources to meet those needs, particularly working with the Human Service Commission. Staff are involved in several initiatives within the Department such as development and analysis of consumer satisfaction surveys, strategic planning

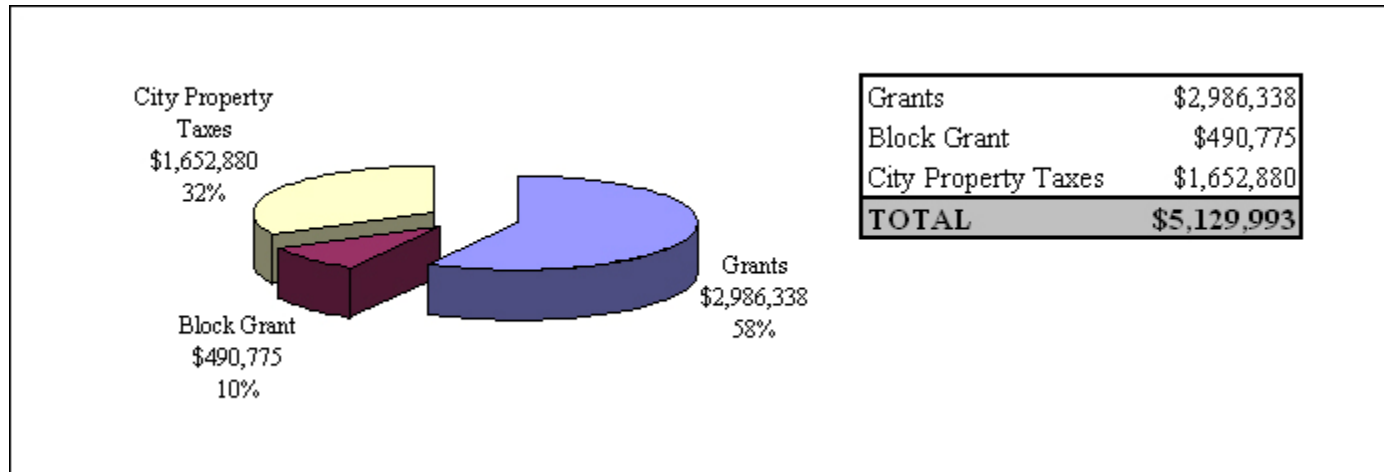
support for out of school time programs and the Department's inclusion efforts.

Consistent with the City Council's goal of improving access to services, another major emphasis of the Division is promoting utilization of www.CambridgeSomervilleResourceGuide.org, the online Human Services Information and Referral Database, and its companion printed directory, the Desk Guide. The Division gives technical assistance to agencies seeking funding from many sources and coordinates the processes for agency proposals for funds that flow through the Division, such as Community Development Block Grant, Emergency Shelter Grant and the HUD Supportive Housing and Shelter Plus Care Programs. The Grants Management unit administers outgoing contracts for a variety of community services.

This Division also offers direct casework services to homeless and at-risk individuals and families and transitional single room occupancy housing for men through the Multi-Service Center. As a component of case management activities, financial assistance from several sources is available on a limited basis to stabilize families and individuals at risk of losing housing and to help homeless people move into housing. DHSP-staffed programs are complemented by services provided on site by Shelter, Inc., Tri-City Mental Health, National Student Partnership, North Charles, Shelter Legal Services, CASCAP Representative Payee/Budget Counseling Services and Greater Boston Legal Services. Haitian Services provides case management and services to persons who have resettled from Haiti.

The Cambridge Prevention Coalition will continue to provide substance abuse prevention services in collaboration with other City agencies. The Coalition is developing and implementing a program to decrease youth access to alcohol through trainings for alcohol servers and sellers, and through other community environmental strategies.

FUNDING SOURCES/PLANNING & DEVELOPMENT:



This figure includes funds anticipated to be received in FY08, but not yet appropriated.

FY08 GOALS

- *GOAL 1: Continue to provide services to Multi-Service Center homeless individuals and those at risk of homelessness, supporting the City Council's housing support goal.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of clients seen for personal counseling, mental health services, substance abuse services, employment	2,677	2,500	2,600	2,600
2. Number of clients placed in temporary housing	340	325	325	350
3. Number of clients placed in permanent housing	182	150	150	150
4. Number of clients maintained in current housing	290	225	350	350

- *GOAL 2: Provide homeless prevention counseling and housing search assistance for homeless families and those at risk of homelessness consistent with the City Council's housing support goal.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of family intakes	571	500	600	600
2. Number of families placed in housing	159	135	130	140
3. Number of families referred for personal counseling, mental health services, substance abuse services, employment	886	800	800	800
4. Number of families maintained in current housing	441	400	425	425

- *GOAL 3: Continue to contract with local service providers to serve disadvantaged residents through the use of Community Development Block Grant monies, McKinney Homelessness monies, and City tax dollars to support the continued socio-economic diversity of the City consistent with the City Council's goals.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of clients served in youth and family services programs	2,173	1,700	2,200	2,000
2. Number of clients served through domestic violence and abuse prevention programs	153	100	70	70
3. Number of clients served through linguistic minority programs	849	700	700	700
4. Number of clients served through homelessness prevention and service programs	5,142	4,800	5,100	5,000
5. Number of client visits to food pantry programs	23,642	18,000	23,000	23,000
6. Number of clients served through elderly and disabled service programs	346	300	300	300

COMMISSION FOR PERSONS WITH DISABILITIES

PURPOSE & OVERVIEW: The rights of people with disabilities received renewed attention in 2006 when the United Nations unveiled its Convention on the Rights of Individuals with Disabilities. Then Secretary General Kofi Annan called the agreement "a historic achievement for the 650 million people with disabilities around the world" and urged all Member States to ratify the convention and implement it quickly. In the U.S., there are currently 54 million disabled Americans, one-fifth of the population, and this number is expected to increase significantly as the “baby boom” generation reaches seniority. The Commission for Persons with Disabilities works to promote the full integration of people with disabilities into all aspects of Cambridge community life, consistent with the City Council’s goal of promoting diversity.

The Commission informs individuals with disabilities, their families and social service agencies about a wide range of access and disability topics. Ensuring compliance with the Americans with Disabilities Act (ADA) continues to be an essential focus of the Commission’s interactions with other City departments, including working with DPW to improve sidewalks and roadways, processing requests for reasonable accommodations from City employees and supervisors, and working toward more inclusion of children with disabilities in out of school time activities. The Commission educates Cambridge businesses about their ADA obligations, provides technical assistance to both the public and private sectors and provides disability awareness training throughout the City, free of charge to businesses, non-profits and schools. The Commission administers a number of programs for residents with disabilities, which include: issuing Temporary Disability Parking Permits, providing Taxi Discount Coupons, and processing applications for accommodations for disabled residents unable to comply with the City’s trash and recycling requirements. The Commission also hosts an annual event relating to employment and people with disabilities in the workplace.

FY08 GOALS

- *GOAL 1: Continue implementation of the City's ADA Compliance Plan and provide training and assistance to public entities in Cambridge such as the Health Alliance and Housing Authority.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of trainings and technical assistance sessions provided to City employees, departments and other public entities	96	80	80	80

- *GOAL 2: Improve access to public accommodations and transportation services in Cambridge consistent with the City Council's goal to improve access to services.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of site visits and access surveys of Cambridge businesses completed	45	50	50	50
2. Number of Cambridge agencies and businesses which remove barriers to access	16	12	12	12
3. Number of trainings delivered to Cambridge Taxi School attendees to enhance awareness of serving passengers with disabilities	12	12	12	12
4. Number of taxi coupon users served	62	55	55	55
5. Number of temporary disability permits issued	20	18	24	22

- *GOAL 3: Improve understanding of disability issues and awareness of resources for people with disabilities.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of disability awareness trainings delivered to various City departments and staff	44	35	40	40
2. Number of responses to individual service, information and referral requests	1,763	1,350	1,500	1,500
3. Number of training and technical assistance sessions delivered to Cambridge private sector businesses and organizations	79	50	70	70
4. Number of community newsletters on disability resources, news and information	6	6	6	6

KIDS' COUNCIL

PURPOSE & OVERVIEW: Created by City ordinance in 1991, the Coordinating Council for Children, Youth, and Families (Kids' Council) provides leadership and serves as a forum to engage the public in promoting a comprehensive local response to the needs of Cambridge children and families. The Council, chaired by the Mayor, is comprised of parents, youths, community members, top City officials, and representatives from universities, business, philanthropic, and community organizations. Currently, the major undertakings of the Kids' Council are the *Center for Families*, the *Agenda for Children, Youth Involvement* and the *Inclusion in Out of School Time Programs* Initiatives. These initiatives along with other Kids' Council efforts directly support the City Council's goals to value diversity, increase opportunities for public participation in local government, promote high quality services and improve access to those services, strengthen and support education and learning and foster community. In 2007, Cambridge was selected as one of *America's Promise 100 Best Communities for Young People*.

The Kids' Council's first major initiative, the *Center for Families*, was launched in 1994 to develop school-linked neighborhood-based family support centers for all families, particularly those with children from birth to age 5. The initiative's pilot project, Center for Families of North Cambridge, became one of the first 12 family support programs in the country to receive accreditation as an exemplary program from Family Support America. The initiative has branched out to many parts of the city in expanding family support services.

The *Agenda for Children* brings together different City entities (schools, City departments, the health system) with community-based agencies, businesses and residents to promote the well being of our city's children. Drawing upon extensive community input, the Kids' Council prioritized two goals for citywide action: 1) All Cambridge children and families will be able to read. 2) All Cambridge children and youth will have equal access to safe, stimulating, nurturing, and healthful out of school time activities, in order to ensure optimal academic performance and overall healthy development. The initiative's Community Engagement component will continue to facilitate and strengthen connections to parents in order to promote the importance of the two goals. The King Open Extended Day Program, launched as a pilot to address the out of school time goal, will be completing its seventh year and continues to improve on program quality and relationship with School Day staff.

The *Youth Involvement Initiative* began in summer 2002 with the goal to increase civic engagement of the young people of Cambridge through the creation of opportunities for participation by youth. In its first three years, the *Youth Involvement Initiative* completed two mapping projects that were led, planned and conducted by youth on drug use in Cambridge; sent the City's first four Youth Delegations to the National League of Cities Conferences; trained Youth Facilitators to lead the planning and production of the City's first Middle School Youth Summits, held in 2004 and 2005, focusing on eighth grade students; and advocated for change of the City ordinance to allow for three youth voting members on the Kids' Council. In 2006, the initiative's effort on giving 17 year olds the right to vote in local elections was recognized by the National League of Cities in launching their "*Youth As City Leaders*" Web site. Plans are under way to continue that effort on the state level as well as to find other ways to engage youth in identifying their issues and crafting solutions to address them.

In February 2005, the City Council and School Committee unanimously adopted the Kids' Council's *Cambridge Policy Plan for Inclusion of Individuals with Disabilities in Out of School Time Programs*. Implementation of and raising public awareness about the Policy will continue in order to support full inclusion in out of school time programs. Also, the Kids' Council will continue to develop and implement a promotion and marketing plan to publicize the Kids' Council, its goals, initiatives and programs.

Long-term Plan to Sustain and Increase Capacity for Kids' Council Efforts

- *GOAL 1: Develop a three year Strategic Plan - including funding and plausible funding sources - for Kids' Council operations, initiatives and activities, in the context of other City efforts when feasible and appropriate.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Percentage completed in development of Kids' Council Strategic Plan	50%	75%	60%	70%

Promotion and Marketing of the Kids' Council

- *GOAL 2: Develop a comprehensive plan to raise public awareness of the Kids' Council, its goals, initiatives and efforts.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Percentage completed in development and implementation of Kids' Council Marketing Standards & Guidelines	25%	75%	25%	35%
2. Percentage completed in development of Kids' Council brochure in 4 languages	20%	100%	25%	50%
3. Percentage completed in development of Kids' Council Web site	60%	75%	60%	75%

Policy Plan for Inclusion of Children and Families with Special Needs in Programs

- *GOAL 3: Support the Implementation of the City adopted Inclusion Policy Plan for Out of School Time in City operated and supported programs in order to ensure equal access and appropriate opportunities for individuals with disabilities.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Out of School Time staff will be offered training in inclusion of children with special needs; percentage of full time staff trained	100%	100%	100%	100%

- *GOAL 4: Develop a public awareness plan to educate the community about the adopted inclusion policy and the City's efforts on inclusion.*

- *GOAL 5: Develop an evaluation plan for Inclusion Initiative.*

Youth Involvement: Youth Participation Planning

- *GOAL 6: Increase youth engagement in the civic life of Cambridge through the creation of opportunities for participation by youth.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Minimum number of youth members participating on the Youth Involvement Subcommittee	14	15	15	15
2. Number of youth members to attend and participate in national conference	2	n/a	6	10
3. Implement a plan for citywide youth event	100%	100%	100%	100%

■ *GOAL 6: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
4. Number of youth to participate in activities to increase connections between the Youth Involvement Subcommittee and Cambridge high school community	n/a	n/a	80	80

Agenda for Children: Literacy Initiative

■ *GOAL 7: Parents, primary caregivers, and early care and education providers will be supported as primary and continuous teachers of literacy, furthering the City Council's educational goal.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Parents reached by Literacy Ambassadors and core literacy initiative programming (maternity ward, home visits and workshops)	1,389	1,000	1,000	1,000
2. Books and resource materials distributed to children and families	3,535	2,750	2,750	2,000
3. Families entered into the Early Learning and Language database that are followed by Agenda for Children	n/a	200	200	500
4. Literacy Ambassadors who help shape programming and work in their communities to educate parents in Literacy Initiative messages and concepts	4	4	4	5

- **GOAL 8:** *Augment the dissemination of Literacy Initiative messages through collaboration.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. City departments distributing Agenda for Children literacy materials as part of their regular practices	1	3	2	4
2. Number of new City departments and agencies that have been trained on Let's Talk... it makes a difference! concepts and messages	n/a	n/a	n/a	4

Agenda for Children: Out of School Time Initiative

- **GOAL 9:** *Continue Out of School Time Resource Partnership that supports service providers in strengthening operational infrastructure, increasing program quality and coordination for families, furthering the City Council's education goal.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Programs participating in Agenda for Children Out of School Time Initiative	40	42	40	42
2. Out of School Time staff participating in Communities of Practice	n/a	n/a	100	120
3. Programs receiving on-site Quality Coaching	6	10	11	13
4. Programs completing self-assessment	20	30	30	35
5. Programs participating in local and statewide advocacy efforts	n/a	n/a	30	40
6. Number of programs participating in coordinated effort to deepen parent engagement and support	n/a	n/a	8	16

- *GOAL 10: Continue to improve the quality of the King Open Extended Day (KOED) Program and enhance the relationship with the School Day Staff.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Percentage of families responding to surveys regarding program quality and improvements	60%	60%	60%	60%
2. Percentage of families reporting that staff are always available to address their questions and concerns	93%	95%	95%	95%
3. Percentage of families reporting that staff know their child's personality, strengths, interests and needs	82%	95%	95%	95%
4. Percentage of 4th-6th grade KOED students receiving Warning or Needs Improvement on MCAS for whom KOED staff facilitate additional academic supports	n/a	n/a	n/a	100%
5. Percentage of teachers that identify that children's participation in KOED has supported academic growth	n/a	n/a	n/a	90%

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**HUMAN SERVICES
-Community Schools**

<p>\$112,285 \$1,453,600 <u>\$235,740</u> \$1,801,625</p>	<p>\$100,855 \$1,609,145 <u>\$246,970</u> \$1,956,970</p>	<p style="text-align: center;">LEADERSHIP COMM. SCHOOLS PROGRAMS SUPPORT SERVICES</p>	<p>\$108,215 \$1,633,765 <u>\$255,125</u> \$1,997,105</p>
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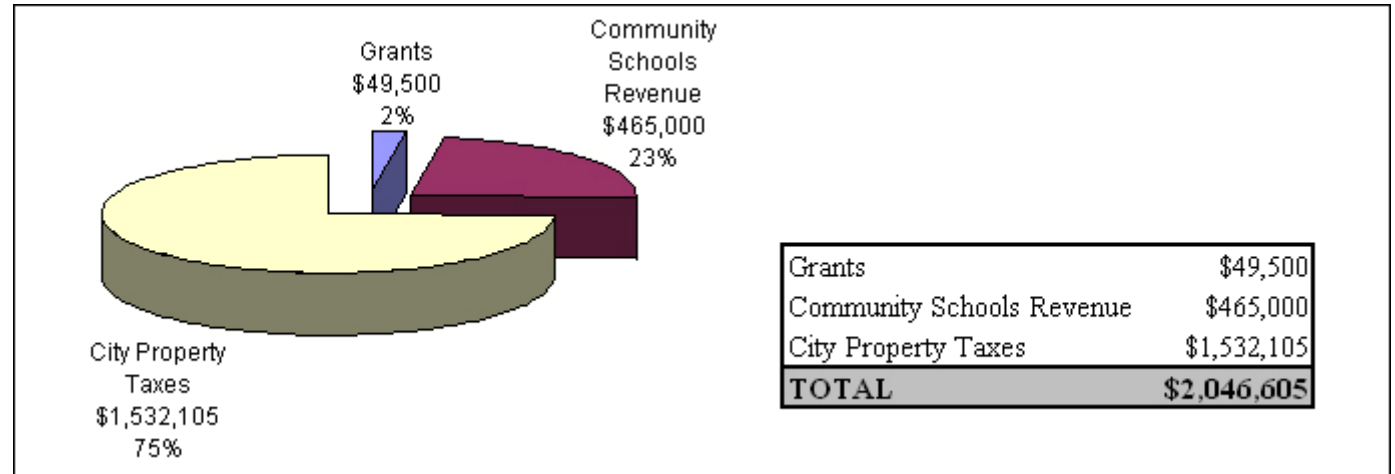
PURPOSE & OVERVIEW: The Division of Community Schools provides a network of neighborhood services offering educational, cultural, social and recreational opportunities for all age groups. Through 12 Community

Schools, Directors work with their respective Neighborhood Councils to assess community needs and to create high quality, cost effective Out of School Time programs to address them, including after school enrichment classes, two extended day programs with the School Department, full-day summer and vacation camps. All programs have been adapted to include participation of children with special needs. Staff have been participating fully in the Department's efforts to enhance its capacity to serve children with disabilities in inclusive environments. Staff are participating in comprehensive training around inclusion and their work is being supported by the Department's Inclusion Specialist. A brochure about the Department's Inclusion Initiative was sent to all families participating in Community Schools programs.

Consistent with the City Council's goals and community values, the Community Schools provide programs that foster community, such as Summer Arts in the Park, Camp Information Night, cultural and social events for families and senior citizens, and children's performances in music, dance and theater. Participants in these programs represent the racial and ethnic diversity of Cambridge. Community Schools also collaborate with local cultural and social service organizations. Tuition assistance is provided in all aspects of the programs; for example, last summer \$49,446 was awarded to 124 children attending summer camp. Additional families received financial support through childcare vouchers and School Department scholarship funding. During the summer of FY07, Community Schools collaborated with six elementary schools to allow children enrolled in school sponsored academic programs to participate in summer camps. As a result of this collaboration, an additional \$30,360 in scholarship assistance was provided to 58 children.

The Division continues to provide ongoing support to the grant funded North Cambridge Crime Task Force in addressing neighborhood safety and community building events such as the award winning National Night Out event. Community Schools also provide forums for senior citizens to address safety concerns with the Cambridge Police Department. Participant fees supplemented by corporate and individual donors and by City tax dollars support Community Schools programs.

FUNDING SOURCES/COMMUNITY SCHOOLS:



This figure includes funds anticipated to be received in FY08, but not yet appropriated.

FY08 GOALS

- GOAL 1:** *Continue to provide Out of School Time programs such as enrichment classes, summer and vacation camps; provide programs for adults, families and seniors and continue to support Neighborhood Councils' collaboration with other neighborhood coalitions to address community needs.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Children's classes citywide during the school year	1,361	1,250	1,250	1,250
2. Adult, family and senior classes citywide during the school year	267	250	250	250
3. Summer camps for children	10	11	10	10
4. Children served in summer camps	832	800	832	800
5. School vacation camps	10	8	8	8
6. Youth enrolled in Counselor In Training (CIT) programs	150	75	150	125

■ *GOAL 1: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
7. Number of partners, such as universities, community coalitions, community-based agencies and City departments, collaborating on children's programs and neighborhood improvements	88	60	60	60
8. Number of collaborative summer academic/camp programs	6	6	6	6
9. Percentage of families responding to surveys regarding program quality and improvements	50%	50%	50%	50%
10. Percentage of families reporting satisfaction with program quality	95%	95%	95%	95%

■ *GOAL 2: Continue to provide year round events for children, families and seniors, supporting the City Council goal to foster community.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of Arts in the Park events	109	80	93	80
2. Number of community building events	n/a	n/a	20	20
3. Number of family events	n/a	n/a	35	35

■ *GOAL 3: Create opportunities for residents of all ages to engage in educational forums on domestic violence prevention, crime prevention and personal safety.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of meetings for youth and adult residents with an emphasis on crime prevention, personal safety and community resources	51	45	45	45

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**HUMAN SERVICES
-Recreation**

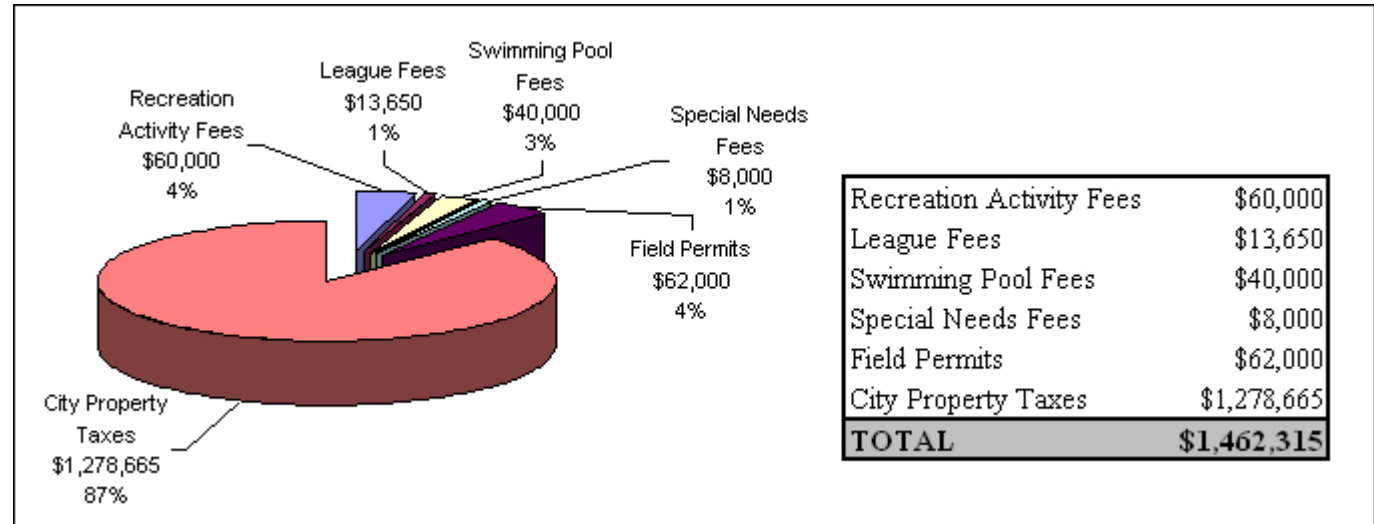
\$102,815	\$104,400	LEADERSHIP	\$108,315
\$55,035	\$57,315	SUMMER	\$65,910
\$66,865	\$67,190	GOLD STAR	\$70,925
\$195,125	\$200,555	WAR MEMORIAL	\$100,000
\$263,330	\$302,425	SPECIAL NEEDS	\$370,530
\$3,000	\$3,000	LEAGUES	\$3,000
\$76,775	\$70,600	RECREATION ACTIVITIES	\$85,000
\$362,695	\$345,485	DANEHY PARK	\$366,830
\$264,780	\$283,090	SUPPORT SERVICES	\$291,805
<u>\$1,390,420</u>	<u>\$1,434,060</u>		<u>\$1,462,315</u>

PURPOSE & OVERVIEW: The mission of the Recreation Division is to provide quality, affordable and accessible recreational opportunities for Cambridge residents of all ages in well-designed and maintained recreational facilities. The Recreation Division is responsible for the management of year round, citywide and neighborhood-based recreation programs and facilities; for the scheduling of all City parks for athletic uses; and for the maintenance and

management of Mayor Thomas W. Danehy Park, the 55-acre former landfill which has become the main focal site of youth and adult athletic leagues and citywide special events, such as Danehy Park Family Day. Danehy Park Family Day, as well as the youth and adult leagues, support the City Council goal of fostering community. Staff is also engaged in open space initiatives such as the Fresh Pond Master Plan Advisory Committee, the Kids' Council Inclusion Policy Plan Subcommittee and the Open Space Committee.

The Division provides municipal support for Cambridge Camping - Inner City Day Camp, Cambridge Girls Softball, Little League Baseball, Babe Ruth Baseball, Youth Soccer, Youth Hockey, Shoot Straight Basketball and Pop Warner Football and staffs the newly created Youth Sports Commission to enhance coordination and access to sports for all youth. The Recreation Program manages the City of Cambridge Road Race, *CityRun*, which annually attracts 700 participants and approximately \$16,000 in corporate and individual donations and was named one of the top 100 road races in New England by New England Runner Magazine. *CityRun* now includes a 3-mile walk as well as the 5-mile run. The Division also provides athletic opportunities to many summer camps through coordination of the annual Citywide Youth Games held at Danehy Park each summer. The Division coordinates multi-faceted recreational programs and activities at the War Memorial Pool and Fieldhouse, and the Gold Star Mothers' Pool, and summer children's activities at neighborhood parks and playgrounds, including a family movie series, clinics in baseball, basketball, golf, football, soccer and tennis, adult leagues in softball and basketball and an extensive summer and school year program for children with special needs.

FUNDING SOURCES/RECREATION:



This figure includes funds anticipated to be received in FY08, but not yet appropriated.

