



FINANCE COMMITTEE

COMMITTEE MEETING

~ MINUTES ~

Wednesday, February 28, 2024

3:00 PM

Sullivan Chamber

The Finance Committee will have a public meeting to review and discuss the Operating Budget in advance of the FY25 budget season including a discussion of budget obligations and future spending planning and to discuss City Council budget priorities and goals.

Attendee Name	Present	Absent	Late	Arrived
Burhan Azeem	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Marc C. McGovern	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Patricia Nolan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Joan Pickett	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sumbul Siddiqui	<input type="checkbox"/> Remote	<input type="checkbox"/>	<input type="checkbox"/>	
Jivan Sobrinho-Wheeler	<input type="checkbox"/> Remote	<input type="checkbox"/>	<input type="checkbox"/>	
Paul F. Toner	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Ayesha M. Wilson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
E. Denise Simmons	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

A public meeting of the Cambridge City Council’s Finance Committee was held on Wednesday, February 28, 2024. The meeting was Called to Order at 3:00 p.m. by the Co-Chair, Councillor Nolan. Pursuant to Chapter 20 of the Acts of 2022 adopted by Massachusetts General Assembly and approved by the Governor, this public meeting was hybrid, allowing participation in person, in the Sullivan Chamber, 2nd Floor, City Hall, 795 Massachusetts Avenue, Cambridge, MA and by remote participation via Zoom.

At the request of the Chair, Deputy City Clerk Crane called the roll.

- Councillor Azeem – Absent
- Vice Mayor McGovern – Present/In Sullivan Chamber
- Councillor Nolan – Present/In Sullivan Chamber
- Councillor Pickett – Present/In Sullivan Chamber
- Councillor Siddiqui – Present/Remote
- Councillor Sobrinho-Wheeler – Present/Remote
- Councillor Toner – Absent
- Councillor Wilson – Present/In Sullivan Chamber
- Mayor Simmons – Present/In Sullivan Chamber

Present – 7, Absent – 2. Quorum established.

The Co-Chair, Councillor Nolan offered opening remarks (Attachment A) and noted that the Call of the meeting was to review and discuss the Operating Budget in advance of the FY25 budget season including a discussion of budget obligations and future spending planning and to discuss City Council budget priorities and goals. Co-Chair Nolan reviewed the Categorized Council Priorities (FY24) chart, which was included in the Agenda Packet, and introduced Co-Chair Pickett who offered additional opening remarks.

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Co-Chair Nolan introduced City Manager Yi-An Huang, who offered opening remarks and shared he was joined by Owen O’Riordan, Deputy City Manager, Claire Spinner, Assistant City Manager of Finance, Michele Kincaid, Assistant Finance Director, Taha Jennings, Budget Director, Gayle Willett, Assessors Director, and Kathy Watkins, Commissioner of Public Works. Also present from the Budget Department was Angela Pierre, Deputy Budget Director, Daniel Liss, Principal Budget Analyst, and Jackson Price, Principal Budget Analyst and Participatory Budget Manager.

Claire Spinner gave a presentation titled “FY25 Operating Budget and Tax Levy Projections”, which was provided in advance of the meeting and included in the Agenda Packet. The presentation offered an executive summary and information on tax levy, which Claire Spinner shared is the revenue raised through real and personal property taxes and is the largest source of revenue for the City of Cambridge budget. Claire Spinner concluded the presentation by sharing what actions should be taken to help preserve future financial flexibility of the City. During the presentation, Co-Chair Nolan recognized Vice Mayor McGovern, Councillor Sobrinho-Wheeler, and Councillor Wilson for clarifying questions. Claire Spinner and the City Manager were available to respond.

Co-Chair Nolan opened Public Comment.

Heather Hoffman, 213 Hurley Street, Cambridge, MA, offered comments on prop 2 ½ , operations and maintenance, and funding for more trees.

Robert Winters, 366 Broadway, Cambridge, MA, offered comments and questions regarding the presentation. Robert Winters asked about surtax from the Community Preservation Act, tax levy relative to single and multifamily homes, and residential evaluations and values.