FY08 GOALS

- *GOAL 1: Provide high quality instruction to children and adults in swimming and recreation activities, including tennis, jazz/ballet and gymnastics.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of youth recreation classes	100	100	100	100
2. Number of adult recreation classes	24	24	24	24
3. Number of youth swimming classes	80	80	80	80
4. Number of adult swimming classes*	32	32	32	0
*With pool closed, only children's lessons are proposed to be held this year				

- **GOAL 2:** *Provide year round recreational programming for special needs participants ranging from pre-school age to young adults.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of children age five and up in summer camps	28	25	25	25
2. Number of children age 6-14 in after school programs	8	8	8	8
3. Number of young adults in evening programs	18	20	20	20
4. Number of children in unified integrated Saturday programs	45	50	50	50
5. Number of children participating in Special Olympics	45	50	50	50
6. Percentage of families responding to surveys regarding program quality and improvements	43%	50%	50%	50%
7. Percentage of families reporting satisfaction with program quality	100%	95%	95%	95%

- **GOAL 3:** *Maximize participation of Cambridge youth in diverse sports through coordination among youth sports providers and sound field management practices.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Total number/percentage of permitted hours of youth programs	13,818/77%	13,818/77%	13,818/77%	13,818/77%
2. Total number/percentage of permitted hours of adult programs	4,106/23%	4,106/23%	4,106/23%	4,106/23%
3. Number of meetings of Youth Sports Commission and Steering Committee to increase coordination and communication among Youth Sports Providers	n/a	8	6	8

- *GOAL 4: In conjunction with other divisions, implement family evening in the parks events including performing arts and Screen on the Green movies.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of Family evening in the Park events	n/a	n/a	n/a	5

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**HUMAN SERVICES
-Elderly Services & COA**

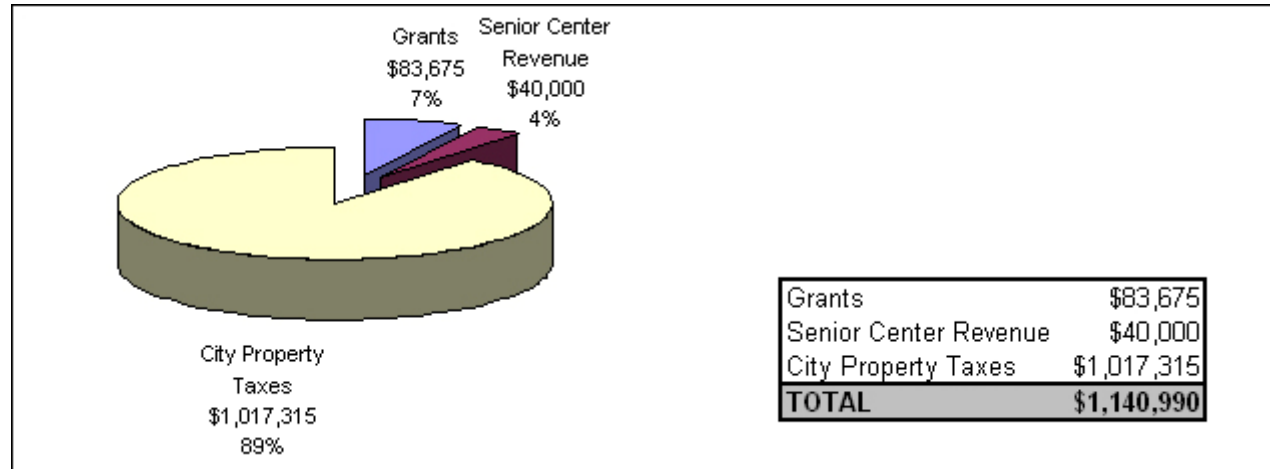
\$93,435	\$92,455	LEADERSHIP	\$97,875
\$346,260	\$345,160	SUPPORT SERVICES	\$343,595
\$84,165	\$76,620	N. CAMBRIDGE SENIOR CENTER	\$90,115
\$155,230	\$174,925	SENIOR CENTER MEALS	\$195,260
\$27,785	\$26,580	SENIOR CENTER ACTIVITIES	\$30,535
<u>\$271,740</u>	<u>\$291,595</u>	CITYWIDE SENIOR CENTER	<u>\$299,935</u>
\$978,615	\$1,007,335		<u>\$1,057,315</u>

PURPOSE & OVERVIEW: The Elderly Services Division, also known as the Council on Aging (COA), is responsible for the provision and oversight of services to Cambridge residents age 60 and older. The Division's mission is to promote and safeguard the health and independence of seniors, to advocate for seniors in many areas,

to arrange for necessary services and to provide meaningful social and recreational options that enhance their lives. Furthering the City Council's goal of providing access to high quality services, the Division provides information, referral and case management services to seniors, and coordinates services that may include homemaker, transportation, counseling and meals as well as numerous other social, advocacy, recreational and support services. Due to the increasingly complex problems of prescription drug benefits coverage, the COA plays a major role in sponsoring informational sessions and enrolling seniors in Medicare Part D plans. The Division reaches out to seniors through promotion of services and distribution of 4,000 copies of its monthly newsletter. The Substance Abuse Services for Seniors (SASS) program is a unique program within the Commonwealth, serving seniors who have difficulty with substance abuse or medication misuse. The Division operates a Senior Shuttle bus which picks up individuals at all major housing buildings and at other locations in the city, Monday through Friday.

At the Citywide Senior Center and the North Cambridge Senior Center, seniors are provided with a variety of services, classes and events. The Senior Food Pantry is the only pantry in the area specifically serving seniors. Income-eligible participants visit weekly and take home fresh fruits and vegetables, meats and canned goods. Breakfast and lunch are served 365 days per year. Other services and classes include counseling and support groups, vision screenings, blood pressure clinics, men's groups, computer classes, as well as many other educational and recreational offerings, including numerous classes devoted to exercise, movement and physical health and wellness. Groups of seniors from diverse ethnic backgrounds meet regularly at the Citywide Senior Center, including Asian, Haitian, Russian and African American seniors. The programs support the City Council's goals of building community and supporting the racial, socioeconomic and cultural diversity of the City. In addition to weekend meals and casual drop-ins, the Citywide Senior Center now offers classes on Saturdays in response to requests from many seniors. To ensure that the programs and services provided at the Center meet the needs of Cambridge's seniors, a citywide advisory committee meets regularly with the Center staff to provide input.

FUNDING SOURCES/COUNCIL ON AGING



This figure includes funds anticipated to be received in FY08, but not yet received.

FY08 GOALS

- **GOAL 1:** *Continue to provide a comprehensive array of social and support services to Cambridge residents age 60 and over, including information, referral to support services, case management, benefits counseling, substance abuse services and coordination of home-based services.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of information and referral services provided	4,582	4,500	4,500	4,500
2. Number of clients provided case management services	122	120	120	125
3. Number of seniors receiving home-based services	95	95	95	95
4. Number of hours of S.H.I.N.E (Health Benefits/Medicare) Counseling provided	n/a	n/a	500	500

- *GOAL 2: Continue to operate Social Meals program and expand Food Pantry outreach to assure Seniors adequate nutrition and a year round breakfast and lunch program.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of seniors receiving Food Pantry services at twice weekly pantry	660	630	690	690
2. Number of Food Pantry visits by financially eligible seniors	7,270	7,200	7,300	7,350
3. Number of meals served at 806 and 2050 Mass. Avenue sites	31,178	32,000	31,000	31,000
4. Number of seniors receiving home delivered food pantry services	20	20	20	20

- *GOAL 3: Continue transportation services for seniors to the Citywide Senior Center and continue to serve other transportation needs of seniors.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of seniors linked to transportation services to the Center	263	275	280	285
2. Number of seniors served by subsidized weekly food shopping trips	213	215	215	215
3. Number of seniors served by subsidized medical transportation	345	330	330	330
4. Number of seniors using taxi coupons	501	510	500	510

- *GOAL 4: Enhance program offerings to seniors especially in the areas of computer skills, well-being and fitness, as well as interview seniors to assess program satisfaction and improve services.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of different seniors attending computer classes	131	130	130	135

■ *GOAL 4: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
2. Number of hours of health/fitness/ wellness classes offered each month	76	70	70	70
3. Number of special events promoting health/fitness/wellness	28	30	30	30
4. Number of seniors interviewed in user satisfaction survey	0	60	60	60

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**HUMAN SERVICES
-Childcare & Family Support Services**

\$86,440	\$88,200	LEADERSHIP	\$110,895
\$635,285	\$638,590	AFTERSCHOOL	\$649,670
\$1,453,905	\$1,558,285	PRE-SCHOOL	\$1,586,090
\$461,800	\$458,860	SUPPORT SERVICES	\$470,510
<u>\$57,270</u>	<u>\$44,010</u>	CENTER FOR FAMILIES	<u>\$43,975</u>
\$2,694,700	\$2,787,945		\$2,861,140

PURPOSE & OVERVIEW: The Childcare and Family Support Services Division offers residents a wide range of services that implement the City Council's goals related to education and valuing and supporting the racial, socioeconomic and cultural diversity of the City. These include six licensed Pre-

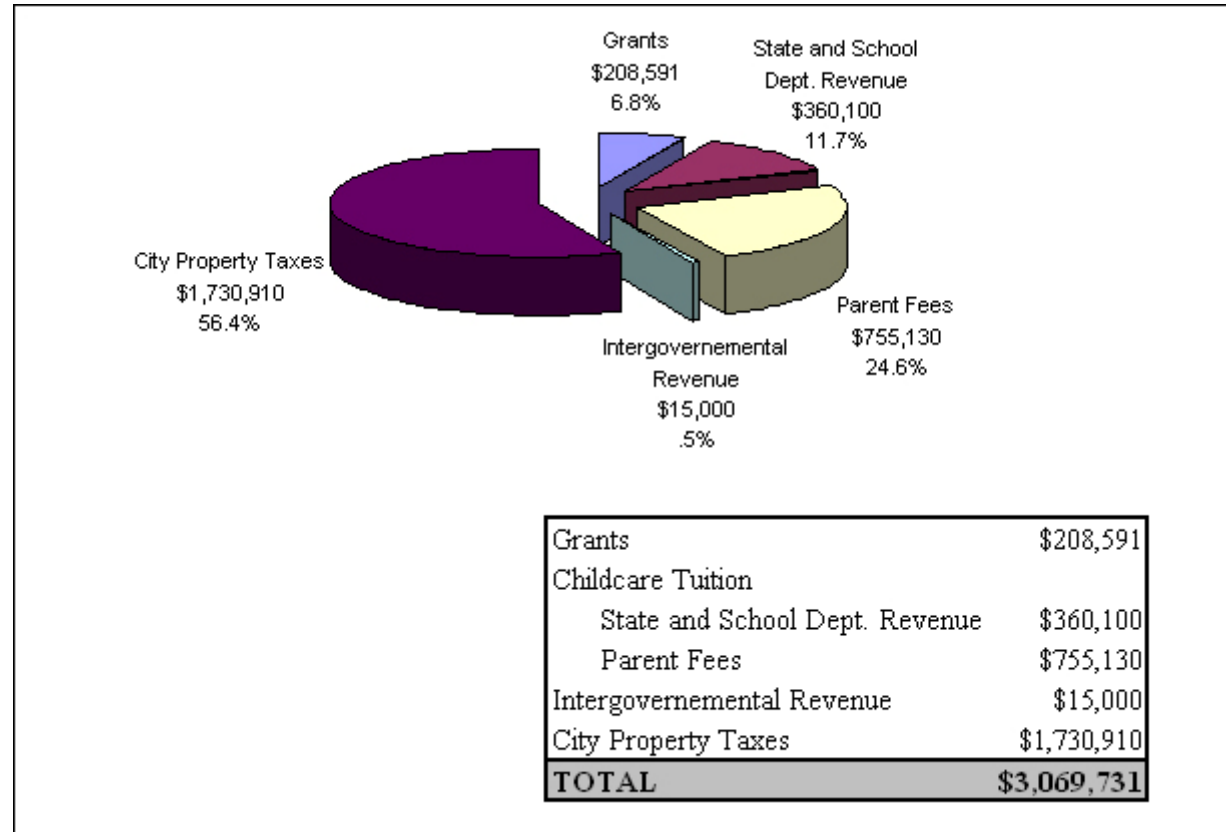
School Programs and seven licensed Afterschool Programs serving approximately 285 children daily, and the Center for Families.

The Afterschool Programs located at the Morse, Fletcher-Maynard, Peabody and King Schools serve children in grades K-4, with one location serving children to grade 6. Parents have the option of enrolling children for two, three or five days per week. Programs offer a multi-cultural curriculum designed to improve children's positive social development and academic achievement in math, science, literacy and language arts through a project-based learning approach. Staff have been participating fully in the Department's efforts to enhance its capacity to serve children with disabilities in inclusive environments. They are participating in comprehensive training around inclusion and their work is being supported by the Department's Inclusion Specialist. A brochure about the Department's Inclusion Initiative was sent to all families participating in the Afterschool Programs.

Five of the six Pre-School Programs, located at the King, King Open, Morse, Kennedy and Peabody Schools are full day, year-round programs and one, located at the Haggerty, is a half day school year program where children are enrolled two, three or five days per week. The Pre-School Programs offer a developmentally appropriate curriculum focused on the children's interests and abilities and have been awarded accreditation by the National Association for the Education of Young Children. The Pre-School programs provide a safe, educationally and socially enriching environment in which children can learn to be self confident away from home. Children learn to relate well to their peers, to understand each other's cultural traditions and learn to trust and respond to a variety of adults. Inclusionary practices supporting the integration of children with different needs and abilities are supported in all Pre-School Programs.

Funding for services is provided from City tax dollars, parent tuition and state contracts. More than 50% of the children served receive subsidy or scholarship assistance.

FUNDING SOURCES/CHILDCARE:



This figure includes funds anticipated to be received in FY08, but not yet appropriated.

FY08 GOALS

- *GOAL 1: Continue to offer high quality licensed pre-school childcare to a diverse population.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of pre-school slots	115	115	115	115
2. Children receiving some subsidy or scholarship	36%	35%	44%	45%

■ *GOAL 1: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
3. Teachers remaining more than two years	63%	60%	74%	75%
4. Children with special needs served	5	5	5	5
5. Families responding to surveys regarding program quality and improvements	50%	80%	90%	90%
6. Families reporting satisfaction with program quality	95%	95%	95%	95%

■ *GOAL 2: Continue to offer high quality afterschool childcare to a diverse population.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of afterschool slots	170	170	170	170
2. Children receiving some subsidy or scholarship	55%	55%	60%	60%
3. Teachers remaining more than two years	65%	65%	60%	60%
4. Children with special needs served	17	18	25	28
5. Families responding to surveys regarding program quality and improvements	96%	60%	65%	65%
6. Families reporting satisfaction with program quality	95%	95%	95%	95%

■ *GOAL 3: Within the Department's childcare programs, expand opportunities for children to increase their literacy skills by engaging families in a reading program connecting home and school and by increasing linkages to the school day curriculum.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Families borrowing books for home use	50%	60%	50%	55%

■ *GOAL 3: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
2. Visits by school age staff to school day classrooms	31	34	34	41

■ *GOAL 4: Continue to enhance the quality of preschool programs by continuing intensive NAEYC accreditation process for programs and by supporting staff educational advancement consistent with state and national quality standards.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of staff supported to attend college and pre-college courses to ensure high quality learning and nurturing environment	15	n/a	15	21
2. Number of times pre-school staff complete a full developmental assessment in the areas of cognitive, social, emotional and motor skills for each child	2	2	2	2

CENTER FOR FAMILIES

PURPOSE & OVERVIEW: The Center for Families began in 1994 as an initiative of the Kids’ Council and has been part of the Department of Human Services Child Care and Family Support Services Division since 1999. The Center for Families provides support services, including resources and referral, parenting support and education, parent-child activities and community building opportunities for families of children ages 0-6, directly supporting the City Council’s education, fostering community and valuing diversity goals. The Director of the Center for Families is supported equally by funds from the Cambridge Health Alliance, the School Department and the City. Program operating costs are supported by a Family Network grant from the Massachusetts Department of Early Education and Care, by a Family Center grant from the Children's Trust Fund, and by City tax dollars. The program has its main offices in the Peabody School Community Wing and it also provides services in other schools, youth centers and community agency facilities around the City. The Center for Families receives support and oversight from two councils: the Citywide Cambridge 0-8 Council and a Family Partners group composed of participating parents and providers. The goals and performance measures below reflect family support activities across the City.

FY08 GOALS

- *GOAL 1: Create formal and informal opportunities for families to enhance parent-child relationships and mobilize resources to support family development.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of families that participated in parent education classes, support groups or workshops	178	185	200	200
2. Number of families that participated in parent-child playgroups and other family activities	370	375	400	400
3. Number of families that received information and referral services	164	220	220	220
4. Number of families that received one-on-one consultation/support	35	50	40	50
5. Total number of families participating in all direct service programming	478	550	550	550
6. Number of families that received newsletter or other written information about parenting and family support	1,006	1,000	1,000	1,200

- *GOAL 2: Extend outreach and services to non-English speaking families, low income families and families of children with special needs.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Families served who are English Language Learners	133	150	150	150
2. Families served who are residents of subsidized housing complexes	81	120	120	120
3. Families served who have a child with special needs	23	30	30	30

■ *GOAL 3: Enhance accessibility of programs to families.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of hours of on-site childcare provided for parent groups and classes	88	150	150	150
2. Number of hours of outreach programming held in housing complexes or other community locations	214	200	200	200
3. Number of hours of family support programming made accessible to English Language Learners through translation or multilingual staff	103	100	100	100
4. Number of languages in which services are available	6	5	6	5

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**HUMAN SERVICES
-Golf Course**

\$287,970
\$209,780
\$497,750

\$257,340
\$304,915
\$562,255

OPERATIONS
MAINTENANCE

\$259,470
\$298,755
\$558,225

PURPOSE & OVERVIEW: The Thomas P. O'Neill, Jr. Fresh Pond Municipal Golf Course is in operation from early April to early December and is fully supported by

daily fees, membership dues and league fees. The membership program at the golf course offers a variety of categories and rates including families, juniors, junior non-residents, residents, non-residents and senior citizens. In addition, the golf course management staff has instituted a very successful free weekly junior golf lesson program. In addition, as a result of a generous private donation, the golf course hosts two, four-week youth golf camps, giving more Cambridge children the opportunity to develop new skills and have fun. The course has assisted in the development and implementation of a variety of charitable golf tournaments for non-profit organizations and agencies. The Golf Course has implemented the recommendations from the Fresh Pond Natural Resource Stewardship Plan, which has resulted in establishment of buffer zones to expand, protect and enhance the natural areas of the Golf Course.

FY08 GOALS

- **GOAL 1:** *Continue to provide reasonable and affordable access to the golf course through different membership and non-membership options.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Total number of rounds annually	41,400	40,000	41,178	41,500

- **GOAL 2:** *Continue to expand the youth program at the Golf Course.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of youth members	52	52	52	52
2. Number of youths participating in free weekly clinics	60	60	60	60

**HUMAN SERVICES
-Community Learning Center**

ACTUAL FY06	PROJECTED FY07	BUDGET FY08
\$93,760	\$97,670	<p style="text-align: center;">LEADERSHIP OPERATIONS</p> <p style="text-align: center;">\$102,715</p> <p style="text-align: center;"><u>\$673,230</u></p> <p style="text-align: center;">\$775,945</p>
<u>\$631,650</u>	<u>\$636,020</u>	
\$725,410	\$733,690	

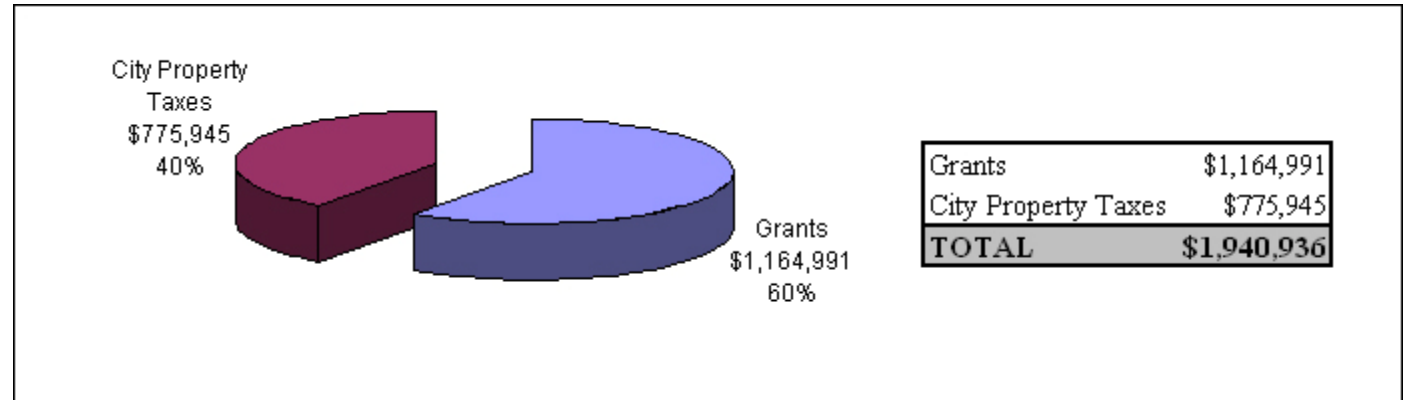
PURPOSE & OVERVIEW: The Community Learning Center (CLC) located at 19 Brookline Street, provides adult basic education classes to more than 1,000 adults

each year. The services of the CLC support the City Council goals around public education, diversity and fostering community. The core program includes seven levels of English for Speakers of Other Languages (ESOL) classes and six levels of basic reading, writing and math classes. GED and pre-GED classes prepare students to pass the five high school equivalency examinations. The Adult Diploma Program awards a Cambridge Rindge and Latin School Diploma to adults based on a combination of demonstrated competency in reading, writing, mathematics and US history, and credit for previous coursework, employment, home management, languages and other life experience areas. The Pre-College Bridge Program prepares students for the transition to post-secondary education. All CLC students receive educational counseling; individual tutoring with trained volunteers is available as needed. Students can also learn basic computer operations, and practice their reading, writing and math skills on a computer. In addition, CLC provides ESOL citizenship preparation, family literacy classes and leadership training. Through grants and partnerships, CLC also offers adult basic education classes to employees of Cambridge businesses.

Of the more than 1,000 adults served each year at the CLC, approximately 150 are from the United States and the remainder come from 70-80 different countries, with over 40 different native languages represented. Approximately 40% of the costs of the CLC have been supported by City tax dollars, with the remaining funds coming from grants, contracts and private fundraising. These funds have enabled CLC to provide the following additional services: outreach and classes for special populations including the homeless and public housing residents; teacher training on working with learning disabled students; the development of study skills, employability skills and civic education curricula; and leadership training in the areas of health, children's literacy, school success and community outreach. CLC offers basic career training in computers for 15-18 students and community members who work with classroom teachers as aides in the computer lab.

The CLC ESOL Network offers technical assistance, training and support for groups throughout Cambridge that are interested in setting up ESOL classes taught by volunteers or paid teachers. Students who are on the waiting list at the CLC are referred to these classes. The ESOL Network increases the availability of ESOL instruction for Cambridge adults.

FUNDING SOURCES/COMMUNITY LEARNING CENTER



This figure includes funds anticipated to be received in FY08, but not yet appropriated.

FY08 GOALS

- *GOAL 1: Maintain a full range of adult literacy and English for Speakers of Other Languages (ESOL) classes, family literacy and citizenship/civic education courses.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. School year classes	63	62	66	62
2. School year instructional hours	11,208	10,250	11,500	10,250
3. School year student slots	718	700	700	700
4. Summer classes	35	35	35	33
5. Family literacy classes	3	3	3	2
6. Citizenship classes	2	2	2	2
7. Students served	1,100	1,000	1,150	1,000
8. Computer operations classes	28	4	25	30
9. Classes using computer lab regularly	34	35	35	35
10.ESOL Network classes	14	14	14	14
11.Cost per student	\$1,747	\$1,851	\$1,851	\$1,900

- *GOAL 2: Continue to improve the quality of instruction.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of in-house staff development sessions	32	20	25	25
2. Number of class curricula written or revised	4	4	4	4
3. Number of evaluation instruments administered and used to enhance program design	9	8	10	10

- *GOAL 3: Continue to improve the transition from CLC programs to other education and training programs by establishing and strengthening collaborative relationships with other agencies, by expanding in-house student workshops and increasing follow-up calls to former students.*

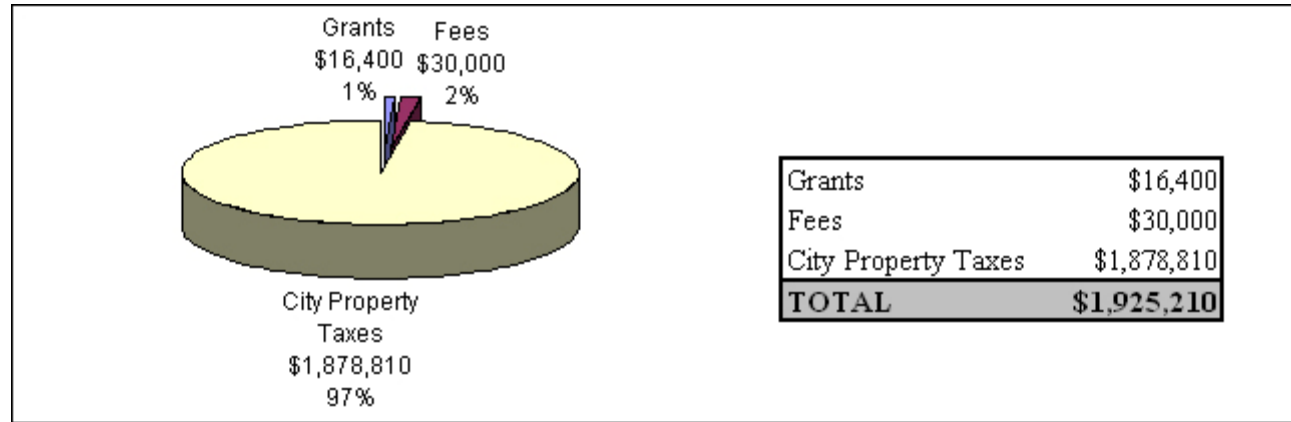
PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of high school graduates	29	30	16	20
2. Number of advanced ESOL graduates	24	20	22	25
3. Number of new citizens	23	n/a	23	25
4. Number of students advancing to education and training program	69	70	70	70
5. Number of workshops for students on careers, further education, study skills, health education and support services	27	25	25	25
6. Number of follow-up contacts with former students	147	140	130	140
7. Number of collaborative projects with agencies or groups to improve quality of and access to services	11	8	11	9
8. Number of workshops led by CLC students	80	70	70	75

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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**HUMAN SERVICES
-Youth Programs**

<p><u>\$1,837,795</u> \$1,837,795</p>	<p><u>\$1,973,460</u> \$1,973,460</p>	<p style="text-align: center;">YOUTH PROGRAMS</p> <p>Each center is licensed through the Department of Early Education and Care for the after-school leadership program that operates Monday through Friday for 9-13 year olds. Programming includes academic support, recreation and enrichment activities, field trips and community service. During the summer, there are three summer camps, a Sports Leadership Academy and two Arts Programs, pre-teen basketball leagues for girls and boys and Project 13, a program designed specifically for 13 year olds. Staff have been participating fully in the Department's efforts to enhance our capacity to serve children with disabilities in inclusive environments. They are participating in comprehensive training around inclusion and their work is being supported by the Department's Inclusion Specialist.</p> <p>During FY08, the Division will continue implementing new teen programming that builds on best practices from the youth development field. In conjunction with the work led by the City Council's Human Services Committee, the Youth Program, in consultation with the Innovation Center for Community and Youth Development, has been clarifying its principles of practices, refining staff development programs and working on evaluation tools to measure program success. As a result of the City Council's community forums, the Youth Programs will focus on outreach and marketing to residents who are currently unaware of the programs and services available. The Youth Programs will continue to seek input and participation of teens not currently engaged in Youth Center programming. Expanded evening programming for teens will continue this summer, in collaboration with the Mayor's Summer Youth Employment Program, to introduce new teens to the opportunities available at the youth centers.</p> <p>The Youth Program will continue to operate several work-based learning programs for teens during the school year including <i>Leaders in Action</i>, a leadership development program, <i>Neighborhood Service Project</i>, a community-service learning program for younger teens and <i>City Peace</i>, a new violence prevention and service program. During the summer, in addition to the evening programs, teens may participate in <i>Girls Taking Action</i>, <i>Youth In Leadership</i> or <i>Global Citizens</i>, experiential learning programs that provide service to the community while promoting work and life skills.</p>	<p><u>\$1,908,810</u> <u>\$1,908,810</u></p> <p>PURPOSE & OVERVIEW: The Cambridge Youth Programs' goal is to enrich the lives of young people ages 9 to 19 by promoting leadership skills, providing them with a safe, stimulating environment in which to grow and providing academic support and enrichment and recreational activities. Programs are offered through a network of five youth centers located in different neighborhoods of the city. The centers include classroom space, meeting rooms, gymnasiums and easy access to parks and fields. A diverse and multi-talented staff provides direct service and mentorship to youth. The work of the Youth Programs supports the City Council's goals of education, diversity and promoting community.</p>
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FUNDING SOURCES/YOUTH PROGRAMS



This figure includes funds anticipated to be received in FY08, but not yet received.