Co-Chair Nolan recognized Co-Chair Pickett who highlighted the importance of maintaining the City’s AAA rating, and that maintaining the rating should be a discussion point for Councillors when they are setting budget priorities. Co-Chair Pickett noted that with the AAA rating comes the financial flexibility that the City can offer.

Co-Chair Nolan recognized Councillor Sobrinho-Wheeler who asked if staff could provide more information on capital planning. Owen O’Riordan responded and noted that there will be a Finance Committee meeting on the Capital Budget on March 19th to continue the discussion from December 13, 2023 meeting. The Deputy City Manager shared that one goal is to continue to maintain a debt number that is reasonable. Councillor Sobrinho-Wheeler shared that he would have follow up questions at the next meeting.

Co-Chair Nolan recognized Vice Mayor McGovern who thanked the staff for their presentation and shared that in the past, he recalls going into different neighborhoods and communities to offer information on the City’s budget. The Vice Mayor noted that this was an opportunity for the City to help break down the budget decisions and be transparent so residents had a better understanding. The Vice Mayor suggested restarting a program like that. Vice Mayor McGovern asked what the internal process is to evaluate programs and if there is a way to scale back on programs that may not be as effective as they once were to help be more efficient towards budgeting. Claire Spinner and Taha Jennings responded and shared that they are in the middle of the budget process where each department is coming in with their budget needs and priorities, which provides an opportunity for the budget team to look at every single department. It was noted that the budget team is in constant communication with departments to evaluate their needs

and resources throughout the fiscal year. City Manager Huang provided additional comments, indicating that the City will be having more conversations relative to this as staff go through goal settings and what initiatives the Council and the City want to think about, sharing that it is important to have collective priorities to maintain efficiency.

Co-Chair Nolan recognized Councillor Wilson who offered comments and concerns around inflation and asked how it is being taken into consideration. Councillor Wilson also agreed with comments made by the Vice Mayor relative to getting out into the community to share information on the budget. Councillor Wilson echoed comments made during public comment regarding the levy and single family, multi-family, and condo owners, and what the impact is on the property owners. Councillor Wilson encouraged the City to look further into that to help property owners. Councillor Wilson thanked everyone for the conversation and shared that she looks forward to future conversations and noted the importance of being intentional about the conversations when it comes to goals and priorities.

Co-Chair Nolan recognized Co-Chair Pickett who thanked Committee members for raising important points and shared that it is essential that the conversation starts now, as so the budget process continues to move forward. Co-Chair Pickett also agreed with comments made by the Vice Mayor regarding reaching out and being transparent with the community. Co-Chair Pickett echoed comments made by the Vice Mayor regarding how the City is measuring the success of its programs and if there are ways to operate more efficiently.

Co-Chair Nolan reiterated the question asked in Public Comment relative to where the C.P.A. revenue gets included in the budget. Claire Spinner responded and offered a quick review. Co-Chairs Nolan and Pickett offered suggestions on how the City could be more efficient when it comes to property owners and taxes.

Co-Chair Nolan and City Manager Huang offered closing remarks and shared their excitement for continuing to move forward with the budget process.

Co-Chair Nolan recognized Co-Chair Pickett who made a motion to adjourn the meeting. Deputy City Clerk Crane called the roll.

Councillor Azeem – Absent

Vice Mayor McGovern – Yes

Councillor Nolan – Yes

Councillor Pickett – Yes

Councillor Siddiqui – Yes

Councillor Sobrinho-Wheeler – Yes

Councillor Toner – Absent

Councillor Wilson – Yes

Mayor Simmons – Yes

Yes – 7, Absent – 2. The Finance Committee adjourned at approximately 4:25p.m.

Attachment A – Opening remarks from Co-Chair Nolan (not verbatim).

Attachment B – The City Clerk’s Office received four written communications.

Clerk’s Note: The City of Cambridge/22 City View records every City Council meeting and every City Council Committee meeting. This is a permanent record. The video for this meeting can be viewed at:

https://cambridgema.granicus.com/player/clip/670?view_id=1&redirect=true

A communication was received from Matt Nelson, Director of Administration and Operations, transmitting a presentation relative to the FY25 Operating Budget and Tax Levy Projections.

A communication was received from Councillor Nolan, transmitting a document regarding FY24 consolidated spending relative to City Council Priorities.

PNolan Intro

We are here today to continue our ongoing discussion and lay the groundwork for what will appear in the FY25 Budget, specifically the Operating Budget. The budget isn't created overnight only to appear in May, of course, so the council's input into the budget process shouldn't be limited to the legally required budget hearing meetings. Following up on the work of last year, when the council held several meetings to inform the budget process, my co-chair, Councillor Pickett and I have sought to build on that model. And working with the city finance team, organize this discussion to give the council and the public more insight into the strategic thinking involved in budget formation over a year-to-year timeline to better understand parameters and where council influence is best directed.

We will hear about multi-year spending plans and how that relates to larger economic trends. In many ways I expect this to be a high level conversation about our budget limits and ongoing strategy to maintain financial flexibility - and how that relates to what we are already doing with programming and staffing.

And as we go through this process we know we will have to grapple with fiscal limitations as it relates to the tax levy. We have limits on revenue and slowing development will affect how much budget growth we can handle. As a council and a city we need a clear sense of priorities and scale associated with additional spending. For the last decade, growth has been at an unprecedented pace, with attendant financial benefits - in the form of increased revenues. The question for our future spending is how to accommodate the almost certain slowed development - which has pluses and minuses. I am excited to have this conversation today and look forward to the next few months where we will continue this work.

Notes on Chart:

To set the stage - the city will talk overall about how the budget gets set. They will not go into detail on HOW the budget gets allocated and spent. To remind us all of our main categories and spending on top council priorities, let's review the summary of this year's current budget.

Here is the pie chart from this year's budget book which breaks down the operating expenditures by function. They are high level functions - read

And, using the consolidated spending for top council priorities information that the council worked on last year, the chart on the left breaks down some spending in notable categories for reference. This type of consolidated spending breakdown is included in the introduction to the FY24 budget book in much greater detail.

As we have talked about when going through council priorities, not all stated priorities match easily defined categories, and not all important priorities are mentioned. This chart is not a complete accounting of spending (about \$284mil out of the \$881mil operating budget), but

summarizes spending for top recent council priorities and how those have been reflected in the budget. [Missing: police and public safety - \$186mil, education - \$245mil)

Reminder after my introductory remarks, and remarks from Co Chair Pickett, there will be a presentation from the city staff and then public comment and council discussion. As the staff are going through their presentation, councillors should limit questions to clarifying questions.

Today is the first meeting this term in a series of Finance Committee meetings that will lead up to the FY25 Budget adoption later on this year.

Co Chair Pickett

With that, I will hand it over to City Manager Huang, who will introduce the city team

Erwin, Nicole

From: Lee Farris <Lee@LeeFarris.net>
Sent: Wednesday, February 28, 2024 1:40 PM
To: City Council; Huang, Yi-An
Cc: City Clerk
Subject: Priorities for Council Finance hearing today

Dear Mayor, Councilors, and City Manager,

I am writing to share some thoughts about funding priorities for the Finance Committee hearing today.

I hope you will advocate for these priorities. These include, in no specific order:

1. City housing **vouchers** in a pilot program. Vouchers are the fastest way to ensure people are not displaced from Cambridge.
2. Funding to **decarbonize city buildings** and assist low and moderate income residents in decarbonizing their buildings.
3. Funding for **HEART**. It is important to have an entity that can help residents, that is independent of the city and the police. As you may know, HEART submitted its contract proposal again to the manager in Dec. 2023, including an organizational budget. Now the city has requested a program budget, which HEART expects to deliver shortly. After getting a clarification from the city on how to bill for the ARPA grant and amending the ARPA grant to reflect a new staff position, HEART expects to more quickly draw down its ARPA funds. It remains very important to HEART to get a contract with the city to cover some of its work, which is expanding.
4. Progress toward **municipal broadband** remains important for all residents and businesses- not just for equity, but also for quality.
5. Progress toward **universal after-school and free full day universal Pre-K** for three-year olds are both important for all parents, especially those with lower incomes.
6. Continuing **Rise Up Cambridge** is vital in supporting the lowest income families, and it would be good to expand it to people without children as well.