FY08 GOALS

- *GOAL 1: Provide quality out of school time programs for pre-teens ages 9-13 throughout the city.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of pre-teens 9-13 in after school program	233	225	250	250
2. Number of pre-teens enrolled in summer programs	181	300	260	330
3. Retention rate of pre-teens enrolled in school year program	n/a	78%	78%	80%
4. Number of staff trained in working with children with special needs in inclusive environment	n/a	n/a	20	25
5. Percentage of families responding to surveys regarding program quality and improvements	52%	60%	60%	60%
6. Percentage of families reporting overall satisfaction with program	90%	90%	95%	95%

■ *GOAL 1: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
7. Percentage of families reporting staff know their child's personality, strengths, interests and needs	80%	75%	85%	85%
8. Number of age-specific activities offered to middle school students	n/a	n/a	15	20

■ *GOAL 2: Provide quality programming for teens ages 14-19.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of teens enrolled in school year programming	220	n/a	380	450
2. Number of teens involved in summer programming	175	n/a	275	325
3. Number of teens involved in program planning/decision making at youth centers	95	n/a	115	120
4. Percentage of teens who report "positive" relationships with youth center staff	n/a	n/a	65%	75%
5. Number of specialized courses offered to teens	n/a	n/a	18	25
6. Number of age-specific trainings provided to staff	n/a	n/a	3	6

■ *GOAL 3: Increase program visibility and strengthen connections to families, neighborhoods, schools and community-based organizations.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of programmatic partnerships and collaborations	22	15	25	30

■ GOAL 3: (continued)

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
2. Number of parents and community volunteers participating in program activities	30	50	50	50
3. Number of community events sponsored by or supported by Youth Programs	12	5	15	20
4. Number of community or school based committees in which staff participate	n/a	n/a	3	8

ACTUAL FY06	PROJECTED FY07		BUDGET FY08	COMMISSION ON THE STATUS OF WOMEN
<p style="text-align: center;"><u>\$166,405</u> \$166,405</p>	<p style="text-align: center;"><u>\$186,215</u> \$186,215</p>	<p style="text-align: center;">COMMISSION ON THE STATUS OF WOMEN</p> <p>government. The Women’s Commission aims to advance the equal status of women and girls by promoting their rights and opportunities through program implementation, policy development, project proposals, and legislative initiatives. To do this, the Commission provides advocacy, consultation, and recommendations to other City departments, local agencies, state government, and individuals.</p> <p>FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:</p> <ul style="list-style-type: none"> • Hired a new executive director. Retiring director met in advance with City Manager to form a hiring committee and develop a timeline and protocol for the hiring process. Commission members worked with City senior management to establish selection criteria, recruit qualified candidates, and generate three levels of interview procedures. • Transitioned to new director. Met with more than 50 key City employees, City officials, community members, and local agency leadership to continue and/or foster new working relationships and collaborations with the Commission. Led strategic planning sessions to review priorities, develop a scope of work, and set goals. Designed recruitment strategy to increase the size and diversity of the Commission. • Established a formal relationship with the Institute for Community Health and the City’s Public Health Department to formulate, design, and package the data report on the status of women and girls for dissemination to key community leaders and develop working groups to review programs and policy based on analysis of the data. • In collaboration with the Arts Council, convened a fundraising committee for <i>Filament/Firmament</i>, an award-winning public art installation set for the new main library, featuring a zinc wall imbedded with 240 glass circles that will figure prominently on the first floor of the two-story atrium and will serve as a permanent tribute to the contributions women have made to the city. Collaterals will include a professional catalog and an interactive Web site containing a database of Cambridge women’s history. • In collaboration with Cambridge Health Alliance and Transition House, Inc., organized a Domestic Violence Awareness Month rally and vigil on the steps of City Hall in October. Coordinated, produced, and hosted, <i>Not in My Home, Not in My Town</i>, a 60-minute program designed for multiple CCTV broadcasts, featuring interviews with 14 local service providers each serving a distinct and diverse population affected by domestic violence. 	<p style="text-align: center;"><u>\$163,525</u> \$163,525</p>	<p>PURPOSE & OVERVIEW: Per City Council ordinance, the Cambridge Commission on the Status of Women was established in 1977 as a department of City</p>

- Chaired monthly meetings of the Domestic Violence Task Force, a collection of representatives from City departments and local organizations, designed to create alliances and expand information sharing among members in order to improve and increase domestic violence intervention, prevention, and service programs.
- Served on the Massachusetts Coalition for Women's Wage Equality, a strategic statewide effort to advance women to pay equity and end wage discrimination.
- In partnership with Cambridge Rindge and Latin School students and staff, Cambridge Health Alliance, the Department of Human Service Programs, and community organizations, coordinated *Woman2Woman*, a day of celebration and commitment to fitness and health for the mind, body and spirit of girls. Health workshops and wellness activities addressed movement, self-defense, safe sex, organizing and self-acceptance. Lunch, resource materials and gift totes were also included.
- Served on the Stonewall Connections Steering Committee to help aging women in the GBLT Cambridge community to live at home in safety and to develop a lifelong learning institute to reduce isolation and foster deeper community connections.
- Served on the coordinating committee of the Older Women's League, a national organization that strives to improve the status and quality of life for midlife and older women. Produced and served on a panel discussion, *Housing and Long Term Care: Where Will I Live and Who Will Care for Me?*
- In collaboration with the Historical Commission, led tours of the Cambridge Women's Heritage Trail in and around Central Square and mid-Cambridge. Spearheaded Cambridge Women's Heritage, an effort dedicated to developing programs to recognize the past and present contributions of Cambridge women. Participated in the collection of oral histories from women who worked on the home front during World War II.
- Presented a local women's history curriculum segment to 7th and 8th grades at King Open. Participated in the planning committee for the annual celebration breakfast meeting for International Women's Day held at Simmons College.
- Presented two different programs for pre-teen and teenage girls Girls' LEAP, a personal safety and awareness program founded in Cambridge.

FY08 GOALS

- *GOAL 1: Direct strategic planning sessions to evaluate the Commission’s scope of work, outline future goals, and design strategy to increase the size and diversity of the commission.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of newly appointed commissioners	n/a	n/a	1	2
2. Number of strategic planning meetings held	n/a	n/a	2	1
3. Completion of strategic planning process	n/a	n/a	75%	100%

- *GOAL 2: In collaboration with newly hired City-Wide Violence Prevention Coordinator, review the initiatives of the Domestic Violence-Free Zone (DVFZ). Convene working groups with community-based organizations, Public Health Department, Cambridge Health Alliance, Department of Human Service Programs, and the School Department to set new goals and reinvigorate the DVFZ. Coordinate and chair the Domestic Violence Task Force (DVTF), which meets monthly and includes representatives from various City agencies and departments.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of DVTF meetings chaired	10	10	10	11
2. Number of DVFZ core group meetings to implement priorities and initiatives established by working groups	n/a	n/a	1	11

- *GOAL 3: Work with neighborhood groups, community members, Department of Human Service Programs, and individual women and girls to increase personal safety and awareness activities.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of self defense and safety awareness classes held in Cambridge neighborhoods/number of participants	6/150	5/150	2/60	4/100

- *GOAL 4: Work with School Department, other City departments, and community groups to evaluate and provide girls with physical fitness, health services and academic achievement.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Estimated number of participants in the Annual 5th Grade Girls' Sports Day*	0	300	300	300
2. Number of participants attending Woman2Woman event at Cambridge Rindge and Latin High School *Event was not held during FY06	n/a	n/a	80	95

- *GOAL 5: In collaboration with the Arts Council, the Public Library, and the Historical Commission, organize and direct an art installation and associated collaterals that honors women and their contributions to the city.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Develop a museum-quality Web site for the project	40%	100%	50%	80%
2. Complete fundraising for fabrication of zinc circles and Web site development	15%	100%	25%	75%
3. Number of public events focusing on themes relevant to the project	7	5	4	4

- **GOAL 6:** Disseminate status report of women and girls in Cambridge and convene working groups to review data.

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Develop and implement process for advertising and disseminating status report	10%	100%	80%	100%
2. Meet with key community stake holders, leaders, and public officials to publicize, review findings, and evaluate data	n/a	15	10	5

FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$153,565
Real Estate Taxes	\$153,565	
INTERGOVERNMENTAL REVENUE		\$9,960
State Cherry Sheet Revenue	\$9,960	
TOTAL FY08 BUDGETED REVENUE		\$163,525

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$152,665
OTHER ORDINARY MAINTENANCE	\$9,835
TRAVEL & TRAINING	\$1,025
EXTRAORDINARY EXPENDITURES	\$0
TOTAL FY08 BUDGETED EXPENDITURES	\$163,525

FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	2	2	2

ACTUAL FY06	PROJECTED FY07		BUDGET FY08	HUMAN RIGHTS COMMISSION
<u>\$171,425</u> \$171,425	<u>\$171,315</u> \$171,315	HUMAN RIGHTS COMMISSION	<u>\$176,640</u> \$176,640	<p>PURPOSE & OVERVIEW: The Cambridge Human Rights Commission (CHRC) was established in 1984 for the purpose of protecting the Civil Rights of the citizens of the city. In operational terms, this means that the Commission is mandated to investigate and adjudicate complaints of discrimination in the areas of employment, housing, public accommodation and Civil Rights Act violations. The Commission educates the public including school-age children about their rights and responsibilities under the law, advises the administration about issues affecting City departments, and provides training to City employees.</p> <p>FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:</p> <ul style="list-style-type: none"> • Continued implementing mediation as a component of the Commission's enforcement mission. • Working to revise and update the Commission's Rules of Procedure. The final revision is expected to be completed by May 2007. • Continued an aggressive Outreach Program that includes a user-friendly Web site with online complaint forms, brochures with various translated versions, Speakers Bureau information, and a Civil Rights Curriculum. People with a potential complaint of discrimination can now file a preliminary complaint online with the Commission. • On October 26, 2006, the Commission held a public forum at the Cambridge Rindge and Latin School, entitled "Students Speak Out On Discrimination In Cambridge," which over 150 people attended. • Continued to train Commissioners and staff in skills related to the work of the Commission. Commissioners are now actively involved in case mediation. • Maintained a Mediation Internship program with local law schools to train law students in mediation of Civil Rights cases. • Produced a newsletter, which is widely distributed to community organizations, City employees and people interested in discrimination issues. The newsletter consists of news of the Commission and legal news and analysis in the area of discrimination law. • Collaborated with the Boston Fair Housing Center in their various projects aimed at strengthening Fair Housing laws and investigative practices. • Sponsored an annual Fair Housing Month Celebration in partnership with the Fair Housing Committee. Over 200 Cambridge students from sixth through eighth grades participated in the annual poster and essay contest. Several business establishments in Cambridge collaboratively assisted the Commission in the celebration. Cambridge Trust, Cambridgeport Bank, Cambridge Savings, East Cambridge Savings,

the Cambridge Council of Realtors and several local businesses donated money, certificates of savings bonds and gift certificates toward the awards and prizes for the winners.

FY08 GOALS

- *GOAL 1: Increase public awareness of the Cambridge Human Rights Commission.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of public inquiries	524	450	450	450
2. Number of community training sessions	21	22	22	24
3. Events related to human rights issues	53	50	50	50

- *GOAL 2: Improve efficiency and effectiveness of case intake, investigation and referral process.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of complaints open from prior fiscal years	5	0	5	2
2. Number of complaint intakes from public inquiries*	130	130	130	120
3. Number of complaints referred to other agencies or dismissed due to lack of jurisdiction	128	90	100	100
4. Number of complaint intakes from other agency referrals, including HUD and EEOC*	31	15	10	5
5. Number of complaints investigated and closed*	33	55	43	25
6. Number of tests performed on complaints under investigation	2	4	4	4
7. Average number of days until case is routed	2	2	2	2
*Reflects MCAD no longer contracting with the City to conduct investigations.				

- **GOAL 3:** *Perform mediation as a means to resolve complaints in lieu of investigation.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Mediations performed regarding City employees' issues	1	4	1	1
2. Number of closed complaints sent to mediation*	64	55	35	25
3. Number of complaints mediated* *Reflects MCAD no longer contracting with the City to conduct investigations.	22	30	20	15

- **GOAL 4:** *Hold public hearings on cases investigated.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of complaints pending hearing	5	5	2	1
2. Number of complaints heard and adjudicated	0	2	1	1

- **GOAL 5:** *Maintain funding by the Federal Department of Housing and Urban Development (HUD). HUD pays the Commission on a case-by-case basis. The reimbursement rate is negotiated each year.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of complaints paid by HUD	14	12	12	15
2. Reimbursement per case by HUD	1,800	\$1,800	1,800	1,800

- **GOAL 6:** *Continue interaction between the Cambridge Human Rights Commission and other City departments in collaborative efforts, including education and training, with funding provided by the Personnel Department.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Joint projects and training (sexual harassment, disabilities, diversity, Fair Housing, etc.)	15	18	15	15
2. Number of trainings related to the work of the Commission provided to Commissioners	2	3	3	3

FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$176,640
Real Estate Taxes	\$176,640	
TOTAL FY08 BUDGETED REVENUE		\$176,640

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$171,885
OTHER ORDINARY MAINTENANCE	\$4,055
TRAVEL & TRAINING	\$700
EXTRAORDINARY EXPENDITURES	\$0
TOTAL FY08 BUDGETED EXPENDITURES	\$176,640

FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	2	2	2

ACTUAL FY06	PROJECTED FY07		BUDGET FY08	VETERANS' SERVICES/BENEFITS
\$308,975	\$309,540	ADMINISTRATION BENEFITS	\$305,600	PURPOSE & OVERVIEW: Mandated by Massachusetts General Laws, Chapter 115, the department's mission is to advocate on behalf of Cambridge veterans and their families, provide them with quality support services and direct a financial assistance program for those veterans and/or their dependents who are in need. The primary function of the department is to administer a benefits program which provides monetary aid to qualified veterans and/or their dependents for food, clothing, shelter, utilities, personal needs, insurance, fuel, telephone and transportation, as well as medical, dental, hospital and burial expenses. The Commonwealth reimburses the City 75% of the cost of this benefits program. The department assists Global War on Terrorism veterans in applying for a state cash bonus of \$1,000 for those who served in Iraq or Afghanistan and \$500 for all others. In addition, the department assists veterans who are 100% disabled, parents or wives of veterans killed-in-action, and surviving spouses of veterans who died as a result of a service-connected injury, in receiving an annual \$2,000 annuity at no cost to the City. The department also assists veterans and their dependents in applying for federal VA benefits such as service connected compensations, disability pensions, personal needs/aids and attendance pensions, medical, education, housing, employment, life insurance and death benefits as well as social security/disability benefits. In FY07, Cambridge veterans and/or their dependents received \$2.9 million in federal Veterans' Administration benefits. The department also provides assistance in filing for City tax exemptions and abatements earmarked for veterans or their surviving spouses. The department coordinates public events on Patriots', Veterans' and Memorial days, including the Memorial Day parade. On Memorial Day, in conjunction with the Cambridge Veterans' Organization (CVO), over 9,000 flags are placed on the graves of veterans interred in Cambridge cemeteries. In addition, the department participates in the dedication of streets, squares and parks for veterans killed-in-action. The department also serves as Burial/Graves Agent for indigent Cambridge residents (non-veterans) that are buried in the Cambridge cemetery.
<u>\$278,490</u>	<u>\$301,500</u>		\$314,500	
<u>\$587,465</u>	<u>\$611,040</u>		\$620,100	
				<p>SIGNIFICANT BUDGET MODIFICATIONS: An increase of \$28,000 for veterans' benefits based on the FY07 projected costs and estimated FY08 increases is included in the FY08 Veteran's Budget. The veterans' benefits budget is \$314,500 with this increase. It is anticipated that the state will reimburse the City for a portion of these cost increases. In addition, \$6,000 has been added to cover increased costs of ceremonial events.</p> <p>FY07 MAJOR DEPARTMENTAL ACCOMPLISHMENTS:</p> <ul style="list-style-type: none"> • Implemented a new automated computer software system to enhance office operations, state reporting and establish a client-based information system, in addition to streamlining the client payment process. • Continued to enhance the department's Web site, ensuring that quality up-to-date information is available

to veterans and their families.

- Implemented revised changes in policies and procedures, pursuant to CMR 108 (Massachusetts Veterans Benefits Laws and Regulations), effective July 2006.
- Worked closely with the Assessing Department to reach veterans who may be eligible for "new" FY07 property tax exemptions/abatements.
- In conjunction with the School Department, implemented a new state program that allows certain Massachusetts war veterans who withdrew from high school permanently to serve as a member of the armed forces in World War II, the Korean Conflict or Vietnam, and who did not receive high school diplomas, to be awarded a diploma.
- As a member of the State's Legislative Commission on Veterans' Employment Opportunities, issued a report recommending the enforcement of veterans' preference laws: designating Global War on Terrorism veterans as a "protected class" in state and local hiring; giving tax relief to employers that hire veterans; and establishing a "Veterans' Medical Leave Act", that grants additional time away from work for those veterans suffering from Post Traumatic Stress Disorder (PTSD) as a result of combat duty.
- Implemented a new federal Department of Veterans' Affairs program that allows for the placing of a Veterans' Grave Marker on private graves.
- Assisted 20 veterans/dependants in accessing federal VA benefits, exclusive of Ch. 115 clients. To date 8 cases have been awarded favorably and 12 cases are pending.

Figure 1: FY06 Veterans, Spouses and Dependants Receiving City Subsidies

The Veteran's Services Department has the primary responsibility to assist veterans, their spouses and dependants in applying for federal benefits and also provide them with a City/State subsidy when eligible.

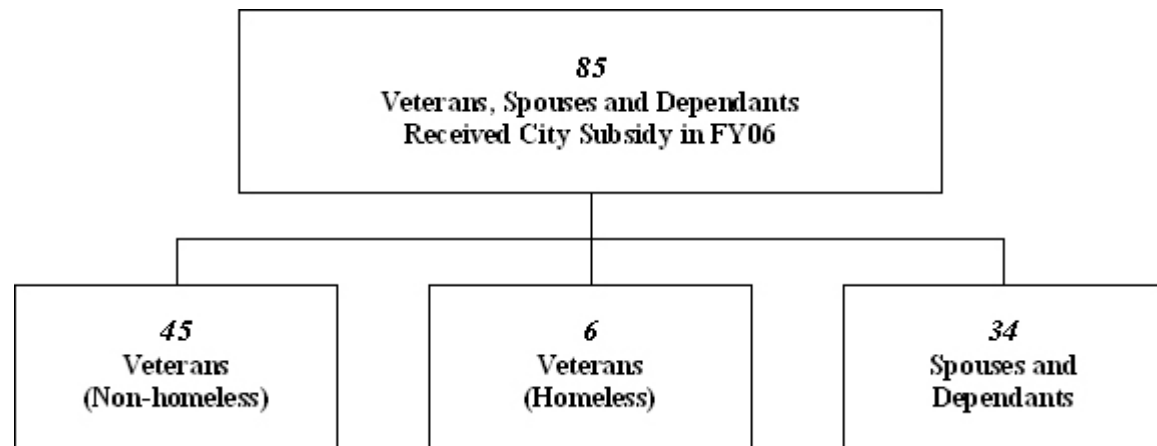
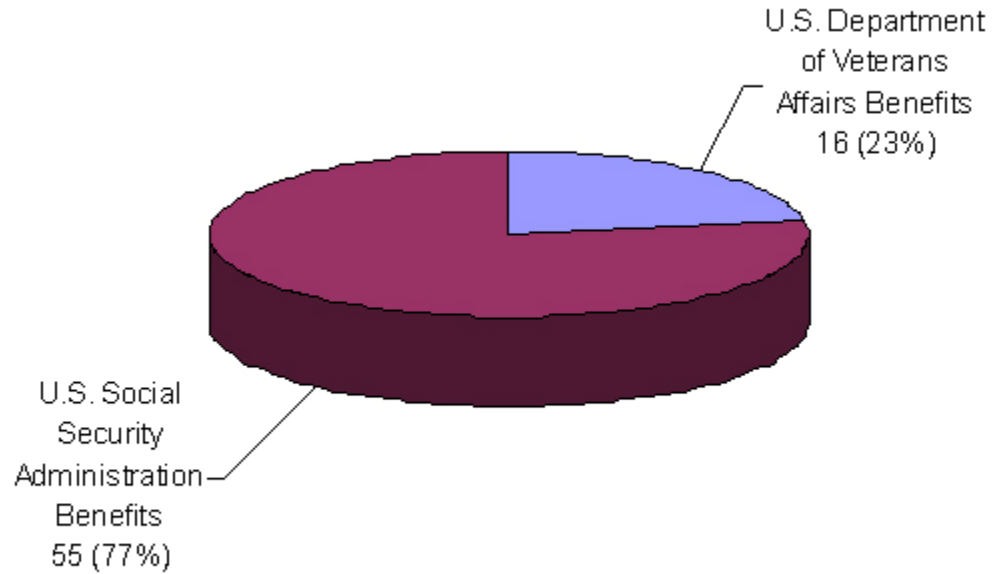


Figure 2: FY06 Clients Receiving a City Subsidy and Federal Assistance

Between July 1, 2005 and June 30, 2006 there were 71 clients, Veterans, Spouses and Dependents that received both a City Subsidy and Federal Assistance from either the U.S. Department of Veterans Affairs (VA) or the U.S. Social Security Administration. In addition, the Veterans' office reviews all new federal benefits programs to ensure that all eligible clients apply for any benefits that they are entitled to.



FY08 GOALS

- *GOAL 1: Continue compliance with MGL Chapter 115 (Veterans' Benefits) regulations.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Ensure applications are forwarded for approval to the state within 10 days after intake	100%	100%	100%	100%

■ *GOAL 1: (continued)*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
2. Develop a case management plan for each new client within 30 days of intake	100%	100%	100%	100%
3. Ensure state returns for reimbursement are forwarded to the state within 30 days following the payment month	100%	100%	100%	100%

■ *GOAL 2: Increase public awareness of veterans' benefits, services and events by issuing informational announcements on City TV 8.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of informational announcements televised on municipal cable TV	n/a	n/a	3	6

■ *GOAL 3: Increase community participation in veterans' ceremonial events by increasing public awareness through personal presentations, media utilization, linkages with schools, community organizations and other City departments. Continue the ceremonial and public events function of the Department by honoring both living and deceased veterans.*

■ *GOAL 4: Produce timely updates to the Veterans' Department Web page.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of veterans benefits updates	12	12	12	12
2. Number of informational/current event updates	13	14	14	14

- *GOAL 5: Continue to upgrade staff skills with an emphasis on team building, skill sharing and accountability.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Number of internal staff trainings	4	4	4	4
2. Number of external trainings	12	12	12	12

- *GOAL 6: Aggressively identify and access federal and state resources for eligible clients.*

PERFORMANCE MEASURES	FY06 ACTUAL	FY07 BUDGET	FY07 PROJECTED	FY08 PROPOSED
1. Conduct assessments and evaluations of client eligibility for federal and state benefits; number of assessments	4	4	4	4

FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$418,770
Real Estate Taxes	\$418,770	
INTERGOVERNMENTAL REVENUE		\$201,330
Veterans' Reimbursement	\$4,500	
Cherry Sheet-Veteran Benefits	\$196,830	
TOTAL FY08 BUDGETED REVENUE		\$620,100

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$246,050
OTHER ORDINARY MAINTENANCE	\$54,900
TRAVEL & TRAINING	\$319,150
EXTRAORDINARY EXPENDITURES	\$0
TOTAL FY08 BUDGETED EXPENDITURES	\$620,100

FULL TIME BUDGETED EMPLOYEES	FY06	FY07	FY08
	3	3	3

SUMMARY: SCHOOL ORGANIZATION

FY06 ACTUAL	FY07 PROJECTED	PROGRAM EXPENDITURES	FY08 BUDGET
<u>\$119,727,750</u>	<u>\$123,862,735</u>	Education	<u>\$127,690,960</u>
\$119,727,750	\$123,862,735		\$127,690,960

FINANCING PLAN	FY08 BUDGET
Taxes	\$100,962,410
Fines & Forfeits	\$100,000
Intergovernmental Revenue	\$26,328,550
Miscellaneous Revenue	<u>\$300,000</u>
	\$127,690,960

EDUCATION

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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\$119,727,750
\$119,727,750

\$123,862,735
\$123,862,735

EDUCATION

\$127,690,960
\$127,690,960

The School Committee adopted a FY08 budget of \$127,690,960, which represents an increase of \$2,328,755, or 1.9%, over the FY07 approved budget of \$125,362,205. The budget is within the financial guidelines established by the City Manager for the School Budget. The Adopted School Budget contains reallocations of \$1,242,025 to support Program Initiatives and Improvements. The following information is an extract from the Superintendent's Executive Summary contained in the FY08 Budget. For additional budget information, go to www.cpsd.us.

OVERVIEW: The Cambridge Public Schools (CPS) have continued to show steady progress in 2006-07, building on foundations laid over the past few years and focusing resources on high priority goals. CPS work on the goals adopted by the School Committee, particularly on elevating achievement for all students and closing the achievement gap, is progressing as evidenced by numerous measures. These include broad scale improvements in the measures of "Passing" and "Proficient/Advanced" across schools and the school system on Massachusetts Comprehensive Assessment System (MCAS) results; significant increase in achievement by subgroups of students enabling our schools to meet the requirements of federally mandated "Adequate Yearly Progress;" tremendous improvement in the graduation rate; documentation of 92% of our students going on to post-secondary education; and various awards/ honors.

For the first time since the inception of MCAS and No Child Left Behind Act of 2001 (NCLB), the Cambridge Public School student populations (Grades 3-12) of Asian, Hispanic, African American and White students outscored each of their state counterparts. This noteworthy outcome is another sign that the efforts of teachers, principals, district staff and parents are yielding results.