Thanks,

Lee Farris, President
Cambridge Residents Alliance: *Working for a Livable, Affordable and Diverse Cambridge*
<https://www.cambridgeresidentsalliance.org/>

Minutes Acceptance: Minutes of Feb 28, 2024 3:00 PM (Committee Reports)

Erwin, Nicole

From: Marilyn Wellons <marilyn.wellons@yahoo.com>
Sent: Tuesday, February 27, 2024 12:42 PM
To: City Council; City Manager
Cc: City Clerk
Subject: Feb 28, 2024, Finance Committee Hearing

Dear Cambridge City Council, City Manager:

Please register this second to Charles Teague's email to you, dated today, February 27, 2024, on trees in the City's budget.

Living trees' positive contributions to human and other life in Cambridge are well known. The City's Urban Forest Master Plan is clear that investment in public trees and, critically, that their continuing care is greatly in the public interest.

Please increase the budget item for *maintenance* of the tree canopy as well as for increasing it.

Yours sincerely,

Marilyn Wellons
651 Green Street
Cambridge, MA 02139

Minutes Acceptance: Minutes of Feb 28, 2024 3:00 PM (Committee Reports)

Erwin, Nicole

From: Charles Teague <charles.d.teague@gmail.com>
Sent: Tuesday, February 27, 2024 11:18 AM
To: City Council; City Manager
Cc: City Clerk
Subject: Feb 28 FINANCE HEARING: Budget more \$\$\$ for trees!

M. Clerk please enter this into the council record.

As the city is in the midst of creating the budget for next year, please be sure to add money to the tree budget. A huge increase in the tree budget is a tiny increase in the overall city budget ... trees are THE inexpensive climate mitigation line item.

DPW will say that they are at capacity. Of course this is true but the current vendors may not be ... and more tree planting, tree pruning, etc. vendors can certainly be added.

DPW will correctly say that there are not enough places to plant street trees. The folks who wrote the Urban Forest Master Plan anticipated this. The UFMP specifies to plant in parks, especially planting densely along the boundaries of parks.

Remember it's important for canopy growth to plant as soon as possible the wise old saying "the best time to plant a tree is 20 years ago".

Also remember that the UFMP's #1 priority is preserving existing trees using "improved management practices". The maintenance must be more than restored to its previous levels.

Charles Teague
 90 Jackson St
 North Cambridge

Erwin, Nicole

From: CPLSA Board <boardcplsa@gmail.com>
Sent: Tuesday, February 27, 2024 7:48 AM
To: City Clerk
Subject: For written comment at the Finance Committee meeting 2/28

Dear members of the Cambridge City Council Finance Committee,

We are writing to you about allocations for new staff at the Cambridge Public Libraries in the FY25 budget. The rate of turnover at CPL has reached significant proportions, leading to severe understaffing in many of our departments and locations. The CPLSA Board has met with the CPL Administration to discuss our perspectives on staffing needs. There are some things on which we agree and others on which we do not.

Because it is the CPL Administration that has the opportunity to propose new staffing positions during the budget process, and the voices of frontline staff do not get to be a part of this, we hope that you will listen to our perspectives when approving a budget for FY25.