Cambridge's improvements drew public praise this fall from the Massachusetts Commissioner of Education who named CRLS among the three most improved high schools in the state. The state Educational Management Audit Council (EMAC) officially recognized our progress as they announced that CPS had been removed from the "Watch List." Cambridge Rindge and Latin School (CRLS) now ranks first in high school achievement among the state Department of Education's (DOE) official grouping of 22 urban school systems, with the exception of the one urban system with fewer than 30% of its students on free/reduced lunch (CRLS has 47% low income students). Ninety-eight percent (98%) of high school students passed MCAS and 95% graduated. The subgroup achievement gaps in MCAS passing rates and dropout rates within CRLS were virtually closed. Recognition for this accomplishment was awarded to CRLS by the prestigious Schott Foundation, which announced that they had selected CRLS for commendation in the *Schott Awards for Excellence of African-American Male Students*. The foundation went on to say that it was "very pleased to be able to commend the school's outstanding record with male non-Hispanic Black students and the steady improvement it has demonstrated in this regard." CRLS was the only high school in Massachusetts to be so honored.

CRLS seniors set high goals for themselves as one out of every four graduates gained admission to one of the top 100 colleges and universities in the US (10% of the class to Ivy League schools). The new SAT courses created a demand greater than the seats available and the Advanced Placement exam scores jumped up. Students distinguished themselves in other ways, too, as a group from CRLS went to the Arctic Circle on an Earthwatch Expedition sponsored by the school system; the girls' JV Crew team won the state title; Rindge School of Technical Arts (RSTA) students worked with MIT to build cars that run on environmentally friendly vegetable oil, illustrating one of over 100 partnerships with Harvard and MIT; and performances at drama events were the "talk of the town." The budget includes additional resources and program initiatives in music at CRLS and the middle school levels for the coming year, in order to create system-wide performance opportunities from gatherings of students from all of our schools.

The progress of the schools in meeting the NCLB "Adequate Yearly Progress" standards demonstrates additional accomplishments. In fact, of the 46 state measures, when viewed across all Cambridge schools, including all subgroups (racial groups, SPED, ELL, etc.), 32 measures exceeded the test score requirements, versus only 23 of 58 in 2005-06. These individual school results yielded an improvement of the AYP status for the entire school district.

The highly respected and valued two year "Elmore Project" became known as the Cambridge Leadership Network (CLN). This work in classrooms across the school system, with our principals, system-wide leadership team and Dr. Richard Elmore of Harvard University, is enormously important in advancing our instructional program. The presentation of this work to the School Committee punctuated the progress made by the members of the CLN over the last year and a half. The Network is planning for the continuation of the work next year on our own and requires funding only for periodic consultation with Dr. Elmore.

SIGNIFICANT FY08 INITIATIVES AND IMPROVEMENTS:

Reading/Writing/Language Arts – An increasingly larger percentage of students are reading at grade level by the third grade. This momentum will be encouraged by the expansion of the Literacy Collaborative to the K-2 and 3-5 levels in all schools, some of which are now in training for full implementation next year. CPS has also worked closely with Lesley University to enter into grades 6-8 next year to elevate instruction and rigor through the support of the university, with the help of three part-time teachers, training, materials and fees. In all of our reviews of student progress, we recognize that middle school instruction must be strongly addressed to increase the rigor of our middle school program. Our research and observations point directly to the need for this last addition. CRLS also will be adding part-time coaching assistance through the internal redesign of current teaching positions.

Mathematics – Two schools are currently piloting the new TERC K-5 Investigations program in preparation for full implementation in all schools next year. Inservice continues to be necessary for the revised CMP2 curriculum at the middle school level as well as for the new Investigations program, plus the replacement of math coaches previously hired through expiring grant funds and a training consultant associated with the pilot stages

of development have been considered. The new math programs have many staff excited because the instructional materials fully address inadequacies in the prior materials and the need to differentiate instruction for the purposes of closing the achievement gap. CRLS will redeploy staff for a part-time math coach and ensure a full year mathematics options for 9th and 10th graders who require additional instruction, while at the same time allowing for advanced and rigorous math course work for students ready for the challenge.

Special Education – As is true across the country, we are experiencing an increase in students diagnosed in the autism spectrum and are planning two new special education classrooms for these students. This will require additional staff in speech/language and occupational/physical therapy, all of whom will work within the pre-school to grade 2 developmental levels. A second functional academics special education classroom will be necessary at CRLS based upon projected enrollment. Two Ombudspersons for special education have been included in this budget to enable improved communications and assist parents in expediently accessing services for students. The search for a new Director of Special Education is ongoing, and we anticipate completing next year another survey of the parents and a new strategic plan for special education programming and services.

Tobin Montessori School – Tremendous parental interest has developed for the opening of this new program in September. Research, journals and reports of success across the nation herald the implementation of this exciting venture, already proving to be a popular choice in the lottery. Furniture and materials are already placed on order from the FY07 budget, while summer and school year training are scheduled for the FY08 budget. The Montessori Resource Teacher is currently being recruited and there is much interest in available teaching positions.

After School Programming – Cambridge Public Schools have added significant programming after school, over the summer and during the vacation periods over the past few years. These programs demand supervisory attention and leadership to provide a well coordinated experience in partnership with the City and other providers. Coincidental with our needs, the City grant for after school programs is expiring, and if it is renewed, it is expected to be at a lower level and will require matching funds. This budget contains the support necessary to continue the previously funded grant position of Program Manager for Out of School Programs. The Program Manager will be expected to administer the remaining grants and funding and work with the school system to develop and enhance our programs.

Science – The Cambridge Science Initiative has evolved, as have our efforts to improve the science curriculum and instruction. We anticipate continued funding of middle school science camps, academically challenging student projects such as the research courses and Earth Watch, and support for our growing work with the Broad Institute. Activity with the Broad Institute has been rejuvenated with the arrival of a new director and we anticipate participating in high school research, mentorships and unique projects through a grant won by the Institute. Finally, we intend to add two more schools to the City Sprouts program, in which students learn first hand about nutrition, critical issues in production of food (so prominent in the news these days), and the science of plants and plant growth.

Inservice Priorities – Plans for inservice continue to respond to the ongoing need for excellent instruction in every classroom. In addition to the previously mentioned mathematics and Literacy Collaborative program advancements at every level of instruction, state mandates require 90 hours of inservice for all teachers of regular education who instruct English language learners in the regular classrooms. This is a huge undertaking that must be accelerated. The Cambridge Leadership Network (CLN), which was previously discussed, is at the heart of the instructional core of our school system. Through this effort the leaders of the Cambridge Public Schools are modeling growth and development activities expected of all employees.

Technology advancements also require additional inservice. We plan to focus efforts on developing our school based technology assistants and librarians as a potential technology team. With additional training we believe these important contributors can become greater resources to regular classroom teachers. We are also pursuing library interns with local colleges to work in our larger elementary schools on an ongoing basis, for the benefit of both the intern and the elementary students. Technology inservice will need to be well planned for staff and parents as we implement *Edline*, a software program that provides for teacher to parent and parent to teacher communication of homework, student progress and collaboration on behalf of student achievement. The addition of *Edline*, other new technology and the needs in the schools, require the addition of a Technology Network Technician position at the district level on call to schools.

Another priority is inservice instruction for our physical education teachers, to enable them to increase expertise and effectiveness in health education instruction. We have had great success and recognition with our health/nutrition programs, and this inservice, particularly for middle school instruction, is seen as crucial.

Visual and Performing Arts – Major redesign of the middle school music program will result in elimination of general music classes and the opportunity for all 7th and 8th grade students to participate in a choral ensemble and/or instrumental music at each school. As an extension to this school-based program, students will have the opportunity to participate in citywide choral ensemble and/or instrumental performances. Also, 5th and 6th grade programs will be redesigned to introduce 5th grade students to a variety of instruments and to choose one to focus on in 6th grade. Musical instruments will be purchased from FY06-07 end-of-year balances.

High School Advancements – Excitement and accomplishments abound at the high school level. The High School Extension Program (HSEP) has adopted new software that will arrive prior to the end of this year but become fully implemented next year. HSEP graduation statistics for this year promise improvement and the team of teachers expect even better results in 2007/08. RSTA is reallocating equipment funding for the 2007/08 budget to support the Chapter 74 application and approval of the new Media Technology program. RSTA is also scheduling staff resources to initiate a new Science and Engineering Exploratory program for entering 9th graders. This new program recognizes the national demand for engineers and the opportunities for student careers.

CRLS is redesigning teaching positions (based upon retirements) to support the planned expansion of the AVID Program to grade 12. As a result of AVID, it is expected that Advanced Placement (AP) classes will receive a

few additional minority student enrollees next year with more to follow. Also included in the redesign will be the establishment of part-time teacher coaches in five academic disciplines. This is an important step forward in changing the culture at CRLS and promises to yield instructional benefits over the coming years as an ongoing inservice program in the classrooms. Also exciting are the possibilities for students with the conversion of a teacher position to the Music Department. The principal intends to build a strong orchestra and band program with this new position as one of the key elements.

CRLS Civics Education – Finally, CRLS intends to redesign a position to create a full time “academic internship/11-12 grade pathways position” to support internships, community service with diplomas of distinction, and community as well as college partnerships (including dual enrollment). In addition, we are excited about working with the National Black College Alliance in a project to create a new generation of civic leaders and the National Hispanic Institute in a project designed to yield more four-year college applicants through civic leadership projects.

CONCLUSION: This budget makes significant advances in education by taking many of our programs to the next level—steps forward in high standards and quality—huge steps forward built on the momentum of progress over the last few years. The redesign of the middle school music program, the redesign at CRLS of the culture, music, and civics education, and the new Tobin Montessori program are visible, exciting, and provocative. Less visible but equally exciting and provocative are the Cambridge Leadership Network, the new core instructional materials K-8, and the newly design middle school curriculum in conjunction with Lesley University. We are building on progress in an aggressive effort to increase the competence and success of the students in the Cambridge Public Schools.

FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$100,962,410
Real Estate Taxes	\$100,026,410	
Hotel/Motel Excise Tax	\$936,000	
FINES & FORFEITS		\$100,000
Parking Fines	\$100,000	
INTERGOVERNMENTAL REVENUE		\$26,328,550
State Cherry Sheet Revenue	\$13,452,765	
Cherry Sheet-School Aid	\$8,074,395	
School Construction Reimbursement	\$3,875,350	
Cherry Sheet-Lunch Programs	\$26,040	
Medicaid Reimbursement School	\$900,000	
MISCELLANEOUS REVENUE		\$300,000
Free Cash	\$300,000	
TOTAL FY08 BUDGETED REVENUE		\$127,690,960

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$95,804,010
OTHER ORDINARY MAINTENANCE	\$24,266,040
TRAVEL & TRAINING	\$1,851,950
EXTRAORDINARY EXPENDITURES	\$5,768,960
TOTAL FY08 BUDGETED EXPENDITURES	\$127,690,960

THIS SPACE RESERVED FOR COUNCILLORS' NOTES

SUMMARY: INTERGOVERNMENTAL

FY06 ACTUAL	FY07 PROJECTED	PROGRAM EXPENDITURES	FY08 BUDGET
\$15,774,595	\$16,822,070	Mass. Water Resources Authority	\$18,856,840
\$13,865,840	\$15,879,660	Cherry Sheet	\$16,227,780
<u>\$6,250,000</u>	<u>\$6,000,000</u>	Cambridge Health Alliance	<u>\$6,000,000</u>
\$35,890,435	\$38,701,730		\$41,084,620

FINANCING PLAN	FY08 BUDGET
Taxes	\$16,479,150
Charges For Services	\$19,371,900
Intergovernmental Revenue	<u>\$5,233,570</u>
	\$41,084,620

**MASS. WATER RESOURCES
AUTHORITY**

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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\$15,774,595
\$15,774,595

\$16,822,070
\$16,822,070

**MASS. WATER RESOURCES
AUTHORITY**

\$18,856,840
\$18,856,840

PURPOSE & OVERVIEW: In FY85, the State Legislature approved a bill creating the Massachusetts Water Resources Authority (MWRA). The Authority acquired the operation of metropolitan Boston's sewer and waterworks system from the Metropolitan District Commission (MDC). Since the City has its own source of water, the MWRA traditionally has had little impact on the City's water rate. Because of the responsibility given to the MWRA to improve existing sewerage systems, especially as they affect Boston Harbor, the Authority influences the City's sewer service charge.

For FY08, the MWRA estimated charge of \$18,856,840 represents a 12.1% increase from the FY07 charge of \$16,822,068, which is significantly higher than the average 2% increase of the past three years. The FY08 MWRA budget amount is based on an estimate received from the MWRA. It is important to note that the MWRA assessment accounts for 53% of the total Sewer budget.

SIGNIFICANT BUDGET MODIFICATIONS: The FY08 Massachusetts Water Resource Authority (MWRA) assessment is scheduled to increase by \$2,034,772 to \$18,856,840, or 12.1%. However, the total dollar assessment for FY08 is less than the amount projected last year because of a lower FY07 actual assessment increase of 6.6% instead of 12.1%. The MWRA rate increase provided to the City is subject to change based on the MWRA budget adopted later in the Spring 2007. The increase in the MWRA assessment is due to rising energy and utility costs, higher interest costs on MWRA debt, additional health insurance costs for MWRA employees, and changes in public health and environmental requirements that increase overall spending costs for the MWRA.

FINANCING PLAN	DETAIL	SUMMARY
CHARGES FOR SERVICES		\$18,856,840
Sewer Service Charge	\$18,856,840	
TOTAL FY08 BUDGETED REVENUE		\$18,856,840

STATUTORY ANALYSIS	SUMMARY	
SALARIES & WAGES	\$0	
OTHER ORDINARY MAINTENANCE	\$18,856,840	
TRAVEL & TRAINING	\$0	
EXTRAORDINARY EXPENDITURES	\$0	
TOTAL FY08 BUDGETED EXPENDITURES		\$18,856,840

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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\$9,195	\$9,610
\$35,775	\$36,595
\$27,610	\$28,255
\$7,593,315	\$7,818,100
\$478,440	\$478,440
<u>\$5,721,505</u>	<u>\$7,508,660</u>
\$13,865,840	\$15,879,660

ELDERLY GOVERNMENTAL RETIREES	\$0
AIR POLLUTION CONTROL MAPC	\$36,265
MBTA	\$28,930
C.S. REGISTRY HOLD PROGRAM	\$8,067,205
EDUCATION	\$515,060
	<u>\$7,580,320</u>
	\$16,227,780

PURPOSE & OVERVIEW: The Cherry Sheet is a form showing all state and county charges assessed against the City as certified by the state director of accounts. The name is derived from the fact that years ago the document was printed on cherry colored paper. The figures shown here are based on the preliminary state Cherry Sheet and are subject to revision when the final Cherry

Sheet is issued as part of the adopted state budget.

ELDERLY GOVERNMENTAL RETIREES. The Elderly Governmental Retirees Plan is a contributory group health and life insurance plan established for City employees who retired prior to the adoption of the City's group policy on July 1, 1957. This allotment covers the administrative premium cost as determined by the state and is carried on the Cherry Sheet. There is no assessment included on the FY08 Cherry Sheet.

AIR POLLUTION CONTROL. The Department of Environmental Protection supervises six districts statewide. The Metropolitan Boston Control District, of which Cambridge is a member, has a staff of 35 pollution inspectors. The Commission is empowered through the Office of the Governor and has a mandate to control air pollution through the enforcement of the Metropolitan Boston Air Pollution Control Acts and Safety Standards.

METROPOLITAN AREA PLANNING COUNCIL. Assessments are made to municipalities to finance the Metropolitan Area Planning Council (MAPC), which serves 101 communities.

PUBLIC TRANSPORTATION. The Massachusetts Bay Transportation Authority (MBTA) provides bus/minibus, trackless trolley and underground subway transportation across the city. The 30 surface routes are located within four-tenths of a mile of 95 percent of all Cambridge residents.

The MBTA is composed of 175 communities: the 14 original member communities of the Metropolitan Transit Authority and 161 additional communities that are receiving MBTA service. The MBTA is required to assess each community's share of the overall assessment.

All communities associated with the Authority must contribute to the MBTA State and Local Assistance Fund an amount not less than \$136,026,868. Beginning in FY07, this amount will be adjusted each July 1 by the rate of inflation unless the total assessment exceeds 102.5 percent of the previous year's assessment. The individual

community's assessment is determined based on the following formula: each community's assessment shall equal its weighted share of the total population of the 175 communities in the MBTA. Chapter 161A of the Acts of 2000, which increased the number of communities in the MBTA from 78 to 175, also determined the share for each community in conjunction with the 2000 U.S. Census.

A portion of the total MBTA assessment supports the Boston District Commission (the "District"), which is responsible for bonds issued by the Transportation Authority prior to the creation of the Metropolitan Transit Authority in 1947. This assessment pays for administrative costs incurred by the District and is charged to the 14 cities and towns of the Boston Metropolitan District in proportion to their share of the District's total equalized valuation. The MBTA covers the District's debt service costs.

REGISTRY OF MOTOR VEHICLES-HOLD PROGRAM. Since February 1985, the Parking Violations Bureau has implemented a provision of Massachusetts General Laws Chapter 90, which enables the City to request that the state Registry of Motor Vehicles not renew the license and registration of an operator/owner of a motor vehicle who has two or more outstanding parking tickets. This provision is imposed after the motorist has failed to pay the parking tickets and had an opportunity for a hearing. This program has resulted in a significant decrease in the number of delinquent payments.

EDUCATION. The primary component of this allocation is the Charter School Sending Tuition assessment (\$7,501,785), which is the amount charged for Cambridge students who attend charter schools. The amount is based on the number of students, times the tuition rate of the charter school, as calculated by the state using a tuition formula. The significant increase in this cost center from FY06 is due to the increase in the number of students based on a new charter school that opened in September 2005. The second component is the amount set aside for School Choice Sending Tuition (\$30,000). This is the amount assessed to the sending municipality for pupils attending another school district under school choice. The last assessment contained in this allotment is for grandfathered costs for special education services (Ch. 766) provided by other districts for students who are state wards that reside in Cambridge (\$48,535).

FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$10,479,150
Real Estate Taxes	\$10,479,150	
CHARGES FOR SERVICES		\$515,060
Parking Fund Parking Usage	\$515,060	
INTERGOVERNMENTAL REVENUE		\$5,233,570
State Cherry Sheet Revenue	\$2,797,915	
Cherry Sht-Chrt Sch Tuit Reim	\$2,435,655	
TOTAL FY08 BUDGETED REVENUE		\$16,227,780

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$0
OTHER ORDINARY MAINTENANCE	\$16,227,780
TRAVEL & TRAINING	\$0
EXTRAORDINARY EXPENDITURES	\$0
TOTAL FY08 BUDGETED EXPENDITURES	\$16,227,780

ACTUAL FY06	PROJECTED FY07		BUDGET FY08
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<p><u>\$6,250,000</u> \$6,250,000</p>	<p><u>\$6,000,000</u> \$6,000,000</p>
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<p>CAMBRIDGE HEALTH ALLIANCE</p> <p><u>\$6,000,000</u> <u>\$6,000,000</u></p> <p>PURPOSE & OVERVIEW: The Cambridge Health Alliance (the Alliance) has remained a vital asset to the citizens of Cambridge since its establishment by home rule legislation on July 1, 1996. The Alliance is a nationally recognized safety net and academic health care delivery system that provides comprehensive clinical, public health, teaching and research programs at sites throughout the City of Cambridge. It is comprised of The Cambridge Hospital, Somerville Hospital and Whidden Memorial Hospital, over 20 community health centers and ambulatory practices, the Cambridge Public Health Department, and Network Health, a growing Medicaid managed care plan. The Alliance is a teaching affiliate of Harvard Medical School and has departmental affiliations with Tufts University School of Medicine. The Alliance is also a major Cambridge employer with approximately 1,800 employees working in Cambridge.</p> <p>Patient care is central to the Alliance’s mission. This year the Alliance invested in the health of Cambridge by hiring several top surgeons, launching new services and upgrading its facilities. Its innovative programs, such as the Planned Care chronic disease management programs in diabetes and childhood asthma, have led to better health outcomes. The Alliance is committed to providing high quality health care to people of all backgrounds. The Alliance is one of the largest “safety net” providers in Massachusetts and the state’s largest proportional provider of care to people without health insurance, with 85% of total operating revenues coming from government sources. The Alliance received about \$120 million for patient care to uninsured people in fiscal year 2006. Continuing its role as the leading acute care hospital provider of psychiatric services in the Commonwealth, the Alliance provided nearly 30% of all mental health and substance abuse inpatient care to uninsured residents. The Massachusetts health care reform law and implementation of the federal Medicaid waiver will impact critical funding sources for the Alliance and its patients. The Alliance is actively engaged in assisting uninsured residents in attaining new health insurance coverage, such as Commonwealth Care, and advocating for critical continuity of government funding to support its mission.</p> <p>An integral part of the Cambridge Health Alliance, the Cambridge Public Health Department is responsible for protecting the health of Cambridge residents, workers and visitors. Department programs include communicable disease prevention and control, emergency preparedness, epidemiology, environmental health, school health, community health and regulatory enforcement. The Department produces the Cambridge Public Health Assessment annually, including a comprehensive data report that reviews the City’s six health priorities. Partnerships with schools and community agencies (e.g. obesity and substance abuse) contribute to improved outcomes in the City’s health.</p>
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Local emergency preparedness continues to be an important part of the Department's purview. In FY06, pandemic flu preparedness was a major focus of the Department. Activities included developing an emergency dispensing plan, hiring a team of epidemiologists, organizing drills and strengthening partnerships. The Alliance convenes or plays a major role in several City initiatives including the Agenda for Children, the Men of Color Health Initiative and the Domestic Violence Free Zone Initiative.

Cambridge Health Alliance's Network Health managed care plan was selected in 2006 as one of the four statewide health plans able to enroll uninsured residents in the State's new subsidized insurance program, Commonwealth Care. Network Health has the largest membership with about 22,000 members in Commonwealth Care products enrolled since the program's launch in October 2006. Network Health now serves over 83,000 MassHealth members as well. Cambridge residents are among the plan's members.

In addition to being a strong local provider that provides its community with outstanding health services, the Alliance continues to garner national recognition for health care innovation and community excellence. Some of its recent honors include being named one of the country's Top 100 most integrated healthcare systems, the 2005 American Hospital Association NOVA Award for its revolutionary Volunteer Health Advisor program, National Association of Public Hospitals Safety Net Awards (2001-2007), and several Department of Psychiatry awards, including the 2003 American Psychiatric Association's Gold Award.

The FY08 Cambridge Health Alliance tax allocation is \$6,000,000 in accordance with City's service agreement with the Alliance.

FINANCING PLAN	DETAIL	SUMMARY
TAXES		\$6,000,000
Real Estate Taxes	\$6,000,000	
TOTAL FY08 BUDGETED REVENUE		\$6,000,000

STATUTORY ANALYSIS	SUMMARY
SALARIES & WAGES	\$0
OTHER ORDINARY MAINTENANCE	\$6,000,000
TRAVEL & TRAINING	\$0
EXTRAORDINARY EXPENDITURES	\$0
TOTAL FY08 BUDGETED EXPENDITURES	\$6,000,000

THIS SPACE RESERVED FOR COUNCILLORS' NOTES

PUBLIC INVESTMENT FUND**BUDGET****PUBLIC INVESTMENT
- Summary**

GENERAL GOVERNMENT	\$570,000
PUBLIC SAFETY	\$395,000
COMMUNITY MAINT. & DEV.	\$18,317,295
HUMAN RESOURCE DEV.	\$541,365
EDUCATION	<u>\$225,000</u>
	\$20,048,660

CAPITAL BUDGET INCREASES SUBSTANTIALLY IN FY08. Due primarily to a significant increase in the Bond Proceeds component of the financing plan, the FY08 Capital Budget has increased \$8,680,595, or 76.4%, from its FY07 level of \$11,368,065 to \$20,048,660 in FY08. Although the total capital budget increased substantially in FY08, the Property Tax component has been decreased by \$250,000 while the Free Cash contribution has remained stable at \$1,000,000. In FY07, only \$1,850,000 in Bond

Proceeds was authorized to fund a portion of the cost of eliminating common manholes in the Cambridgeport and Cambridge Highlands area (\$1,500,000) and additional costs for the construction of an underpass at Yerxa Road. In FY08, Bond Proceeds will finance \$7,910,000 of the total Sewer Reconstruction budget of \$10,660,070 with an additional \$600,000 for the Harvard Square Enhancement Project.

As the table on the following page indicates, the combination of Property Taxes and Free Cash is down \$250,000 from its FY07 level of \$2,450,000 due mainly to the significant increase in tax-supported debt service in FY07 as a result of the February 2007 bond issue. While the allocation to the capital fund from current Parking Fund revenues has decreased from its FY07 level of \$1,380,000 to \$900,000, the total Parking Fund contribution to the Capital Budget, including using \$1,500,000 from the fund balance, has increased to \$2,400,000. The \$1,500,000 allocation from fund balance will cover the cost of long-term roadway/safety improvements to Blanchard Road from Concord Avenue to Grove Street. These funds are available due to the 31% growth in the Parking Fund in FY06 which was the result of increases to many parking fines implemented in the prior fiscal year. The fund balance is being used to fund nonrecurring costs in both FY08 and FY09 with the FY09 allotment being set aside to cover the reconstruction of Brookline Street. The allocation of \$900,000 from current Parking Fund revenues will fund the replacement of traffic signals and renovations to parking garages as well as the traffic calming program. A total of \$1,000,000 has been set aside in the Water Fund for water improvement projects. While the largest portion of the Sewer Reconstruction budget is funded through bond proceeds (\$7,910,000), for which the debt service is covered through sewer service revenues, an allocation from current sewer revenues (\$1,500,000) is also made to cover costs relating to the structural maintenance of the City's storm, sanitary, and combined sewer systems, including certain emergency costs. These two sources will be supplemented with a grant from the MWRA for \$1,250,070 for a total Sewer Reconstruction budget of \$10,660,070.

While the City's Block Grant entitlement has been stabilized for FY08, the portion allocated for Open Space Improvements has been reduced from \$95,090 to \$63,865 to offset an increase in the operating budget, with the

Housing Rehab and Development, Employment Program Fund, and Neighborhood Business Development components funded at their FY07 levels. It is important to emphasize that the City's contribution to Housing Rehab and Development has increased substantially in recent years with the acceptance of the Community Preservation Act (CPA). These funds are not included in the Capital Budget but are appropriated separately after the City Manager receives recommendations from the CPA Committee, which are transmitted to the City Council for appropriation. The \$10,000,000 appropriation made to the Affordable Housing Trust Fund in FY07 was \$400,000 higher than the FY06 contribution of \$9,600,000 and increased the total contribution from the CPA since the acceptance of the act in FY02 to \$47,680,000. It is expected that a similar appropriation will be made in FY08. For additional information on the CPA, please see the following section.

There is a slight decrease in the amount of Chapter 90 funds that the City expects to receive from the State, with the FY07 allocation of \$1,510,055 decreasing \$7,115 to \$1,502,940 in FY08. These funds will be supplemented with \$330,000 from Property Taxes, for a total Street / Sidewalk Reconstruction budget of \$1,832,940.

Golf course revenues will remain constant at \$27,500 and will be used to continue the program to improve conditions at the golf course.

The following chart shows a comparison of Capital Fund revenues for FY07 and FY08:

	FY07	FY08	Variance FY07-08
Property Taxes	\$1,450,000	\$1,200,000	(\$250,000)
Free Cash	1,000,000	1,000,000	0
Parking Fund	1,380,000	900,000	(480,000)
Fund Balance/Parking	0	1,500,000	1,500,000
Sewer Service Charge	900,000	1,500,000	600,000
Water Service Charge	920,000	1,000,000	80,000
Block Grant	1,689,375	1,658,150	(31,225)
Chapter 90	1,510,055	1,502,940	(7,115)
MWRA Grant	550,000	1,250,070	700,070
SPOF	91,135	0	(91,135)
Bond Proceeds	1,850,000	8,510,000	6,660,000
Golf Course Fees	27,500	27,500	0
TOTAL	\$11,368,065	\$20,048,660	\$8,680,595

HOUSING, OPEN SPACE, AND HISTORICAL PRESERVATION. For several years after the abolition of rent control, the City allocated a combination of property taxes and free cash to the Affordable Housing Trust Fund to finance the creation and preservation of affordable housing units in the City. Prior to the submission of the FY02 budget, the City Manager proposed and the City Council approved placing the Community Preservation Act (CPA) on the ballot in the November municipal election for voter approval. The voters accepted the CPA and it became effective during FY02. The CPA levies a 3% surcharge on property tax bills (with certain residential exemptions) to fund housing, open space and historical preservation. In addition, the City is eligible for state matching funds and has received approximately \$27.7 million from this source since the inception of the program. Since the implementation of the CPA in FY02, \$59,600,000 has been appropriated / reserved for housing (\$47,680,000), open space (\$5,960,000), and historic preservation

(\$5,960,000). FY08 revenues from the CPA are expected to be up slightly based on a higher FY08 property tax levy, with the state match expected to be up slightly from the \$5.9 million received in FY07 (the state match for the CPA is received by the City in the fiscal year following the year upon which it is based). It is expected that the CPA committee will meet in early FY08 to make recommendations to the City Manager for the use of funds in FY08. After reviewing the work of the committee, the City Manager will submit a proposal to the City Council to be implemented in FY08. Thus, although CPA funds are used for purposes that would otherwise be funded through the capital budgeting process, there is no impact on the capital budget that is being submitted to the City Council for approval.

CURRENT REVENUES SUPPORT A WIDE RANGE OF PROJECTS. While the total of the Property Tax and Free Cash components of the capital budget is down from its FY07 level, the FY08 total is large enough to support a wide range of capital improvement projects including further technology upgrades and computer purchases; refurbishment of a ladder truck in the Fire Department; replacement of street lights and poles; public safety technology upgrades; public art conservation program; park and cemetery tree pruning; sidewalk reconstruction; façade improvement program; open space improvements; school renovations; and improvements to public buildings to make them more accessible to persons with disabilities.

The allocation of Sewer Service revenues to the capital budget has been increased by \$600,000 from the previous year's level due to continue to address sewer infrastructure needs. An allocation of water service revenues will fund improvements to the water system including the replacement of old water mains and valves and other improvements to the distribution system; the seventh phase of the Fresh Pond Master Plan (a planning study for continued capital improvements in and around the Fresh Pond Reservation); enhancements to laboratory instrumentation and

monitoring; consulting services for a wide range of programs, and reservoir infrastructure improvements and maintenance.

CAPITAL BUDGETING PROCESS. As can be seen from the wide scope of projects included and the total funds allocated to the implementation of the plan, the capital budget is considered to be one of the most significant components of the City's financial plan. It is clear that decisions made during this process will have an impact on the City for many years to come. In order to achieve optimum results from this process, the Capital Improvement Committee, which includes the Deputy City Manager, Chief Fiscal Officer of the School Department, and the heads of the Budget, Community Development, Finance, Human Services and Public Works Departments, meets on a regular basis throughout the year to ensure that, as needs arise, they may be addressed in a timely and efficient manner. The information received from reviewing the timing and structure of capital projects has proven to be a valuable planning tool. The committee works closely with the City's financial advisors to ensure that this information is applied to future capital budgeting processes.

The City uses its five-year financial projections for revenues and expenditures in addition to its five-year capital plan to formulate its budget guidelines for departments. The City's FY08 projections reflected a \$2.2 million target in the Pay-As-You-Go capital budget, a decrease of \$250,000 from FY07. This reduction was based on the fact that there are many large capital projects in the current bonding schedule that will result in a significant increase in the tax supported debt service budget over the next several years. For the FY08 Capital Budget process, departments were instructed to submit Pay-As-You-Go capital requests (funded from property taxes and free cash) that were equal to or less than the approved/funded amount received in FY07. All requests that exceeded the FY07 amount were required to be designated as "supplemental requests." Departments that did not receive a Pay-As-You-Go appropriation in FY07 could submit an

FY08 request but it was required to be submitted as a supplemental request.

Also, the addition of new large projects to be financed through bonding, which were not already part of the FY07-11 plan, was restricted.

This process required departments to focus their priorities and has produced a sustainable plan for future years that will provide significant benefits to the citizens of Cambridge.

In addition, Finance staff continued to work closely with department heads to monitor unexpended capital budget balances in order to develop a timeline for expenditures. Also, department heads and project managers were more involved in the process of developing detailed cash flow forecasts and project schedules for capital projects to be bonded. This involvement expanded their understanding of phases of the capital budgeting process that were previously handled primarily by Finance Department staff.

IMPACT ON OPERATING BUDGET DETERMINED. In order to carefully evaluate all capital requests, the Capital Improvement Committee asked that all departmental funding requests be submitted by early January 2006. During January and February, the committee met with the various department heads that had submitted requests, to review and analyze these proposals. The impact on the operating budget, whether positive or negative, was an important factor in the decision-making process.

A prior year project that has been fully implemented and will have a significant effect on both the FY08 operating and capital budgets was the installation of an automatic water meter reading system in homes and businesses throughout the city. This project has eliminated the need for estimated readings, significantly improved customer service, and enhanced revenues so that funds

available to be allocated to water and sewer capital projects have increased significantly in FY08.

The Fire Department will receive an allocation of \$250,000 to refurbish a ladder truck that has been in service since 1994. It is expected that this refurbishment will significantly increase the life of the vehicle while reducing maintenance costs in the operating budget.

While renovations and additions to the City's many parks and playgrounds have significantly improved the quality of life in Cambridge, the park maintenance cost center in the Public Works operating budget has experienced increases in recent years. The City's public art collection has grown due to new installations at new and renovated facilities and has required the establishment of a separate cost center to fund a continuing program of restoration and maintenance.

While most projects described in the preceding paragraphs are financed through current revenues, bond-financed projects also have an impact on the operating budget. Public Works has used General Obligation bonds, MWRA loans and grants, and MWPAT loans to eliminate sources of inflow and infiltration that have been identified in investigations of the sewer system. This program has mitigated the effects of MWRA assessment increases in recent years.

Although there is no direct impact on the operating budget, the Façade Improvement Program, which improves storefronts throughout the city, provides economic benefits to the businesses that are participating in the program and assists in the building of a more stable tax base. The Neighborhood Business Development Program, financed through Community Development Block Grant (CDBG) funds, supports a wide range of economic development programs with the objective of improving the business climate of the city.

For the first time, a section has been included in the description of each capital project showing the impact of the project on the operating budget. In several cases, the impact is indirect and requires no additional financial or personnel resources. Current staff will perform any additional responsibilities or the capital project will enable the staff to devote more time to other duties.

AMBITIOUS PLAN EMERGES FROM PROCESS. The plan that emerged from the capital budget process included \$20,048,660 for FY08 and \$160,771,680 for FY09-12. It should be noted that appropriations are made only for FY08, with future allotments subject to revision as financial circumstances change. As in most capital budgets, bond proceeds are the largest single source of financing, with grants from the MWRA for several sewer reconstruction projects also providing a large source of revenue to the capital budget, particularly in the FY09-12 section of the plan. Property taxes will continue to provide a large source of funding and will be combined with significant contributions from Free Cash to fund the Pay-As-You-Go portion of the capital budget.

BOND ISSUES NOT INCLUDED IN APPROPRIATION. It is important to note that while the \$8,510,000 in bond proceeds are included in all charts, graphs and narratives in this section, those proceeds are not included in the Public Investment Fund appropriation order in Section VI. On the advice of the City's bond counsel, appropriations for all projects to be funded through bond proceeds are made separately and in conjunction with the authorization to borrow for these projects. It is anticipated that these orders will be submitted to the City Council prior to the adoption of the budget so that the entire capital budget can be approved intact.

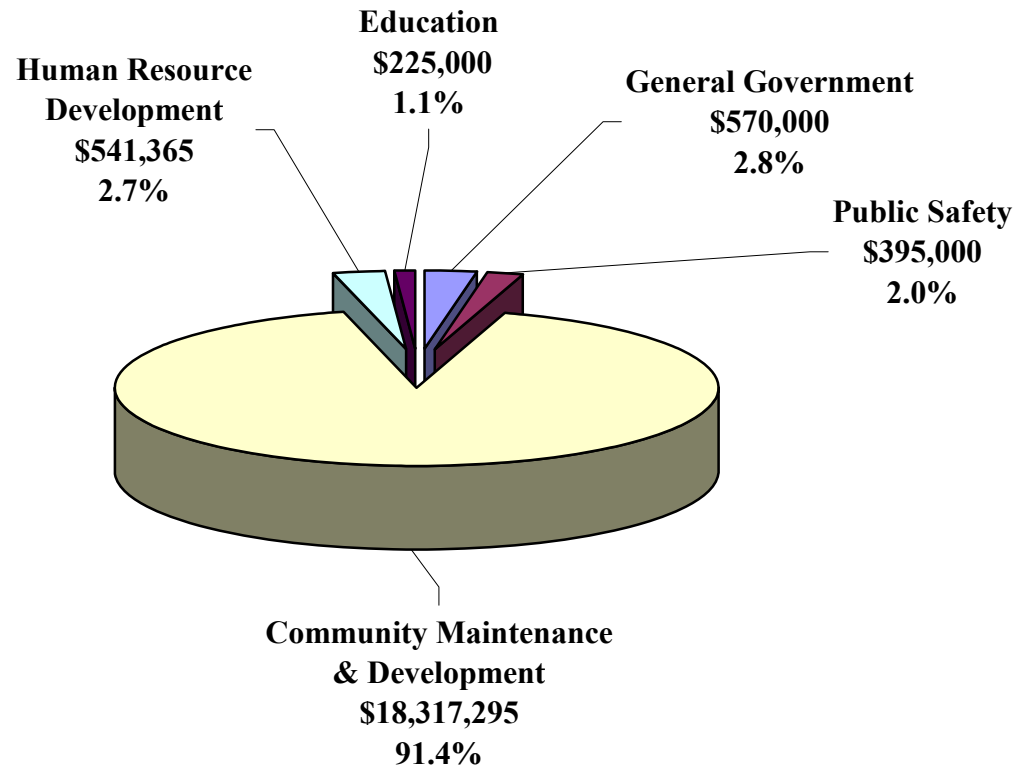
BLOCK GRANT FUNDING. The Community Development Block Grant portion of the capital budget is \$31,225, or 1.8%, lower than FY07, as a result of an increase in the allocation to the

operating budget. As detailed in this section, the Neighborhood Business Development component of the capital budget has been level funded at \$243,000 to support business development and financial literacy programs provided by the Center for Women and Enterprise (\$75,000) and Retail Best Practices Program (\$50,000), with two career development programs, the Biomedical Careers Program and Cambridge Healthcare Career Advancement Program, receiving the remaining \$118,000. Block Grant allocations to the Housing Rehab and Development Program and Employment Program Fund have been level funded while the Open Space Contingency allotment has been decreased by \$31,225.

FY09-12 FUNDING. As can be seen from the chart on page V-14, Property Taxes and Free Cash provide a total of \$8,800,000 to fund Pay-As-You-Go projects over the next four years. While this level of funding is lower than it has been in most capital budgets, it will be sufficient to fund critical projects, while a larger portion of current revenues is used to fund debt service increases related to several large projects for which bonds will be issued during this period. Sewer revenues will fluctuate over the next four years based on the amounts required in the operating budget to fund MWRA and debt service increases and to maintain the sewer rate at a manageable level. Water revenues to support capital budgets will increase in a more consistent manner, from their FY08 level of \$1,000,000 to \$1,300,000 in FY09, \$1,600,000 in FY10, \$1,900,000 in FY11 and \$2,300,000 in FY12, since there are fewer variables in programs funded through water revenues than sewer revenues and, as past bond issues are retired, revenues previously used to cover the debt service on these issues will be available to fund a portion of the Water capital budget. The Community Development Block Grant, Chapter 90, and golf course components of the financing plan are projected to remain stable over the next four years. Grants from the MWRA will provide funding for a significant portion of the Sewer Reconstruction budget for this period, particularly for the Fresh

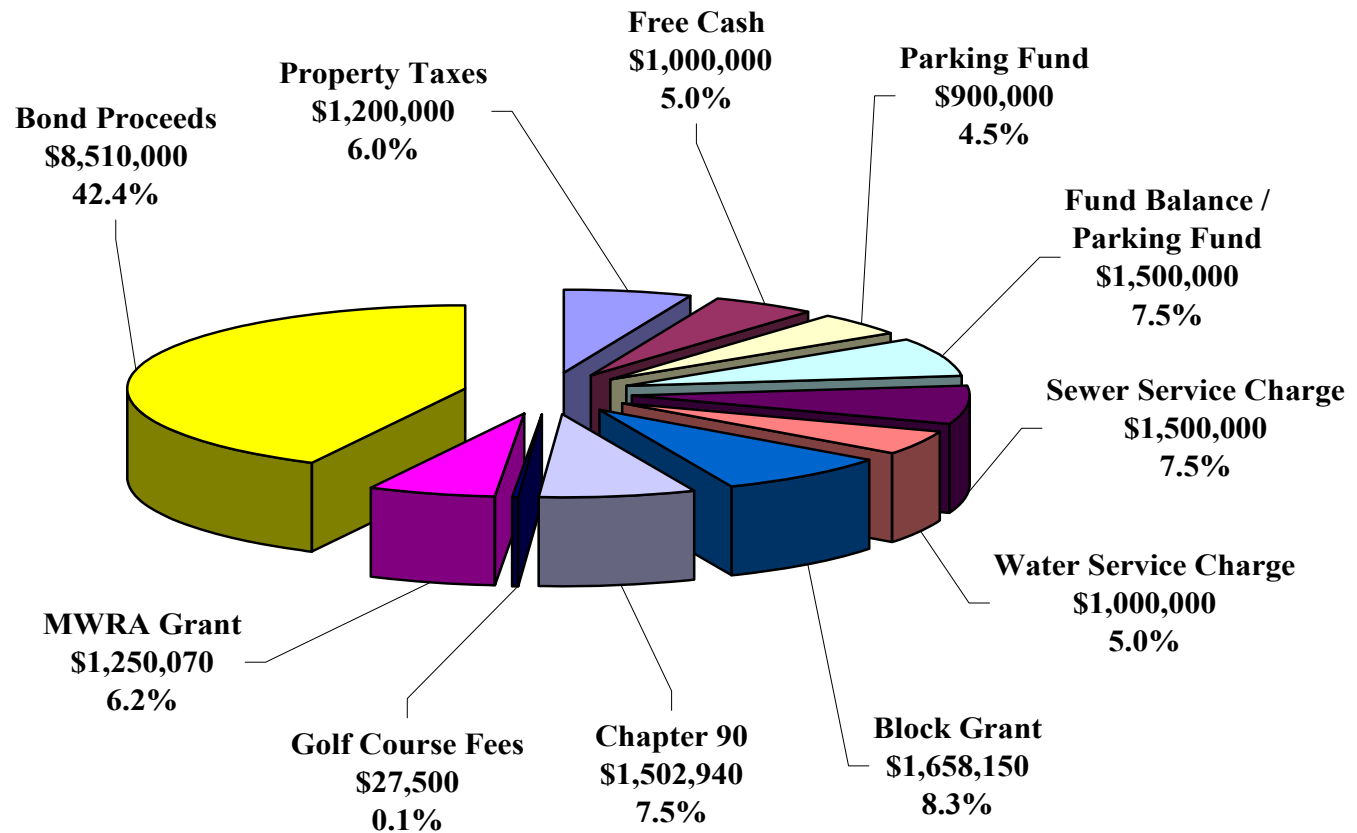
Pond / Alewife project. The figures shown for bond-financed projects relate to appropriations, with the amount of bonds issued in these years determined by the cash flow requirements of the projects. Projects to be funded from this source include several sewer reconstruction projects (\$55,205,000), the last phase of the Yerxa Road Underpass Construction Project (\$1,000,000), and replacement of most mobile and portable radios and related equipment (\$6,700,000).

PUBLIC INVESTMENT APPROPRIATIONS FISCAL YEAR 2008



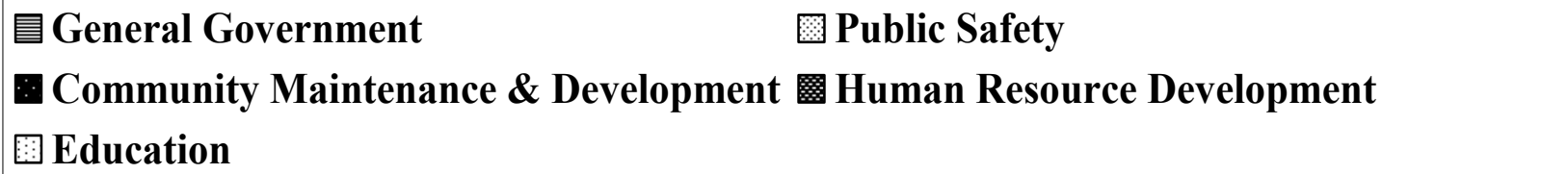
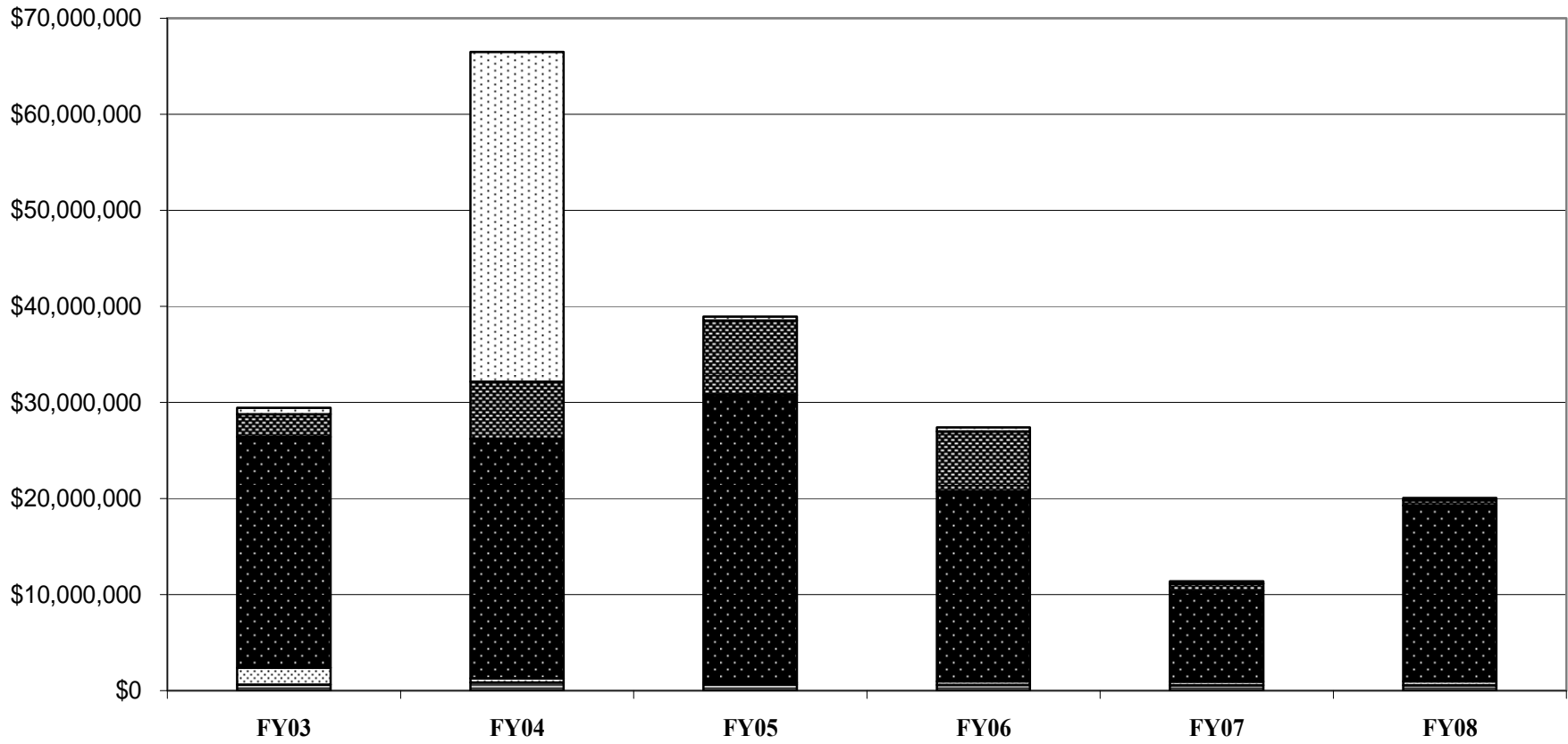
GRAND TOTAL \$20,048,660

PUBLIC INVESTMENT FINANCING PLAN FISCAL YEAR 2008



GRAND TOTAL \$20,048,660

PUBLIC INVESTMENT APPROPRIATIONS FISCAL YEARS 2003-2008



PUBLIC INVESTMENT FUND (IN THOUSANDS)

FUNCTION	PROJECT	CURRENT ALLOTMENTS	3/31/07 EXPENDITURES	3/31/07 ENCUMBRANCES	3/31/07 BALANCE	NEW ALLOTMENTS
GENERAL GOVERNMENT						
	Cable TV	\$358	\$ -	\$ -	\$358	\$ -
	Finance/Information Technology Department	1,969	174	150	1,645	570
	General Services/Telephones	107	-	-	107	-
PUBLIC SAFETY						
	Fire Vehicles/Equipment/Renovations	1,070	472	400	198	250
	Police Equipment/Renovations	31,916	853	551	30,512	-
	Emergency Communications Equipment	38	1	-	37	50
	Street Light Conversion	175	41	-	134	95
COMMUNITY MAINTENANCE & DEV.						
	Sewer Reconstruction	43,622	4,816	7,197	31,609	10,660
	Housing Rehab & Development	11,659	2,576	459	8,624	1,001
	Neighborhood Stabilization	330	26	13	291	-
	Streets, Sidewalks, Trees, Lighting	18,718	6,506	5,478	6,734	4,333
	Water System Improvements	3,137	844	460	1,833	1,000
	Traffic/Parking Improvements	1,557	410	444	703	500
	Public Building Renovations	3,364	774	148	2,442	-
	Public Art	895	56	226	613	30
	Business Rehab/Development/Training	1,147	297	271	579	743
	Public Works Equipment	87	18	-	69	-
	Historical Restorations	383	160	186	37	-
HUMAN RESOURCE DEVELOPMENT						
	Library Renovations	79,527	682	67,460	11,385	-
	Parks & Recreation	29,402	6,021	17,535	5,846	541
	Neighborhood Centers	21	4	-	17	-
	Accessibility Improvement	303	5	25	273	50
EDUCATION						
	School Equipment/Renovations	48,059	146	1,347	46,566	225
	GRAND TOTAL	\$277,844	\$24,882	\$102,350	\$150,612	\$20,048

SUMMARY 2008-2012 APPROPRIATION PLAN

	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>TOTAL</u>
GENERAL GOVERNMENT						
Acquisition of Personal Computers	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$350,000
Technology Upgrades/Enhancements	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>2,500,000</u>
	\$570,000	\$570,000	\$570,000	\$570,000	\$570,000	\$2,850,000
PUBLIC SAFETY						
Fire Vehicles/Equipment	\$250,000	\$365,000	\$365,000	\$365,000	\$365,000	\$1,710,000
Fire Station Renovations	-	35,000	35,000	35,000	35,000	140,000
Replacement of Street Lights/Poles	95,000	60,000	60,000	-	-	215,000
Public Safety/Technology Upgrades	<u>50,000</u>	<u>-</u>	<u>6,700,000</u>	<u>-</u>	<u>-</u>	<u>6,750,000</u>
	\$395,000	\$460,000	\$7,160,000	\$400,000	\$400,000	\$8,815,000
COMMUNITY MAINT. & DEV.						
Public Building Renovations	-	-	\$50,000	-	-	\$50,000
Street/Sidewalk Reconstruction	\$1,832,940	\$2,238,520	2,238,520	\$2,238,520	\$2,238,520	10,787,020
Park and Cemetery Tree Pruning	50,000	50,000	50,000	50,000	50,000	250,000
Parking Improvements	500,000	500,000	500,000	500,000	500,000	2,500,000
Yerxa Road Underpass Construction	-	-	-	1,000,000	-	1,000,000
Water System Improvements	1,000,000	1,300,000	1,600,000	1,900,000	2,300,000	8,100,000
Sewer Reconstruction	10,660,070	43,000,000	16,010,000	30,465,000	27,970,000	128,105,070
Traffic Calming	400,000	400,000	400,000	400,000	400,000	2,000,000
Harvard Square Enhancement Project	600,000	-	-	-	-	600,000
Blanchard Road Improvement Project	1,500,000	-	-	-	-	1,500,000
Brookline Street Reconstruction Project	-	1,750,000	-	-	-	1,750,000
Façade Improvement Program	150,000	150,000	150,000	150,000	150,000	750,000
Employment Program Fund	350,000	350,000	350,000	350,000	350,000	1,750,000
Housing Rehab & Development	1,001,285	1,001,285	1,001,285	1,001,285	1,001,285	5,006,425
Neighborhood Business Development	243,000	243,000	243,000	243,000	243,000	1,215,000
Public Art	-	-	-	-	-	-
Public Art Conservation Fund	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>150,000</u>
	\$18,317,295	\$51,012,805	\$22,622,805	\$38,327,805	\$35,232,805	\$165,513,515
HUMAN RESOURCE DEV.						
Parks and Recreation	\$491,365	\$426,365	\$376,365	\$486,365	\$486,365	2,266,825
Accessibility Improvements	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>250,000</u>
	\$541,365	\$476,365	\$426,365	\$536,365	\$536,365	\$2,516,825

	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>TOTAL</u>
EDUCATION						
School Equipment/Renovations	<u>\$225,000</u>	<u>\$225,000</u>	<u>\$225,000</u>	<u>\$225,000</u>	<u>\$225,000</u>	<u>\$1,125,000</u>
	\$225,000	\$225,000	\$225,000	\$225,000	\$225,000	\$1,125,000
GRAND TOTAL	\$20,048,660	\$52,744,170	\$31,004,170	\$40,059,170	\$36,964,170	\$180,820,340

DETAIL 2008-2012 FINANCING PLAN

	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>TOTAL</u>
GENERAL GOVERNMENT						
Property Taxes	<u>\$570,000</u>	<u>\$570,000</u>	<u>\$570,000</u>	<u>\$570,000</u>	<u>\$570,000</u>	<u>\$2,850,000</u>
	\$570,000	\$570,000	\$570,000	\$570,000	\$570,000	\$2,850,000
PUBLIC SAFETY						
Property Taxes	\$395,000	\$460,000	\$460,000	\$400,000	\$400,000	\$2,115,000
Bond Proceeds	-	-	<u>6,700,000</u>	-	-	<u>6,700,000</u>
	\$395,000	\$460,000	\$7,160,000	\$400,000	\$400,000	\$8,815,000
COMMUNITY MAINT. & DEV.						
Property Taxes	\$235,000	\$170,000	\$170,000	\$230,000	\$230,000	\$1,035,000
Free Cash	325,000	390,000	440,000	330,000	330,000	1,815,000
Parking Fund Revenues	900,000	900,000	900,000	900,000	900,000	4,500,000
Fund Balance/Parking Fund	1,500,000	1,750,000	-	-	-	3,250,000
Sewer Service Charge	1,500,000	1,500,000	500,000	900,000	900,000	5,300,000
Water Service Charge	1,000,000	1,300,000	1,600,000	1,900,000	2,300,000	8,100,000
Block Grant	1,594,285	1,594,285	1,594,285	1,594,285	1,594,285	7,971,425
Chapter 90	1,502,940	1,908,520	1,908,520	1,908,520	1,908,520	9,137,020
MWRA Grant	1,250,070	30,018,000	-	15,377,000	13,045,000	59,690,070
Bond Proceeds	<u>8,510,000</u>	<u>11,482,000</u>	<u>15,510,000</u>	<u>15,188,000</u>	<u>14,025,000</u>	<u>64,715,000</u>
	\$18,317,295	\$51,012,805	\$22,622,805	\$38,327,805	\$35,232,805	\$165,513,515
HUMAN RESOURCE DEV.						
Free Cash	\$450,000	\$385,000	\$335,000	\$445,000	\$445,000	\$2,060,000
Block Grant	63,865	63,865	63,865	63,865	63,865	319,325
Golf Course Fees	<u>27,500</u>	<u>27,500</u>	<u>27,500</u>	<u>27,500</u>	<u>27,500</u>	<u>137,500</u>
	\$541,365	\$476,365	\$426,365	\$536,365	\$536,365	\$2,516,825
EDUCATION						
Free Cash	<u>\$225,000</u>	<u>\$225,000</u>	<u>\$225,000</u>	<u>\$225,000</u>	<u>\$225,000</u>	<u>\$1,125,000</u>
	\$225,000	\$225,000	\$225,000	\$225,000	\$225,000	\$1,125,000
GRAND TOTAL	\$20,048,660	\$52,744,170	\$31,004,170	\$40,059,170	\$36,964,170	\$180,820,340

SUMMARY 2008-2012 FINANCING PLAN

	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>TOTAL</u>
Property Tax	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$6,000,000
Free Cash	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
Parking Fund Revenues	900,000	900,000	900,000	900,000	900,000	4,500,000
Fund Balance/Parking Fund	1,500,000	1,750,000	-	-	-	3,250,000
Sewer Service Charge	1,500,000	1,500,000	500,000	900,000	900,000	5,300,000
Water Service Charge	1,000,000	1,300,000	1,600,000	1,900,000	2,300,000	8,100,000
Block Grant	1,658,150	1,658,150	1,658,150	1,658,150	1,658,150	8,290,750
Chapter 90	1,502,940	1,908,520	1,908,520	1,908,520	1,908,520	9,137,020
MWRA Grant	1,250,070	30,018,000	-	15,377,000	13,045,000	59,690,070
Bond Proceeds	8,510,000	11,482,000	22,210,000	15,188,000	14,025,000	71,415,000
Golf Course Fees	27,500	27,500	27,500	27,500	27,500	137,500
GRAND TOTAL	\$20,048,660	\$52,744,170	\$31,004,170	\$40,059,170	\$36,964,170	\$180,820,340

SUMMARY: GENERAL GOVERNMENT

FIVE YEAR APPROPRIATION PLAN						
	FY08	FY09	FY10	FY11	FY12	TOTAL
Acquisition of Personal Computers	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$350,000
Technology Upgrades / Enhancements	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>2,500,000</u>
	\$570,000	\$570,000	\$570,000	\$570,000	\$570,000	\$2,850,000

FIVE YEAR REVENUE PLAN						
	FY08	FY09	FY10	FY11	FY12	TOTAL
Property Taxes	<u>\$570,000</u>	<u>\$570,000</u>	<u>\$570,000</u>	<u>\$570,000</u>	<u>\$570,000</u>	<u>\$2,850,000</u>
	\$570,000	\$570,000	\$570,000	\$570,000	\$570,000	\$2,850,000

PUBLIC INVESTMENT FUND**BUDGET****GENERAL GOVERNMENT
- Acquisition of Personal Computers**

FY08	\$70,000
FY09	\$70,000
FY10	\$70,000
FY11	\$70,000
FY12	<u>\$70,000</u>
	\$350,000

STATUS OF PRIOR YEAR PROJECTS. In the past eleven capital budgets, a total of \$2,475,000 has been allocated to purchase networked Windows-based computers. The purchase of these computers has enabled City employees to access from their desktops the most powerful software available as well as many other advancements in computer technology that have occurred in recent years. Also, it has been essential that employees have state-of-the-art equipment to accommodate the installation of the various PeopleSoft

applications, including Human Resources, Payroll, and Financial Systems.

At the beginning of this process, the City set the goal of acquiring 500 new personal computers over a five-year period. With the achievement of this goal in FY01, the City was able to reduce the annual allocation for this purpose from an average of \$400,000 per year to \$100,000 in FY02-04, with the FY05-07 allocations ranging from \$50,000 to \$75,000. In FY07 an additional \$450,000 in free cash was allocated to cover a one time citywide upgrade of Microsoft Office Windows and Email Software version 2007.

FY08 FUNDING. As mentioned in the above section, substantial allocations for the purchase of personal computers were made during FY97-01 with the goal of acquiring 500 new personal computers. With the achievement of this goal in FY01, the allocation for this program that was reduced to \$100,000 in FY02 and continued to be funded at that level for FY03-04. The savings from this reduction have been allocated to other areas of technology to enable the City to keep pace with the technological advances that are constantly occurring in the computer industry. A further reduction in this allocation was made in the FY07 budget with funding for this purpose decreasing from its FY06 level of \$75,000 to \$50,000. It is expected that the \$70,000 allocated to this cost center will be sufficient to fund the acquisition of the required number of new personal computers during FY08.

IMPACT ON OPERATING BUDGET. By setting aside these funds in each capital budget, the City ensures that its personnel will have access to the most advanced computer technology that is available, which contributes to a high level of productivity among City employees. There is no direct financial or personnel impact on the operating budget.

FY09-12 FUNDING. It has been determined that, by continuing to fund this program at a level of \$70,000 for the next four years, the City will be able to meet the needs of all employees who rely on technology to perform their duties and obtain information and services from City government.

PUBLIC INVESTMENT FUND**BUDGET****GENERAL GOVERNMENT
- Technology Upgrades**

FY08	\$500,000
FY09	\$500,000
FY10	\$500,000
FY11	\$500,000
FY12	<u>\$500,000</u>
	\$2,500,000

STATUS OF PRIOR YEAR PROJECTS. Over the past several years, the City has placed a high priority on upgrading the many management information systems that are used in every City department to provide employees with the most advanced technology available to perform their duties. Bond proceeds have financed large projects such as the acquisition and installation of a new financial system and all phases of the Fiber Optic Infrastructure Project, while Property Taxes and Free Cash have financed several smaller

projects, including the upgrade of the application server to handle the large increase in the number of users since the original server was purchased several years ago and the implementation of a secure remote access for necessary City employees to allow these employees to access the system from their homes. The FY07 allocation of \$520,000 financed continued renovations to the City's Web site, including both the Internet and Intranet as well as improvements to the Geographic Information System (GIS). FY07 work also focused on continuing the improvements initiated in FY02-06 as well as providing additional e-commerce applications, launching new services such as Permits and License Applications online, Pay on Line for miscellaneous traffic permits and an upgrade to the Cambridge Web site Police and Fire pages for improved navigation and usability.

FY08 FUNDING. An allocation of \$500,000 has been made from Property Taxes to fund this cost center at a level slightly lower than the \$520,000 set aside in FY07. \$400,000 of this budget has been set aside to finance the upgrade of the PeopleSoft system to a higher version, which is necessary to ensure the continued operation of the system.

Of the remaining \$100,000, \$50,000 has been set aside to fund system improvements and new development of Web and database applications, \$25,000 for GIS Projects and \$25,000 for the Cambridge Request System to enhance Permitting with the addition of pay on line features.

The systems and Web improvement projects focus on the continued upgrade to the City Web site. All applications that are currently on the VAX need to be moved to the Web. One of the key projects planned is the Interdepartmental Ticketing and Invoicing Detail Systems for DPW, Traffic, Weights & Measures and License departments. Other new Web site features planned include: the Cambridge City Street and Square Dedications that allows the public to view the list of street and square dedications with personal information and street locators with maps online; and the Boards and Commissions web page that lists the missions and the members.

GIS has three major initiatives planned including the enhancement of the Interactive GIS Web site and mapping

tools that departments such as Water, Public Works, Inspection Services, Traffic, Parking and Transportation, Assessors and Electrical rely on to map out the City's infrastructure; E-Line and the City Street and Square Dedications Web inquiry capability; and enhancement to the new City Viewers that are available to the public.

IMPACT ON OPERATING BUDGET. By providing funds for the development of the programs described in the above section, the City provides its staff with additional resources required to perform their responsibilities at a high level of productivity. There is no direct financial or personnel impact on the operating budget.

FY09-12 FUNDING. Funds have been allocated in future capital budgets to continue upgrades to the City's Web site and GIS system as well as to the PeopleSoft Financial and Human Resource systems.

SUMMARY: PUBLIC SAFETY

	FIVE YEAR APPROPRIATION PLAN					
	FY08	FY09	FY10	FY11	FY12	TOTAL
Fire Vehicles/Equipment	\$250,000	\$365,000	\$365,000	\$365,000	\$365,000	\$1,710,000
Fire Station Renovations	-	35,000	35,000	35,000	35,000	140,000
Replacement of Street Lights/Poles	95,000	60,000	60,000	-	-	215,000
Public Safety Technology Upgrade	<u>50,000</u>	<u>-</u>	<u>6,700,000</u>	<u>-</u>	<u>-</u>	<u>6,750,000</u>
	\$395,000	\$460,000	\$7,160,000	\$400,000	\$400,000	\$8,815,000

	FIVE YEAR REVENUE PLAN					
	FY08	FY09	FY10	FY11	FY12	TOTAL
Property Taxes	\$395,000	\$460,000	\$460,000	\$400,000	\$400,000	\$2,115,000
Bond Proceeds	<u>-</u>	<u>-</u>	<u>6,700,000</u>	<u>-</u>	<u>-</u>	<u>6,700,000</u>
	\$395,000	\$460,000	\$7,160,000	\$400,000	\$400,000	\$8,815,000

PUBLIC INVESTMENT FUND**BUDGET****PUBLIC SAFETY
- Fire Vehicles/Equipment**

FY08	\$250,000
FY09	\$365,000
FY10	\$365,000
FY11	\$365,000
FY12	<u>\$365,000</u>
	\$1,710,000

STATUS OF PRIOR YEAR PROJECTS. Since the inception of the formal capital improvement plan in FY85, a total of \$7,190,000 has been set aside to fund the replacement of fire vehicles and equipment on a timely and cost-effective basis. At the beginning of this program, the City established a policy that recognized the importance of replacing obsolete pieces of equipment when the need arises and has consistently allocated a combination of Property Taxes and Free Cash to implement this policy. In order to ensure that

funds are allocated to those needs with the highest priority, the staff of the Fire Department conducts an annual survey of all equipment to determine the condition of each piece and makes recommendations to the Fire Chief concerning capital budget requests.

The FY07 allotment of \$350,000 enabled the Fire Department to fund the replacement of a 1995 pumper. The current vehicle will be placed in a reserve status and a vehicle that has been in reserve status will be traded in to reduce the cost of the new vehicle. This vehicle will be a standard pumper without the additional compartment space.

FY08 FUNDING. \$250,000 in Property Taxes has been set aside in the FY08 Capital Budget to fund the refurbishment of the 1994 105 foot Ladder Company 3 vehicle located at the Lafayette Square station. By refurbishing this vehicle, it will be possible to delay the replacement of the ladder truck for several years and enable the department to replace vehicles that are able to be refurbished. The refurbishment will include removing the aerial device, replacing all cables, guides, and hydraulic lines, sandblasting, and repainting. This process will include all major upgrades and add several years of life to the vehicle and enable it to be placed in reserve status when it is eventually replaced.

IMPACT ON OPERATING BUDGET. By refurbishing the ladder truck described in the above section, the useful life of the vehicle will be extended for several years, thus deferring the expenditure of approximately \$850,000 to purchase a new ladder truck. It is also expected that the maintenance personnel of the Fire Department will spend less time and funds servicing the vehicle.

FY09-12 FUNDING. It is the City's plan to continue to allocate funds for the replacement of fire vehicles and related equipment (it is important to note that certain pieces of equipment are funded in the Extraordinary Expenditures account in the operating budget) during the years included in this plan. The process described above

will be adhered to closely with the goal of ensuring that available funds are allocated to the most serious needs of the Department. It is expected that there will be sufficient current revenues available to continue funding this program without the need for borrowing.

PUBLIC INVESTMENT FUND**BUDGET****PUBLIC SAFETY
- Fire Station/Renovations**

FY08	-
FY09	\$35,000
FY10	\$35,000
FY11	\$35,000
FY12	<u>\$35,000</u>
	\$140,000

STATUS OF PRIOR YEAR PROJECTS. Over the past several years, a combination of bond proceeds and General Fund revenues have financed improvements to several fire stations with the \$5,130,000 allocated to the complete restoration of the historically significant Taylor Square station being the largest individual project. Other projects included repairs to the floor at Lexington Avenue and replacement of the membrane roofing and repairs to the masonry and flashing at Fire Headquarters. An allocation of \$28,000 was made to this

cost center in the FY07 Capital Budget to provide funds for several small renovation projects. During FY07, an additional appropriation of \$320,000 for the replacement of the boiler at Fire Headquarters, replacement of the slate roof at Engine 4 (\$335,000) and another \$30,000 for miscellaneous materials to make repairs at various Fire Department building was approved. The total of these allocations equals a FY07 capital budget of \$713,000.

FY08 FUNDING. Although there is no specific allocation to this cost center in FY08, it is expected that the work described in the above section to Fire Headquarters and Engine 4 will be performed during FY08.

IMPACT ON OPERATING BUDGET. It is anticipated that, by using the funds described in the above section to replace the boiler at Fire Headquarters, savings will be realized in the building maintenance and energy accounts in the operating budget and a better work environment will be provided to employees of the facility.

FY09-12 FUNDING. It is expected that funds will continue to be allocated to this cost center to minimize the need for large fire station renovation projects in the future.

PUBLIC INVESTMENT FUND**BUDGET****PUBLIC SAFETY
- Replacement of Street Lights/Poles**

FY08	\$95,000
FY09	\$60,000
FY10	\$60,000
FY11	-
FY12	-
	<u>\$215,000</u>

STATUS OF PRIOR YEAR PROJECTS. An appropriation of \$600,000 was made to this cost center in FY04 to provide funds for the maintenance and repair of the street lights that the City purchased from NSTAR. These funds enabled the City to repair the streetlights on a daily basis as well as schedule pole relocations, removals, changes and upgrades on a timely basis. This appropriation has been used to purchase bucket trucks and a crane truck required to perform these functions as well as poles, other equipment, technical and engineer-

ing services, replacement fixtures and parts, bulbs, and other supplies. By implementing this program, the City has significantly decreased the time it takes to repair lights.

FY08 FUNDING. This allocation of \$95,000 has been made from Property Taxes in the FY08 Capital Budget to continue the program described in the above section and will allow the replacement of approximately 75 steel street light poles with aluminum poles.

IMPACT ON OPERATING BUDGET. By setting aside funds to replace aging street light poles, the City is taking additional steps to reduce time spent maintaining the existing poles as well as ensuring a high level of public safety for its citizens.

FY09-12 FUNDING. Funds have been set aside in the FY09-10 Capital Budgets to continue replacing approximately 50 steel street light poles with aluminum poles.

PUBLIC INVESTMENT FUND**BUDGET****PUBLIC SAFETY
- Public Safety Technology Upgrades**

FY08	\$50,000
FY09	-
FY10	\$6,700,000
FY11	-
FY12	-
	<u>\$6,750,000</u>

STATUS OF PRIOR YEAR PROJECTS. No capital funds have been allocated to this cost center since the FY01 capital budget in which selected very old mobile and portable radios were replaced. For the last few years, the City has been maintaining its radio equipment in place through first-echelon self-repair and vendor depot second-echelon repair. Any additions to the radio system have been accomplished through some equipment purchased by the Boston Region's UASI group with Homeland Security Interoperability funds.

FY08 FUNDING. No further major radio replacements will be purchased given the advanced age of the city's analog radio system and its planned phased replacement beginning in FY09-FY10 mandated by the change to digital technology. The FY08 request includes funds for required mobile radio packages for four police vehicles and an upgrade to the City's police, fire and EMS mobile laptop modems to support the higher speeds needed for communication. The replacement CAD system, scheduled for the FY08 Capital Budget, was included in the Police-EC Facility budget and is no longer being shown in this cost center.

IMPACT ON OPERATING BUDGET. Funds allocated to this cost center in FY08 will be used to provide public safety personnel with the most advanced communications and computer technology to further the City's goal of delivering a high level of public safety to its residents. There is no direct financial or personnel impact on the operating budget.

FY09-12 FUNDING. It is anticipated that bond proceeds will be used to finance the acquisition and full replacement of all aging and soon-to-be-obsolete analog City radio systems with new digital technology during FY09-FY10. The city's radio systems serve users in 20 departments and agencies on a 24/7 basis and are central to the city's ability to provide for public safety and daily operations. In addition, city radios are now interconnected with public safety radio systems throughout the Boston region.

SUMMARY: COMMUNITY MAINTENANCE & DEVELOPMENT

FIVE YEAR APPROPRIATION PLAN						
	FY08	FY09	FY10	FY11	FY12	TOTAL
Public Building Renovations	\$ -	\$ -	\$50,000	\$ -	\$ -	\$50,000
Street/Sidewalk Reconstruction	1,832,940	2,238,520	2,238,520	2,238,520	2,238,520	10,787,020
Park and Cemetery Tree Pruning	50,000	50,000	50,000	50,000	50,000	250,000
Parking Improvements	500,000	500,000	500,000	500,000	500,000	2,500,000
Yerxa Road Underpass Construction	-	-	-	1,000,000	-	1,000,000
Water System Improvements	1,000,000	1,300,000	1,600,000	1,900,000	2,300,000	8,100,000
Sewer Reconstruction	10,660,070	43,000,000	16,010,000	30,465,000	27,970,000	128,105,070
Traffic Calming	400,000	400,000	400,000	400,000	400,000	2,000,000
Harvard Square Enhancement Project	600,000	-	-	-	-	600,000
Blanchard Road Improvement Project	1,500,000	-	-	-	-	1,500,000
Brookline Street Reconstruction Project	-	1,750,000	-	-	-	1,750,000
Façade Improvement Program	150,000	150,000	150,000	150,000	150,000	750,000
Employment Program Fund	350,000	350,000	350,000	350,000	350,000	1,750,000
Housing Rehab & Development	1,001,285	1,001,285	1,001,285	1,001,285	1,001,285	5,006,425
Neighborhood Business Development	243,000	243,000	243,000	243,000	243,000	1,215,000
Public Art	-	-	-	-	-	-
Public Art Conservation Fund	30,000	30,000	30,000	30,000	30,000	150,000
	<u>\$18,317,295</u>	<u>\$51,012,805</u>	<u>\$22,622,805</u>	<u>\$38,327,805</u>	<u>\$35,232,805</u>	<u>\$165,513,515</u>

FIVE YEAR REVENUE PLAN						
	FY08	FY09	FY10	FY11	FY12	TOTAL
Property Taxes	\$235,000	\$170,000	\$170,000	\$230,000	\$230,000	\$1,035,000
Free Cash	325,000	390,000	440,000	330,000	330,000	1,815,000
Parking Fund Revenues	900,000	900,000	900,000	900,000	900,000	4,500,000
Fund Balance/Parking Fund	1,500,000	1,750,000	-	-	-	3,250,000
Sewer Service Charge	1,500,000	1,500,000	500,000	900,000	900,000	5,300,000
Water Service Charge	1,000,000	1,300,000	1,600,000	1,900,000	2,300,000	8,100,000
Block Grant	1,594,285	1,594,285	1,594,285	1,594,285	1,594,285	7,971,425
Chapter 90	1,502,940	1,908,520	1,908,520	1,908,520	1,908,520	9,137,020
MWRA Grant	1,250,070	30,018,000	-	15,377,000	13,045,000	59,690,070
Bond Proceeds	8,510,000	11,482,000	15,510,000	15,188,000	14,025,000	64,715,000
	<u>\$18,317,295</u>	<u>\$51,012,805</u>	<u>\$22,622,805</u>	<u>\$38,327,805</u>	<u>\$35,232,805</u>	<u>\$165,513,515</u>

PUBLIC INVESTMENT FUND

BUDGET

**COMMUNITY MAINTENANCE & DEV.
- Public Building Renovations**

FY08	-
FY09	-
FY10	\$50,000
FY11	-
FY12	-
	<u>\$50,000</u>

STATUS OF PRIOR YEAR PROJECTS. The City has devoted significant resources in recent years to the upgrade of historic City Hall. Design is being finalized for new flooring, structural repair of the internal stairway and a new sprinkler system. Construction is planned to begin in FY07 and completion is expected by January, 2008.

In FY07 \$87,000 in property tax revenue was allocated for the following projects:

- **Replace Unit Ventilators at Area Four Youth Center, \$30,000.** The three units have been received and will be installed at the end of heating season.
- **Energy Studies and Improvements, \$25,000.** This allocation supports implementation of efficiencies and savings in energy usage in City buildings and equipment.
- **Asbestos Abatement at Electrician’s Garage, \$22,000.** Completion expected in spring 2007.
- **Senior Center Carpet Replacement, \$10,000.** Completed.

An allotment of \$1.1 million in free cash was also made in FY07 for various building improvements. The projects are currently in the design or procurement phases with construction and installation anticipated to be complete in FY08. The following projects are included.

- **Fire Department Buildings, \$685,000.** Funding in the amount of \$320,000 was approved to replace the boilers at Fire Headquarters with new energy efficient boilers having Direct Digital Control (DDC) that allows remote access. A total of \$335,000 will be used for roof repair at the Engine Four building in Porter Square. This will address the current condition in which slate shingles continuously come free from the roof. An additional \$30,000 is designated for miscellaneous materials to make repairs at various Fire Department buildings.
- **DPW Frazier Building, \$135,000.** The amount of \$100,000 was approved to replace the 30 year old air handling unit located on the building roof. A new energy efficient unit with DDC allowing remote control will be installed. Funding of \$35,000 was allocated to replace the 30 year old roof.

- **Coffon Building Boiler Replacement, \$120,000.** The building's boilers will be replaced with new energy efficient, DDC boilers that enable remote control.
- **City Hall Computer Room, \$70,000.** The sum of \$30,000 was allotted to replace the fire suppression system and \$40,000 to increase cooling system capacity.
- **Carpets and Furnishings, \$40,000.** This funding will be used to continue addressing the carpet and furnishing needs of City buildings.
- **North Cambridge Senior Center AC Unit, \$25,000.** Replace the old air conditioning unit which has reached the end of its useful life.
- **Energy Studies and Improvements, \$25,000.** This funding will be used to continue energy efficiency studies and upgrades.

FY08 FUNDING. No specific allocation is anticipated for FY08 as much of the construction activity under the FY07 allotment will be completed in FY08.

IMPACT ON OPERATING BUDGET. Funds allocated to this program will have the dual effect of reducing maintenance costs for public buildings as well as restraining the growth of energy costs.

FY09-12 FUNDING. As other building needs arise, it is expected that funds will be allocated to address these needs, to supplement the \$50,000 planned for FY10.

PUBLIC INVESTMENT FUND**BUDGET****COMMUNITY MAINTENANCE & DEV.
- Street/Sidewalk Reconstruction**

FY08	\$1,832,940
FY09	\$2,238,520
FY10	\$2,238,520
FY11	\$2,238,520
FY12	<u>\$2,238,520</u>
	\$10,787,020

STATUS OF PRIOR YEAR PROJECTS. In FY07 the City appropriated \$1,931,190 towards its street and sidewalk reconstruction program. An allocation of \$330,000 from property tax revenue together with an appropriation of \$91,135 from Street Preservation Offset Fees supplemented the City's Chapter 90 allocation from the State of \$1,510,055. Work is presently ongoing in design and construction to address those streets listed for reconstruction in the FY07 Capital Budget. During FY07, an additional \$1,000,000 in Free Cash was

combined with supplemental Chapter 90 funds of \$692,108, for a total additional appropriation of \$1,692,108. \$124,000 from Street Preservation Offset Fee (SPOF) Funds to perform citywide pavement maintenance work on streets with utility cuts was also appropriated in FY07.

FY08 FUNDING. The City will receive \$1,502,940 from the Massachusetts Highway Department through its Chapter 90 program this year. A total of \$330,000 from Property Taxes will be appropriated for sidewalk and pedestrian ramp reconstruction projects.

The streets proposed for reconstruction this year include streets where considerable traffic volumes are experienced together with neighborhood streets that are in poor condition. Both Concord Avenue and Elm Street roadways and sidewalks will be fully reconstructed.

Proposed FY08 Chapter 90 List

Street	From/To	Description	Cost
Concord Avenue	Smith Pl/Blanchard Rd	Roadway/Sidewalk	\$671,394
Elm Street	Hampshire/Broadway	Roadway/Sidewalk	\$310,314
Cedar Street	Rice/Mass Ave	Roadway/Ramps	\$232,707
Erie Street	Sidney/Magazine	Roadway/Ramps	\$167,000
Dunster Street	Mt. Auburn/Mass Ave	Roadway/Ramps	\$121,525

Total:**\$1,502,940**

IMPACT ON OPERATING BUDGET. By allocating funds for the reconstruction of streets and sidewalks, the City is addressing the goal of providing a high level of public safety services that City residents will be able to use.

There is no direct financial or personnel impact on the operating budget.

FY09-12 FUNDING. Future spending on street reconstruction is primarily dependent on Chapter 90 allocations. Street Preservation Offset Fees, to the extent they are available, will also be used to supplement the State supplied funds.

PUBLIC INVESTMENT FUND

BUDGET

**COMMUNITY MAINTENANCE & DEV.
- Park & Cemetery Tree Pruning**

FY08	\$50,000
FY09	\$50,000
FY10	\$50,000
FY11	\$50,000
FY12	<u>\$50,000</u>
	\$250,000

STATUS OF PRIOR YEAR PROJECTS. In the FY07 Capital Budget, the City funded cyclical tree pruning at \$50,000 in property tax revenue. The allocation supports the pruning of trees in the City's open space inventory as well as tree pruning efforts at the cemetery.

FY08 FUNDING. The allotment for FY08 of \$50,000 will fund an ongoing program to perform structural pruning to approximately 500 trees in parks. The emphasis is on hazard elimination, as well as overall tree health maintenance.

IMPACT ON OPERATING BUDGET. While this project does not have a direct financial or personnel impact on the operating budget, it addresses the goal of supporting outdoor physical activity for all age groups by encouraging the use of the City's many parks through providing a safer and more aesthetically pleasing environment.

FY09-12 FUNDING. Funds have been included in future capital budgets to continue park and cemetery tree pruning.

PUBLIC INVESTMENT FUND**BUDGET****COMMUNITY MAINTENANCE & DEV.
- Parking Improvements**

FY08	\$500,000
FY09	\$500,000
FY10	\$500,000
FY11	\$500,000
FY12	<u>\$500,000</u>
	\$2,500,000

STATUS OF PRIOR YEAR PROJECTS. Over the past several years, the City has maintained the fund balance of the Parking Fund at a level that has enabled it to make consistent allocations to finance the capital portion of the Traffic, Parking and Transportation budget and still be able to fund the operating budget at the amount required to provide necessary services.

The FY07 Capital Budget included a total allocation of \$775,000. Of this total, \$350,000 was budgeted to complete the conversion of all of the City's traffic

signals from incandescent bulbs to energy-saving LEDs (light emitting diodes). This change has resulted in a 50% reduction in the amount of electricity used to light the City's traffic signals as compared to the amount used at the start of this conversion program in 2003.

The Department also made repairs to five intersections, replaced several broken vehicle detection loops and has initiated the upgrading of the signals on south Massachusetts Ave.

During FY07, the City hired a parking garage engineering firm to complete an assessment of the condition of the City's First Street (built in the mid-1980s) and Green Street parking garages (built in the mid 1970s). This work consisted of performing a thorough analysis of all elements of the garages' structures and developing an overall program and budget plan for implementation of repairs. The consultant's report recommended a \$2.7 million multi-year restorative work plan to maintain the current good condition of the garages. FY07 funds were used to prepare plans and specifications for the first year of the work recommended by this report and to install a new fire alarm system at the Green Street garage and the adjoining Central Square Library.

FY08 FUNDING. \$500,000 in Parking Fund revenues has been allocated to fund the following projects:

- **Traffic signal repair and upgrade: (\$285,000)** – These funds will allow the City to upgrade and repair traffic signals at various locations, repair damaged signals, install audible signals, repair vehicle loop detectors, complete upgrading signals on the South Massachusetts Avenue project, repair conduit, and relocate obsolete and poorly located control boxes.
- **Parking Garage Repairs: (\$215,000)** - Remaining FY07 funds plus these funds will support the priority year one parking garage repairs, valued at \$300,000, as recommended in the garage condition report.

IMPACT ON OPERATING BUDGET. Funds have been allocated in the past several capital budgets to upgrade the City's traffic signal system to ensure that traffic flows throughout the City in a safe and efficient manner. Similarly, allocations for parking garage renovations are made to encourage use of the garages by the public with the goal of providing safe and attractive facilities as well as maximizing revenues collected from these facilities.

FY09-12 FUNDING. Future allotments will fund traffic signal improvements and phased repairs at the City's two parking garages as recommended in the consultant engineer's First Street and Green Street Garages Condition Analysis Report.

PUBLIC INVESTMENT FUND**BUDGET****COMMUNITY MAINTENANCE & DEV.
- Yerxa Road Underpass Construction**

FY08	-
FY09	-
FY10	-
FY11	\$1,000,000
FY12	-
	<u>\$1,000,000</u>

STATUS OF PRIOR YEAR PROJECTS. In the last two capital budgets, the City appropriated a total of \$1,100,000 to supplement previous appropriations of \$4,450,000 to cover all costs related to the construction of an underpass at Yerxa Road. The construction phase of this project was completed in the fall of 2006.

FY08 FUNDING. It is not anticipated that additional funds for this project will be required in FY08.

IMPACT ON OPERATING BUDGET. While there is no direct financial or personnel impact on the operating budget, the construction of an underpass below the railroad tracks at Yerxa Road has addressed a serious public safety issue that has existed for several years. The underpass provides safe access between residential and commercial areas in North Cambridge and facilitates many services for area residents.

FY09-12 FUNDING. It is expected that approximately \$1 million will be required to address soil remediation and environmental issues on the north side of the railroad before 2011.

PUBLIC INVESTMENT FUND**BUDGET****COMMUNITY MAINTENANCE & DEV.
- Water System Improvements**

FY08	\$1,000,000
FY09	\$1,300,000
FY10	\$1,600,000
FY11	\$1,900,000
FY12	<u>\$2,300,000</u>
	\$8,100,000

STATUS OF PRIOR YEAR PROJECTS. The Automatic Meter Reading (AMR) Program was initiated in late 2004 and completed in FY07. This project was completed under budget and five (5) months ahead of schedule. The long term benefits of the AMR program will be to significantly enhance customer service by reporting high water usage within a few weeks of it happening - this will reduce costs to rate payers and conserve water, virtually eliminate all estimated meter readings, and automatically provide

daily water meter readings. The AMR project included the replacement of about 8,400 water meters and the installation of approximately 15,000 radio based automatic meter reading devices onto each of the water meters in the City.

The debt service on the General Obligation bonds for the construction of the Walter J. Sullivan Water Purification Facility and the AMR Project, are fully paid by revenues from the water service charge. The water service charge covers approximately 68% of the total debt service on the loans from the MWPA with the remainder of the debt service covered through state subsidies. While debt service of this magnitude would normally have a significant impact on the water rate, the City is able to mitigate this effect by using a portion of the retained earnings in the Water Enterprise Fund (\$5,405,061 as of June 30, 2006) to offset debt service costs. By using these reserve funds, the City projects water rate increases (ranging from a low of 0.0% in FY08 to a high of 2.2% in FY10) over the next five years. If the City did not have significant retained earnings in the Water Fund that it was able to use to lower the water rate, projected rate increases in the future would be higher.

In addition to the bond-financed water treatment plant and the AMR project, current revenues of \$1,520,000 supported a wide range of projects in FY07. These projects included replacement of infrastructure components of the water distribution system in coordination with many City projects, continued implementation of the Fresh Pond Master Plan (construction and oversight of the Little Fresh Pond and Northeast Sector Projects), continued US Geological Survey water quality monitoring in our reservoir system, treatment facility instrumentation and equipment replacement, snow removal equipment and energy saving projects.

FY08 FUNDING. Funding for this cost center in FY08 is provided by current water service charge revenues (\$1,000,000) and will fund the following projects:

- **Improvements to Water System in Conjunction with City Projects (\$68,000)** - These funds will provide for the replacement of old valves, hydrants, lead water services and water mains utilizing both Water Department staff in tandem with the Department of Public Works sewer, storm water and roadway work and Community Development Department surface enhancement efforts.
- **Water Works Improvements to the Distribution System (\$200,000)** - This allocation will provide funds for the replacement of old water mains, valves and other improvements and repairs to the distribution system, including emergencies and support to other departments. This will be accomplished through the annual Water Works Construction Contract.
- **Facility and Office Equipment and Improvements (\$157,000)** - These funds will be used to replace plant equipment (\$20,000) and instrumentation (\$30,000); for a Supervisory Control and Data Acquisition (SCADA) system upgrade (\$20,000); to upgrade PC's (\$12,000); for HVAC enhancements (30,000); training room/EOC improvements (\$20,000) and MWRA interconnect improvements (\$25,000).
- **Consulting Services (\$175,000)** - These funds will be used for services to update the existing Water Demand Study (\$50,000), GIS Mapping (\$20,000), Source Water Protection Plan

(\$20,000), Watershed Community Outreach (\$10,000), Safe Yield and Drought Management planning (\$75,000).

- **Implementation of Fresh Pond Master Plan (\$250,000)** - Funds have been included in this budget to cover the cost of various reservation priorities to continue the implementation of the Fresh Pond Master Plan, such as Black's Nook and source water protection planning.
- **Reservoir Infrastructure Improvements and Maintenance (\$150,000)** - reservoir gauging stations (\$80,000), Stony Brook and Hobbs Brook Reservoirs repairs (\$40,000), and Hobbs Brook gatehouse evaluation (\$30,000).

IMPACT ON OPERATING BUDGET. By providing funds for capital improvements to the water system, the City has reduced the number of possible major water main breaks and reduced the cost of repairing these breaks. Many of the improvements are made to enhance the quality of water provided to consumers.

FY09-12 FUNDING. Allocations from the retained earnings of the Water Fund balance and water service charges in future years will continue to provide funding for work in the Transmission/Distribution, Engineering/Administration, Treatment and Watershed areas, with the focus on water main improvement.

PUBLIC INVESTMENT FUND**BUDGET****COMMUNITY MAINTENANCE & DEV.
- Sewer Reconstruction**

FY08	\$10,660,070
FY09	\$43,000,000
FY10	\$16,010,000
FY11	\$30,465,000
FY12	<u>\$27,970,000</u>
	\$128,105,070

STATUS OF PRIOR YEAR PROJECTS. The Public Works Department continues to work on the various Sewer Separation, Stormwater Management and Flood prevention programs throughout the City. All of these programs are multi-year programs and are funded through a variety of mechanisms, including General Obligation Bonds, Loans from the Massachusetts Water Pollution Abatement Trust (MWPAT) and Massachusetts Water Resources Authority (MWRA) loans and grants. Due to continued uncertainty with

regard to state funding of the MWPAT program, future projections do not presume state financial assistance.

FY08 FUNDING. The FY08 allocation of \$10,660,070 represents a significant reduction in funding from what was projected last year for FY08 of \$42,950,000. The reduction represents a delay in addressing the scheduled sewer separation in the Alewife watershed, a project which is being funded jointly with the MWRA. The latest projections for this project have it beginning in FY09 with continued appropriations through 2014 so as to complete the necessary separation. The FY08 allocations provide funding in five different project areas throughout the city. This funding will provide for more common manhole and stormwater management infrastructure improvements in the Central Square/Area 4 and Cambridgeport neighborhood. This appropriation also provides for the next phase of the ongoing Harvard Square sewer separation/stormwater management and back-up protection project. The appropriation includes a \$1.5m allocation to the continued structural maintenance program and, finally, a new program area has been introduced into the capital program this year: Western Avenue. This initial allocation is for the preliminary design and final design of our infrastructure in this area. The improvement plan presumes these projects will be funded primarily through the issuance of general bonds or directly from rate receipts. However, the City expects to receive MWRA grant and loan money for our common manhole removal work and expect to be successful in applying for State Revolving Fund loans and subsidies for the work associated with the Area 4 flood relief and sewer separation work.

- **Cherry Street/South Massachusetts Avenue Sewer Separation and Stormwater Management: \$2,150,289.** This money will be used to address the removal of common manholes in the area along the northern side of Massachusetts Avenue and Inman Street, together with the separation of the drainage system around Cambridge City Hall. It will also provide contingency funding toward the stormwater management project in Parking Lot 6 at Bishop Allen and Columbia Street.

- **The Harvard Square Stormwater Management Project: \$806,358.** This funding will be used to address the next phase of the Harvard Square stormwater management/sewer separation and back-up elimination project. This program is being constructed in small discrete pieces so as to minimize the impact on business in the Harvard Square area. Thus far three separate contracts have constructed various elements of this contract. This fourth project involves the design and removal of inflow to the combined sewer system along the “Old Murray Road” or the JFK Pathway and park area in Harvard Square.
- **Cambridgeport Sewer Separation and Stormwater Management Project: \$4,303,423.** The funding will be used eliminate common manholes in the Cambridgeport area primarily between Erie Street, Brookline Street, Massachusetts Avenue and Magazine Street. Our capital-planning program presumes a bond issuance for approximately \$1,711,668 of this work with the remainder being funded through the MWRA inflow and infiltration Grant/Loan program.
- **Western Avenue Infrastructure Improvement Program: \$1,900,000.** This funding will be directed toward the design of new drainage and sewerage systems in the Western Avenue area of the city between Memorial Drive and Central Square. The existing drainage and sewer systems in the area are antiquated and provide poor service levels. The system is essentially a combined sewer system and services catchment area which extend north and west of City Hall. The primary

purpose of the project will be: to reconstruct all necessary city utilities in a way that provides reasonable levels of service from a flood protection and sewer service perspective; to do so in an environmentally appropriate way through appropriate sewer separation and stormwater management strategies; and to properly restore the street once the necessary utility work is complete. It is anticipated that reconstruction will begin within two or three years of the design being awarded.

- **Remedial Construction: \$1,500,000.** The Public Works Department uses this funding to maintain the existing storm, sanitary and combined sewer systems. This funding constitutes a critical component of our overall program. These monies are used on various contracts to provide structural repairs and corrections to our various systems to ensure their functions are not compromised by the passage of time or by capacity constraints, etc.

IMPACT ON OPERATING BUDGET. The primary impact of the many sewer reconstruction projects in the City has been to eliminate sources of inflow and infiltration to the system which has an impact on the assessment to the City by the MWRA and the growth in the sewer rate.

FY09-12 FUNDING. Future allocations contain funds for later phases of these projects. It is anticipated that during the FY09-12 time period, the majority of the sewer separation and CSO control work scheduled in the Alewife area, which will be cost shared between the MWRA and the City, will be completed.

PUBLIC INVESTMENT FUND**BUDGET****COMMUNITY MAINTENANCE & DEV.
- Traffic Calming**

FY08	\$400,000
FY09	\$400,000
FY10	\$400,000
FY11	\$400,000
FY12	<u>\$400,000</u>
	2,000,000

STATUS OF PRIOR YEAR PROJECTS. Traffic calming focuses on redesigning streets to improve the comfort and safety of people walking, biking and driving on them. Mechanisms may include raised crosswalks and intersections, curb extensions, crossing islands, and other physical features which calm traffic and enhance safety. The Community Development Department works to coordinate traffic calming projects with scheduled street and sewer improvements planned by the Department of Public Works. This allows the

most efficient use of resources and reduces the disruption to residents during construction.

In FY07 designs were developed for traffic calming on Pemberton Street at the Yerxa Road Underpass, Walden Street from Massachusetts Ave. to Sherman Street and Brattle Street from Fresh Pond Parkway to Sparks Street. It is anticipated that these projects will be under construction in 2008.

FY08 FUNDING. An allocation of \$400,000 from the Parking Fund will finance FY08 projects. The funding will be used for the design and construction of traffic calming measures, and construction will be managed by the Department of Public Works. Likely projects include Concord Avenue from Blanchard Road to Smith Place and Elm Street from Broadway to Hampshire Street.

IMPACT ON OPERATING BUDGET. Although there is no direct financial or personnel impact on the operating budget, the implementation of several concepts to improve the safety and comfort of citizens who are walking, biking and driving on the streets of Cambridge ties directly to the goal of enabling residents to use City services with a high level of confidence.

FY09-12 FUNDING. It is anticipated that an allocation will be made in each budget cycle to fund traffic calming projects.

PUBLIC INVESTMENT FUND**BUDGET****COMMUNITY MAINTENANCE & DEV.
- Harvard Square Enhancement Project**

FY08	\$600,000
FY09	-
FY10	-
FY11	-
FY12	-
	<u>\$600,000</u>

STATUS OF PRIOR YEAR PROJECTS. The City has appropriated \$4,000,000 in General Obligation Bond proceeds, \$1,300,000 in funds donated by Harvard University, and a grant for \$1,000,000 from the State Office for Commonwealth Development to fund the Harvard Square Enhancement project. The project is presently ongoing with approximately 50% of the project constructed to date.

FY08 FUNDING. It is anticipated that the contract will be substantially complete, weather permitting, by the end of October 2007. The present project includes the reconstruction of Church Street, JFK Street from Memorial Drive to Elliot Street, enhancement work at the Lampoon Plaza, surface restoration on Massachusetts Avenue at the Johnson Gate and the construction of shared streets on both Palmer and Winthrop Streets. Funding of \$600,000 is required to address additional engineering costs, restoration costs, significant utility conflict costs and other unforeseen conditions costs through the remainder of this contract. As noted above, the City expects to receive a \$1 million grant from the State Office of Commonwealth Development to reconstruct the large crosswalk across Massachusetts Avenue between the “Out of Town News” Kiosk and Brattle Street. The expectation is that this work will be done in the fall of 2007 and spring of 2008.

IMPACT ON OPERATING BUDGET. By allocating \$4,600,000 in Bond Proceeds to this project, the City has demonstrated its commitment to strengthening the ties between the businesses and universities and the City in an effort to promote a mutually beneficial relationship. There is no direct financial or personnel impact on the operating budget.

FY09-12 FUNDING. It is anticipated that after completing this phase of the construction project that, in the short term, additional enhancements and improvements in the Harvard Square area will be provided through the use of Chapter 90 funds and other funds as they come available.

PUBLIC INVESTMENT FUND**BUDGET****COMMUNITY MAINTENANCE & DEV.
- Blanchard Road Improvement Project**

FY08	\$1,500,000
FY09	-
FY10	-
FY11	-
FY12	-
	<u>\$1,500,000</u>

STATUS OF PRIOR YEAR PROJECTS. This project was initiated to address safety issues and high speeds at the curve in the road, identified in a 2005 safety study of Blanchard Road (between Concord Avenue and Grove Street). The safety study was requested by neighborhood residents. The report recommended both short- and long-term safety improvements to this section of the road. With funds from the FY06 Public Works and Traffic, Parking and Transportation operating budgets, the short-term improvements were implemented in 2006. An FY07

allocation of \$150,000 from the Parking Fund funded the design of the recommended long-term improvements, which has received strong community support.

FY08 FUNDING. An allocation of \$1,500,000 from the Parking Fund Balance will be used to fund the construction of long-term safety improvements on Blanchard Road, between Concord Avenue and Grove Street, including reconstruction of the roadway; installation of raised pavement markings, bicycle lanes, and accessible concrete sidewalks; and construction of a crossing island at Glenn Road to reduce traffic speed.

IMPACT ON OPERATING BUDGET. As described in the above sections, the primary goal of this project is to reduce the high crash rate and high speeds at the curve in Blanchard Road, to provide a safer environment for both motorists and residents of Blanchard Road. As is the case with several other capital projects, achieving this objective ties directly to the City Council goal of delivering high-quality public safety services to residents of Cambridge. There is no direct financial or personnel impact on the operating budget.

FY09-12 FUNDING. No further funding is anticipated for this project.

PUBLIC INVESTMENT FUND**BUDGET****COMMUNITY MAINTENANCE & DEV.
- Brookline Street Reconstruction Project**

FY08	-
FY09	\$1,750,000
FY10	-
FY11	-
FY12	-
	<u>\$1,750,000</u>

STATUS OF PRIOR YEAR PROJECTS. This project is an outgrowth of the Cambridgeport Roadways Design process, during which residents and the City's Advisory Committee supported improvements to Brookline Street to reduce the speed of traffic, improve pedestrian safety, and emphasize the residential character of the street. Design for this project began in FY06 with a \$75,000 allotment, and an additional \$55,000 in FY07, combined with Block Grant funds of \$20,000. The community input and design process will be completed in FY08.

FY08 FUNDING. No allocation of funds will be made in FY08, as the improvements to Brookline Street is anticipated to begin FY09.

IMPACT ON OPERATING BUDGET. It is expected that when this project is completed, improvements to the safety of pedestrians using Brookline Street and clear indicators that the neighborhood is primarily a residential area will be achieved. There is no direct financial or personnel impact on the operating budget.

FY09-12 FUNDING. An FY09 allocation of \$1,750,000 from the Parking Fund Balance will be used to construct improvements such as new paving, traffic calming measures, accessible sidewalks, street furniture and street trees. Coupled with the completion of the Cambridgeport Roadways Project, these measures are intended to further encourage residential use of Brookline Street and commercial use of Sidney and Waverly Streets for access to commercial sections of Cambridgeport, including University Park.

PUBLIC INVESTMENT FUND**BUDGET****COMMUNITY MAINTENANCE & DEV.
- Façade Improvement Program**

FY08	\$150,000
FY09	\$150,000
FY10	\$150,000
FY11	\$150,000
FY12	<u>\$150,000</u>
	\$750,000

STATUS OF PRIOR YEAR PROJECTS. The Façade Improvement Program is used throughout the City to support business owners with matching grants of up to \$35,000 for construction of storefront improvement projects including handicapped accessibility. Business owners also may apply for matching grants of up to \$3,500 for exterior signage & lighting projects. An architectural consultant, retained by the City, provides preliminary design services to program applicants.

In FY07 the Façade Improvement Program's Capital Budget allocation of \$150,000 supported three facade improvements and four signage and lighting projects, as well as design services for fifteen participants.

FY08 FUNDING. The Façade Program funds will continue façade improvements in commercial districts citywide. The allocation will support approximately three façade improvement projects, ten signage and lighting improvement projects, and design services for additional participants in the program. Funding for this program is from Property Taxes.

IMPACT ON OPERATING BUDGET. Although there is no direct financial or personnel impact to the operating budget, this program provides economic benefits to the businesses that participate in the program and assists in the building of a more stable tax base with the goal of strengthening the partnership between the City and businesses.

FY09-12 FUNDING. It is anticipated that this program will receive funding in future years.

PUBLIC INVESTMENT FUND	BUDGET
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**COMMUNITY MAINTENANCE & DEV.
- Employment Program Fund**

FY08	\$350,000
FY09	\$350,000
FY10	\$350,000
FY11	\$350,000
FY12	<u>\$350,000</u>
	\$1,750,000

STATUS OF PRIOR YEAR PROJECTS. The Employment Program Fund continues to coordinate employment and job training programs through the Just-A-Start Corporation.

FY08 FUNDING. \$350,000 in Block Grant funds will continue to finance the Just-A-Start Rehabilitation Assistance Program (RAP), which trains and employs Cambridge youth to provide a range of low-cost housing rehabilitation, energy conservation and de-

leading services throughout Cambridge and for the Cambridge Housing Authority. As in prior years, the crews will work on housing units for CDBG eligible, low and moderate-income households.

IMPACT ON OPERATING BUDGET. While there is no direct impact on the operating budget, this program has a direct effect on both the economic development and housing areas by creating jobs in housing rehabilitation. In addition, by providing energy conservation and deleading services, this program has a significant effect on improving the environment, health and safety of children in the housing units that are being rehabilitated. There is no direct financial or personnel impact on the operating budget.

FY09-12 FUNDING. It is anticipated that Community Development Block Grant funds will continue to support this program.

PUBLIC INVESTMENT FUND**BUDGET****COMMUNITY MAINTENANCE & DEV.
- Housing Rehab and Development**

FY08	\$1,001,285
FY09	\$1,001,285
FY10	\$1,001,285
FY11	\$1,001,285
FY12	<u>\$1,001,285</u>
	\$5,006,425

STATUS OF PRIOR YEAR PROJECTS. This program combines the Capital Fund allocation with funds from the HOME Program, Affordable Housing Trust Fund, and other public and private sources to finance renovations to existing housing units and the development of new units.

FY08 FUNDING. \$1,001,285 of Block Grant funds, will be used with funds from HOME, Affordable Housing Trust and other sources to finance a range of

programs to meet the City's diverse housing needs. The Block Grant funding will continue to finance the rehab of existing housing stock and the development of new housing units for low- and moderate-income Cambridge residents.

Block Grant funding of housing programs includes \$637,440 for rehab loans and technical assistance to eligible owners of structures with 1-4 units through the Home Improvement Program (HIP) administered by Just-A-Start (JAS) and Homeowners' Rehab, Inc. (HRI). In addition, \$155,650 will support the efforts to rehabilitate multi-family properties while keeping rents affordable through a program administered by the Cambridge Neighborhood Apartment Housing Services (CNAHS).

Block Grant funds of \$188,195 will be made available to neighborhood-based development corporations (JAS and HRI) to continue to acquire and rehab properties for affordable homeownership and rental housing. In addition, \$20,000 in Community Development Block Grant funds will be used to support the Historical Commission, through the Historic Preservation Home Improvement Program, to assist owners improving their historic properties.

IMPACT ON OPERATING BUDGET. By allocating a significant portion of the City's Block Grant entitlement to housing rehab and development programs, the City is continuing to work toward its goals of creating a sizable stock of housing for its low and middle-income residents and supporting the racial, socioeconomic and cultural diversity of the City. There is no direct financial or personnel impact on the operating budget.

FY09-12 FUNDING. It is anticipated that Block Grant funds will continue to support this program.

PUBLIC INVESTMENT FUND**BUDGET****COMMUNITY MAINTENANCE & DEV.
- Neighborhood Business Development**

FY08	\$243,000
FY09	\$243,000
FY10	\$243,000
FY11	\$243,000
FY12	<u>\$243,000</u>
	\$1,215,000

STATUS OF PRIOR YEAR PROJECTS. The FY07 allocation of \$243,000 in Block Grant funds was used to support the City's economic development programs for low- and moderate-income individuals and micro-enterprises, including financial literacy and business planning workshops provided by the Center for Women and Enterprise (CWE), the Best Retail Practices program grants, and the career development programs operated by Just a Start and the Cambridge Health Alliance.

FY08 FUNDING. A total allocation of \$243,000 from Block Grant funds will be used to support a range of Economic Development workshops and programs. Funds in the amount of \$75,000 will support the continued work of the Center for Women and Enterprise for small business workshops including: Exploring Entrepreneurship; Steps to Starting Your Own Business; and Financing Your Business; as well as financial literacy training in the fundamentals of personal and business financial management. An additional \$50,000 will be allocated to the Retail Best Practices grant program, which provides small grants to income-eligible businesses to implement recommended improvements related to interior design, merchandising, marketing or operations. In support of the City's workforce development efforts, \$118,000 will be allocated to two career development programs: the Biomedical Careers Program run by Just A Start to help low-moderate income individuals obtain skills for jobs in the bio-medical industries; and the Cambridge Healthcare Career Advancement Program run by the Cambridge Health Alliance, which provides training in careers such as nursing and medical imaging to facilitate advancement of healthcare employees to higher-skilled jobs.

IMPACT ON OPERATING BUDGET. The primary goal of this program is to assist small and income-eligible businesses in the development of plans that will enable them to compete in the local market as well as provide individuals with the skills needed to work in the bio-medical and healthcare industries. This program provides benefits both for the improvement of the local economy and tax base of the City as well as assistance in the development of a more diverse community. There is no direct financial or personnel impact on the operating budget.

FY09-12 FUNDING: It is anticipated that Block Grant funds will continue to support Neighborhood Business Development programs.

PUBLIC INVESTMENT FUND

BUDGET

**COMMUNITY MAINTENANCE & DEV.
- Public Art**

FY08 -
FY09 -
FY10 -
FY11 -
FY12 -

STATUS OF PRIOR YEAR PROJECTS. Several prior year public projects were completed in FY07, including Porter Square Plaza, Gore Street Park, Gold Star Mother’s Pool, Vassal Lane and the Yerxa Road Underpass at Yerxa Road and Pemberton St. At the close of FY07, the Arts Council currently has twelve permanent artwork in various stages of implementation. Of these projects, ten have been designed in part or full and are awaiting installation as part of larger construction projects. These projects include Harvard

Square/Palmer St., two projects for the Main Library Expansion Project, Trolley Square, Lafayette Square, Harvard Street Park, Dana Park, Danehy Park, West Cambridge Youth and Community Center, and the Robert W. Healy Public Safety Facility.

FY08 FUNDING. Funding for the development of public art projects at the Northeast Sector at Fresh Pond, Cambridge St., Brookline St. and Dana Park are included in separate appropriations and will cover the costs of initiating the process to identify and engage the artists who will complete the public art component for these projects through design and implementation.

IMPACT ON OPERATING BUDGET. By allocating funds for public art, the City is supporting the goal of promoting cultural diversity in Cambridge by including works from a wide range of artists in the various public facilities that are eligible for this program. There is no direct financial or personnel impact on the operating budget.

FY09-12 FUNDING. Although the five-year capital plan does not include specific allocations for public art, it is expected that the appropriate budget transfers for the “one percent for art” program for approved building and capital improvement projects will be made concurrent with the budget allocations for such projects.

PUBLIC INVESTMENT FUND**BUDGET****COMMUNITY MAINTENANCE & DEV.
- Public Art Conservation Fund**

FY08	\$30,000
FY09	\$30,000
FY10	\$30,000
FY11	\$30,000
FY12	<u>\$30,000</u>
	\$150,000

STATUS OF PRIOR YEAR PROJECTS. In FY07, contracts were initiated with painting and sculpture conservators to provide routine cleaning and preventative maintenance for the City of Cambridge public art collection. Based on these findings and prior-year reports, it was identified that significant maintenance work and cleaning is required for the brass cylinders and lighting elements for *Multicultural Manifestos* in Carl Barron Plaza in Central Square and for Inner City Totem located at 5 Callendar St. Additionally, specific maintenance work is required for

damage done to the glass panels for the Russell Field Bus Shelter, mural elements at Gold Star Mother's Pool and sculptural elements at the Yerxa Road Underpass, Roethlisberger Park, Donnelly Field and Washington Square Park.

FY08 FUNDING. The program will continue with ongoing maintenance, treatment and reassessment of the collection. Conservation priorities will be based on professional assessments to be done prior to the close of FY08.

IMPACT ON OPERATING BUDGET. By including funds for the conservation and maintenance of the public art collection, the City has taken the necessary steps to preserve artworks that have had a significant impact on the facilities in which they have been installed and have contributed to the promotion of cultural diversity in the City. There is no direct financial or personnel impact on the operating budget.

FY09-12 FUNDING. The program will continue to provide routine maintenance, treatment, and re-assessment of the physical status of artworks in the City's collection.

THIS SPACE RESERVED FOR COUNCILLORS' NOTES

SUMMARY: HUMAN RESOURCE DEVELOPMENT

	FIVE YEAR APPROPRIATION PLAN					
	FY08	FY09	FY10	FY11	FY12	TOTAL
Parks and Recreation	\$491,365	\$426,365	\$376,365	\$486,365	\$486,365	\$2,266,825
Accessibility Improvements	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>250,000</u>
	\$541,365	\$476,365	\$426,365	\$536,365	\$536,365	\$2,516,825

	FIVE YEAR REVENUE PLAN					
	FY08	FY09	FY10	FY11	FY12	TOTAL
Free Cash	\$450,000	\$385,000	\$335,000	\$445,000	\$445,000	\$2,060,000
Block Grant	63,865	63,865	63,865	63,865	63,865	319,325
Golf Course Fees	<u>27,500</u>	<u>27,500</u>	<u>27,500</u>	<u>27,500</u>	<u>27,500</u>	<u>137,500</u>
	\$541,365	\$476,365	\$426,365	\$536,365	\$536,365	\$2,516,825

PUBLIC INVESTMENT FUND

BUDGET

**HUMAN RESOURCE DEVELOPMENT
- Parks & Recreation**

FY08	\$491,365
FY09	\$426,365
FY10	\$376,365
FY11	\$486,365
FY12	<u>\$486,365</u>
	\$2,266,825

STATUS OF PRIOR YEAR PROJECTS. An allocation of \$580,000 from Free Cash was combined with \$27,500 from golf course revenues and \$95,090 in Block Grant Funds for a total budget of \$702,590 to finance the following projects in FY07.

- **Tobin School Playground Improvements (\$400,000)** - This allotment is being used for renovations to the Father Callanan Playground at the Tobin School, and includes relocating the playground closer to the school and developing two additional play areas: a separate toddler play space and a full basketball court. All three areas will contain age-appropriate equipment and will be in compliance with ADA guidelines for accessibility. These funds, combined with a \$216,000 Urban Self Help Grant from the state, will be used to expand the scope of the site improvements to include pedestrian walkway lighting, repaved walks, new bleachers and players' benches around Tobin Field, new fencing and shade trees along the main paths, and other landscaping enhancements to the park entrances. The renovations will be completed by December 2007.

- **Corrective Action Design at Danehy Park (\$30,000)** - A landfill gas assessment conducted by engineering consultants revealed a need to alleviate landfill gas migration from the landfill in the area of New Street. This allocation was used to prepare a Corrective Action Design (CAD) for a passive/action landfill gas venting system which was submitted to DEP and is currently under review.
- **Construction of Dog Park at Danehy Park (\$100,000)** - The construction of a new dog park will occur in concurrence with the corrective action improvements required for landfill gas venting at the New Street catch basins for Danehy Park which are awaiting DEP approval as noted above. It is anticipated that the project will begin in the summer of 2007.
- **Improvements to Thomas P. O'Neill, Jr. / Fresh Pond Golf Course (\$27,500)** - An allotment of \$27,500 from golf course fees will be used for improvements to the golf course irrigation system which are scheduled for the spring 2007.
- **Beautification Program (\$50,000)** - This allocation supports the ongoing effort to implement seasonal plantings at dozens of sites citywide.

- **Block Grant Open Space / Gold Star Mothers / Gore Street Park (\$95,090)** - These funds were used to supplement existing funds for renovations to the Gold Star Mothers/Gore Street Park. The main design objective was to improve the layout and safety of walks throughout the park, to light all these walks, to strengthen and beautify the park entrances, and to establish safer pedestrian connections to the adjacent mall and Msgr. O'Brien Highway. The heart of this park continues to be the playground on the Gore Street side of the park. It has been expanded and features new age-appropriate equipment for children and families.
- **Open Space at Trolley Square (\$400,000)** - Funds are being used to create new open space at the former trolley yard site in North Cambridge where affordable rental and ownership housing has been developed. An urban plaza will be built at the corner of Massachusetts and Cameron Avenues, surrounded by colorful perennial plant beds and partially enclosed by public art. An upgrade to the adjacent Linear Park is included in the plan and an ADA accessible pathway will link these two spaces together. New park lights, tables, bike rings, a drinking fountain and park benches in different seating configurations will be installed along this connecting path. Construction will be completed in fall 2007.
- **Park at Western Avenue and Memorial Drive (\$3,000,000)**
As part of the rezoning of the former Mahoney's site at the corner of Western Avenue and Memorial Drive, Harvard University agreed to permanently deed to the City the 34,000 square foot parcel at this corner for permanent use as open space. A community-based design process will begin in the fall of 2007 with construction anticipated to begin in the summer/fall of 2008 or when the underground garage on Memorial Drive is complete.

FY08 FUNDING. An allocation of \$400,000 from Free Cash will be combined with \$27,500 from golf course revenues and \$63,865 in Block Grant Funds for a total budget of \$491,365 to finance the following projects in FY08.

- **Additional Open Space at Costa Lopez Taylor Park (\$300,000)** - These funds will be used to develop a passive-use "pocket park" across Lopez Avenue from the main park, on a 4,500 square-foot vacant parcel that was donated to the City by a private developer. The new open space will include a seating area, plantings and, possibly, community gardening plots. The project will also include the addition of lighting and other minor improvements to the main park.
- **Block Grant Contingency Fund (\$63,865)** - The remainder of the Block Grant entitlement that is not allocated to specific programs has been set aside as a contingency for eligible open space projects.
- **Improvements to Thomas P. O'Neill, Jr. / Fresh Pond Golf Course (\$27,500)** - An allotment of \$27,500 from golf course fees will be used for continued improvements to the golf course irrigation system and clubhouse.
- **Beautification Program (\$50,000)** - These funds will be used to continue the seasonal flower program that includes construction of new planting sites as well as enhancement of existing high profile intersections.
- **Outdoor Movie System (\$50,000)** - These funds will be used to acquire a portable outdoor movie system which includes: an inflatable unit and screen and related audio-visual equipment including a projector and audio switch rack with DVD player and speakers.

IMPACT ON OPERATING BUDGET. It is expected that the annual maintenance costs for the newly-constructed Costa Lopez Taylor Park will be approximately \$15,000 and will be included in the Public Works budget in FY09.

FY09-12 FUNDING. Free cash allocations will be the primary financing source for a wide range of open space projects with golf course revenues continuing to finance improvements to the golf course and Block Grant funds being used as a contingency.

PUBLIC INVESTMENT FUND**BUDGET****HUMAN RESOURCE DEVELOPMENT
- Accessibility Improvements**

FY08	\$50,000
FY09	\$50,000
FY10	\$50,000
FY11	\$50,000
FY12	<u>\$50,000</u>
	\$250,000

STATUS OF PRIOR YEAR PROJECTS. Allocations of \$50,000 to this cost center have been made for the past nine years to fund a wide range of projects to improve access for people with disabilities, consistent with the requirements of the Americans with Disabilities Act of 1990 (ADA). Recent accessibility projects completed (or slated to be completed by the end of FY 07) include Coffon Building (51 Inman Street) basement men's restroom access, a portable assistive listening system, and a wheelchair-accessible basketball backstop

for the Tobin School playground renovation project. Construction estimates for the Collins branch library access project are much higher than anticipated, placing this project on hold while the project scope is reassessed (approximately \$275,000 from previous years' allocations continue to be earmarked for that project).

FY08 FUNDING. In order to continue the program to make public facilities more accessible to people with disabilities, the \$50,000 allocation for FY08 will be spent as follows: \$22,200 will be allocated for ADA-accessible door hardware and door threshold improvements in City Hall, and \$25,400 will be allocated for ADA upgrades to fire alarms and pull stations in various municipal buildings. The remaining \$2,400 will be used to begin a program to provide accessible interior signage to City Hall, Coffon Building and Lombardi Building.

IMPACT ON OPERATING BUDGET. By funding improvements to public buildings for persons with disabilities, the City is showing its commitment to providing a high level of public safety for all citizens of Cambridge. There is no direct financial or personnel impact on the operating budget.

FY09-12 FUNDING. It is the City's intent to continuing allocating \$50,000 in future capital budgets to improve access to public facilities for persons with disabilities.

THIS SPACE RESERVED FOR COUNCILLORS' NOTES

SUMMARY: EDUCATION

FIVE YEAR APPROPRIATION PLAN						
	FY08	FY09	FY10	FY11	FY12	TOTAL
School Equipment/Renovations	<u>\$225,000</u>	<u>\$225,000</u>	<u>\$225,000</u>	<u>\$225,000</u>	<u>\$225,000</u>	<u>\$1,125,000</u>
	\$225,000	\$225,000	\$225,000	\$225,000	\$225,000	\$1,125,000

FIVE YEAR REVENUE PLAN						
	FY08	FY09	FY10	FY11	FY12	TOTAL
Free Cash	<u>\$225,000</u>	<u>\$225,000</u>	<u>\$225,000</u>	<u>\$225,000</u>	<u>\$225,000</u>	<u>\$1,125,000</u>
	\$225,000	\$225,000	\$225,000	\$225,000	\$225,000	\$1,125,000

PUBLIC INVESTMENT FUND**BUDGET****EDUCATION
- School Equipment/Renovations**

FY08	\$225,000
FY09	\$225,000
FY10	\$225,000
FY11	\$225,000
FY12	<u>\$225,000</u>
	\$1,125,000

STATUS OF PRIOR YEAR PROJECTS. An allocation of \$225,000 was made to the School Department from the City "Pay-As-You-Go" capital fund for FY07. These funds were supplemented by \$580,000 allocated within the School Department FY07 operating budget, along with FY06 capital funds and FY06 operating budget surpluses, to fund the two-year \$2.3 million Piping and Univent Replacement Project at the King/Amigos school facility.

Cambridge has two projects on the Massachusetts School Building Assistance (MSBA) approved project list: the War Memorial Major Renovation project (full rehab) and the CRLS Major Repair Project (including HVAC, roof, windows, interior lighting). MSBA reimbursements are based on estimates submitted when the projects were originally approved in 2002 and 2003. Total costs were estimated at \$48.6 million at that time (\$15 million for the War Memorial project and \$33.6 million for the CRLS project), but are expected to substantially increase when bids are received. The War Memorial project is expected to begin this summer and take 16-18 months to complete.

During 2006, the School Department commissioned a professional firm to conduct an Elementary School Facilities Needs Assessment, to include costs estimates for both major and minor renovations. Excluding the major projects identified above, the cost estimate exceeded \$60 million, required over several years. The School Committee and administration are considering recommendations contained in the study and will develop a set of priorities to help guide future funding decisions.

FY08 FUNDING. \$225,000 will be used to fund fire alarm panel replacements in three schools. In addition, \$550,000 in School Department maintenance project funding allocated within their budget will be used to fund a roof replacement project at the Kennedy-Longfellow school.

IMPACT ON OPERATING BUDGET. While there is no direct financial or personnel impact on the Schools operating budget, the renovations funded through this allotment and supplemented by funds in the operating budget will produce a safer and more comfortable learning environment in the schools.

FY09-12 FUNDING. It is expected that facilities priorities identified with guidance from the comprehensive facilities study will continue to be funded through a combination of property taxes and free cash, while major projects such as the CRLS Major Repair Project and the War Memorial Major Renovation Project will require bond funding.

The School Debt Stabilization Fund, established by the School Committee in FY05 to help offset future capital costs and unreimbursed debt service costs, had a balance of \$9 million at the end of FY06 and is expected to continue to grow through FY08 to help meet future capital needs. Monies will need to be drawn from this fund in FY09 to continue debt service payments on past projects, needed to offset the end of MSBA reimbursements on those projects.

THIS SPACE RESERVED FOR COUNCILLORS' NOTES

INTRODUCED BY CITY MANAGER ROBERT W. HEALY

AN ORDER CONCERNING APPROPRIATION FOR THE FISCAL YEAR BEGINNING JULY 1, 2007

ORDERED: 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	TRAVEL & TRAINING	EXTRA ORDINARY EXPENDITURES	CITY APPRO- PRIATION	STATE ASSESS- MENT	GRAND TOTAL
GENERAL GOVERNMENT								
	Mayor	\$588,275	\$117,130	\$20,500		\$725,905		\$725,905
	Executive	1,173,995	442,950	37,500		1,654,445		1,654,445
	City Council	1,013,655	41,900	45,500		1,101,055		1,101,055
	City Clerk	765,400	58,110	2,420		825,930		825,930
	Law	1,150,840	509,225	259,675		1,919,740		1,919,740
	Finance	7,501,755	2,355,120	208,700	\$77,800	10,143,375		10,143,375
	Employee Benefits	26,339,050	704,310			27,043,360		27,043,360
	General Services	440,870	627,635			1,068,505		1,068,505
	Election	606,595	302,765	2,270		911,630		911,630
	Public Celebrations	407,035	428,400	1,125		836,560		836,560
	Reserve		37,500			37,500		37,500
	TOTAL	\$39,987,470	\$5,625,045	\$577,690	\$77,800	\$46,268,005		\$46,268,005
PUBLIC SAFETY								
	Animal Commission	\$244,910	\$13,305	\$150		\$258,365		\$258,365
	Fire	31,172,505	941,970	456,750	\$95,000	32,666,225		32,666,225
	Police	33,567,230	992,345	184,000	432,100	35,175,675		35,175,675
	Traffic, Parking & Transportation	5,838,425	3,304,040	19,400	60,000	9,221,865		9,221,865
	Police Review & Advisory Board	81,450	1,000	3,000		85,450		85,450
	Inspectional Services	2,346,010	124,400	51,825		2,522,235		2,522,235
	License	768,465	60,190	10,700		839,355		839,355
	Weights & Measures	101,485	7,780	2,245		111,510		111,510
	Electrical	1,322,855	1,246,655	1,670	25,000	2,596,180		2,596,180
	Emergency Management	149,650	14,235	400		164,285		164,285
	Emergency Communications	3,469,815	195,510	15,850	4,000	3,685,175		3,685,175
	TOTAL	\$79,062,800	\$6,901,430	\$745,990	\$616,100	\$87,326,320		\$87,326,320

FUNCTION	DEPARTMENT	SALARIES & WAGES	OTHER ORDINARY MAINTENANCE	TRAVEL & TRAINING	EXTRA ORDINARY EXPENDITURES	CITY APPRO- PRIATION	STATE ASSESS- MENT	GRAND TOTAL
COMMUNITY MAINTENANCE AND DEVELOPMENT								
	Public Works	\$16,281,915	\$10,093,520	\$104,255	\$400,000	\$26,879,690		\$26,879,690
	Community Development	4,274,850	571,940	20,500	73,640	4,940,930		4,940,930
	Historical Commission	462,915	27,380	800		491,095		491,095
	Conservation Commission	80,560	3,525	960		85,045		85,045
	Peace Commission	71,050	10,780	1,850		83,680		83,680
	Cable T.V.	515,475	692,530	3,450		1,211,455		1,211,455
	Debt Service		216,000		34,038,025	34,254,025		34,254,025
	TOTAL	\$21,686,765	\$11,615,675	\$131,815	\$34,511,665	\$67,945,920		\$67,945,920
HUMAN RESOURCE DEVELOPMENT								
	Library	\$5,081,165	\$984,895	\$36,650		\$6,102,710		\$6,102,710
	Human Services	14,151,765	2,755,625	64,750	\$25,000	16,997,140		16,997,140
	Women's Commission	152,665	9,835	1,025		163,525		163,525
	Human Rights Commission	171,885	4,055	700		176,640		176,640
	Veterans	246,050	54,900	319,150		620,100		620,100
	TOTAL	\$19,803,530	\$3,809,310	\$422,275	\$25,000	\$24,060,115		\$24,060,115
	CITY TOTAL	\$160,540,565	\$27,951,460	\$1,877,770	\$35,230,565	\$225,600,360		\$225,600,360
EDUCATION								
	Schools Operating	\$95,804,010	\$24,266,040	\$1,851,950	\$5,768,960	\$127,690,960		\$127,690,960
	TOTAL	\$95,804,010	\$24,266,040	\$1,851,950	\$5,768,960	\$127,690,960		\$127,690,960
INTERGOVERNMENTAL								
	Massachusetts Water Resources Authority		\$18,856,840			\$18,856,840		\$18,856,840
	Cherry Sheet Assessments						\$16,227,780	16,227,780
	Cambridge Health Alliance		6,000,000			6,000,000		6,000,000
	TOTAL		\$24,856,840			\$24,856,840	\$16,227,780	\$41,084,620
	GRAND TOTALS	\$256,344,575	\$77,074,340	\$3,729,720	\$40,999,525	\$378,148,160	\$16,227,780	\$394,375,940

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	DEPARTMENT	TAXES	LICENSES & PERMITS	FINES & FORFEITS	CHARGES FOR SERVICE	INTER- GOVERN- MENTAL REVENUE	MISCELL- ANEOUS REVENUE	GRAND TOTAL
	Mayor	\$693,905				\$32,000		\$725,905
	Executive	1,275,580		\$215,000		163,865		1,654,445
	City Council	1,086,945				14,110		1,101,055
	City Clerk	542,680	\$32,500		\$231,450	19,300		825,930
	Law	1,769,740	2,500	97,500		50,000		1,919,740
	Finance	5,383,790			553,950	605,635	\$3,600,000	10,143,375
	Employee Benefits	11,729,445				10,113,915	5,200,000	27,043,360
	General Services	969,680		4,000		94,825		1,068,505
	Election	816,270			1,500	93,860		911,630
	Public Celebrations	789,860	13,000			33,700		836,560
	Reserve	37,500						37,500
	TOTAL GENERAL GOV'T.	\$25,095,395	\$48,000	\$316,500	\$786,900	\$11,221,210	\$8,800,000	\$46,268,005
	Animal Commission	\$243,465	\$11,200	\$2,000	\$1,000		\$700	\$258,365
	Fire	31,845,725	75,000	4,000	741,500			32,666,225
	Police	26,206,765	126,065	3,187,425	1,615,355	\$2,275,065	1,765,000	35,175,675
	Traffic, Parking & Transportation		277,500	4,418,085	3,961,280		565,000	9,221,865
	Police Review & Advisory Board	85,450						85,450
	Inspectional Services	(1,082,565)	3,537,800		67,000			2,522,235
	License	(1,071,295)	1,835,200		25,450	50,000		839,355
	Weights & Measures	66,085			27,500	17,925		111,510
	Electrical	1,819,380	22,935		545,000	207,865	1,000	2,596,180
	Emergency Management	164,285						164,285
	Emergency Communications	3,685,175						3,685,175
	TOTAL PUBLIC SAFETY	\$61,962,470	\$5,885,700	\$7,611,510	\$6,984,085	\$2,550,855	\$2,331,700	\$87,326,320

FUNCTION	DEPARTMENT	TAXES	LICENSES & PERMITS	FINES & FORFEITS	CHARGES FOR SERVICE	INTER-GOVERNMENTAL REVENUE	MISCELLANEOUS REVENUE	GRAND TOTAL
	Public Works	\$19,470,010	\$112,000	\$900,000	\$3,805,070	\$2,281,130	\$311,480	\$26,879,690
	Community Development	3,242,635	55,000	50,000	296,395	1,128,900	168,000	4,940,930
	Historical Commission	481,095				5,000	5,000	491,095
	Conservation Commission	60,415			24,630			85,045
	Peace Commission	60,230				23,450		83,680
	Cable T.V.	(13,670)			1,225,125			1,211,455
	Debt Service	17,591,355		152,190	11,503,505	3,469,560	1,537,415	34,254,025
	TOTAL COMMUNITY MAINTENANCE & DEV.	\$40,892,070	\$167,000	\$1,102,190	\$16,854,725	\$6,908,040	\$2,021,895	\$67,945,920
	Library	\$5,650,560		\$30,000		\$422,150		\$6,102,710
	Human Services	13,709,495			\$2,477,105	810,540		16,997,140
	Women's Commission	153,565				9,960		163,525
	Human Rights Commission	176,640						176,640
	Veterans	418,770				201,330		620,100
	TOTAL HUMAN RESOURCE DEVELOPMENT	\$20,109,030		\$30,000	\$2,477,105	\$1,443,980		\$24,060,115
	CITY TOTAL	\$148,058,965	\$6,100,700	\$9,060,200	\$27,102,815	\$22,124,085	\$13,153,595	\$225,600,360
	Schools Operating	\$100,962,410		\$100,000		\$26,328,550	\$300,000	\$127,690,960
	SCHOOL TOTAL	\$100,962,410		\$100,000		\$26,328,550	\$300,000	\$127,690,960
	Massachusetts Water Resources Authority				\$18,856,840			\$18,856,840
	Cherry Sheet Assessments	\$10,479,150			515,060	\$5,233,570		16,227,780
	Cambridge Health Alliance	6,000,000						6,000,000
	TOTAL INTERGOVERNMENTAL	\$16,479,150			\$19,371,900	\$5,233,570		\$41,084,620
	GRAND TOTALS	\$265,500,525	\$6,100,700	\$9,160,200	\$46,474,715	\$53,686,205	\$13,453,595	\$394,375,940

INTRODUCED BY CITY MANAGER ROBERT W. HEALY

AN ORDER CONCERNING APPROPRIATION FOR THE FISCAL YEAR BEGINNING JULY 1, 2007

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	TRAVEL & TRAINING	EXTRA ORDINARY EXPENDITURES	CITY APPRO- PRIATION	STATE ASSESS- MENT	GRAND TOTAL
COMMUNITY MAINTENANCE & DEVELOPMENT	Water	\$5,647,455	\$3,803,930	\$28,855	\$8,418,445	\$17,898,685		\$17,898,685

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

FUNCTION	DEPARTMENT	TAXES	LICENSES & PERMITS	FINES & FORFEITS	CHARGES FOR SERVICE	INTER- GOVERN- MENTAL REVENUE	MISCELL- ANEOUS REVENUE	GRAND TOTAL
COMMUNITY MAINTENANCE & DEVELOPMENT	Water				\$16,885,425	\$1,013,260		\$17,898,685

INTRODUCED BY CITY MANAGER ROBERT W. HEALY

AN ORDER CONCERNING APPROPRIATION FOR THE FISCAL YEAR BEGINNING JULY 1, 2007

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

FUNCTION	PROJECT	APPROPRIATIONS	FUNCTION	PROJECT	APPROPRIATIONS
GENERAL GOVERNMENT			COMMUNITY MAINTENANCE & DEV. (cont.)		
	Acquisition of Personal Computers	\$70,000		Facade Improvement Program	150,000
	Technology Upgrades	500,000		Employment Program Fund	350,000
		\$570,000		Housing Rehab & Development	1,001,285
PUBLIC SAFETY				Neighborhood Business Development	243,000
	Fire Vehicles/Equipment	\$250,000		Public Art Conservation	30,000
	Replacement of Street Lights/Poles	95,000			\$9,807,295
	Public Safety/Technology Upgrades	50,000			
		\$395,000		HUMAN RESOURCE DEVELOPMENT	
COMMUNITY MAINTENANCE & DEV.				Parks & Recreation	\$491,365
	Streets/Sidewalks Reconstruction	\$1,832,940		Accessibility Improvements	50,000
	Park and Cemetery Tree Pruning	50,000			\$541,365
	Parking Improvements	500,000	EDUCATION		
	Water System Improvements	1,000,000		School Equipment/Renovations	\$225,000
	Sewer Reconstruction	2,750,070			\$225,000
	Traffic Calming	400,000			
	Blanchard Road Improvement	1,500,000		TOTAL	\$11,538,660

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

FINANCING PLAN CLASSIFICATION	REVENUE	FINANCING PLAN CLASSIFICATION	REVENUE
Property Taxes	\$1,200,000	Block Grant	1,658,150
Free Cash	1,000,000	Chapter 90	1,502,940
Parking Fund	900,000	MWRA Grant	1,250,070
Fund Balance/Parking	1,500,000	Golf Course Fees	27,500
Sewer Service Charge	1,500,000		\$11,538,660
Water Service Charge	1,000,000		

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THIS SPACE RESERVED FOR COUNCILLORS' NOTES