Current concerns:

Severe understaffing at the Valente Branch amidst behavior concerns:

- The Valente Branch re-opened in November 2019 and only had four months of being open before the Covid closure, which was not enough time to establish an understanding of staffing needs for when branches expanded their hours and staff in May 2022.
- Significant teen behavior issues (including physical violence), a pattern noticed across public libraries nation-wide post-Covid, combined with under-staffing, particularly in the area of Youth Services, have led to significant staff burnout, mental health concerns, and staff turnover. Among other things, staff have been subjected to racist, sexist, homophobic, and transphobic harassment from patrons.
- Valente, a staff of ten, lost six staff members in just 2022 and 2023. None of these were for promotions or internal hires. Several left immediately following concerning and abusive interactions with patrons.
- The response of Library Administration has been that Youth staff are merely not doing enough to support teens, yet they refuse to consider adding a position devoted entirely to teens. They are recommending basic-level Library training to experienced staff members, implying that staff simply do not know how to do their jobs, when really they are simply overworked.

Recommendation: Create a full-time professional Teen Librarian position at the Valente Branch.

New IT sub-departments created with no plan for long-term staffing:

- The new departments of STEAM and Digital Equity have been created from the top-down, with little consideration to staffing in the long-term.
- This has led to an imbalance of positions, with the IT department (under which STEAM and Digital Equity fall) having six "Senior Management" positions and only eight frontline union positions.

Digital Equity:

- The Digital Equity department currently has no staff since the former Manager left to pursue work elsewhere after all of the responsibilities of this new initiative fell to her.
- In the absence of any dedicated staff, Digital Equity work is currently being performed by staff in the Adult Services Department. Historically, at both CPL and Libraries nationwide, this is the department that has the expertise to teach Technology classes

and pursue Digital Equity initiatives. This is the department that has always staffed the library's Tech Bar.

- The creation of an additional department with no staff to support it, beginning with the creation of two Management positions, is nonsensical if the on-the-ground work is expected to be accomplished.

Recommendation: Digital Equity work should shift to the Adult Services department, and additional frontline positions, ranging from Library Associate through Senior Librarian level, should be created to support this work.

The Hive:

- Similarly, the creation of the Hive under the STEAM department has led to an imbalanced staffing structure. There are currently two senior managers and six frontline Library Associates.
- With all of the frontline staff at the same level, there is no gradation or room for advancement within the department.
- Four of the six Hive Associates have left in the last three years. None have been internal hires or promotions.
- The Hive Manager works mostly outside of the space.
- The lack of management has led to eight grievances from this department in the last 20 months, two of which were class action. There have also been several instances of staff injury and illness related to equipment not being properly repaired or maintained by Hive management.

Recommendation: Create a "Hive Assistant Manager" position at the Senior Librarian level.

High turnover in 30-hour Library Assistant positions:

- In Spring 2022, the Library created several new 30-hour Library Assistant positions in Adult Services. These positions primarily staff the L1 Fiction desk and the Tech Bar, which are locations with some of the highest instances of problematic (violent, abusive, harassing) patron behavior.
- The majority of these part-time positions work a 5-day work week, which leaves little room for holding a second job, an economic necessity in order to live within commuting distance of Cambridge, let alone in the City.
- Since the hiring of the first of these four updated positions in May 2022, three of them have left. All of them have gone on to full-time positions at other Libraries.
- There are no current Library Associate positions in Adult Services, leaving little opportunity for Library Assistants to gain additional experience and obtain promotions to the professional level of Librarian. Library Assistants have applied for internal promotions to Librarian and been turned down due to lack of experience.
- The Library has been successful in hiring people of color into 30-hour Library Assistant positions but unsuccessful in retaining and promoting these staff members, missing an important opportunity to diversify both the librarian profession and the staff of the City.

Recommendation: Convert 30-hour Library Assistant positions to full-time or adjust schedules to fit into a 4-day work week. Additionally create two new full-time Library Associate positions in Adult Services. This coincides with the recommendation for Digital Equity.

Administrative bloat:

- The Library currently has a ratio of 1:5 Senior Managers (which does not include Union managers or assistant managers) to other staff.
- Particularly unbalanced departments include:
- - IT/STEAM where the ratio is 5:8 (6:8 considering the new position of Digital Equity Coordinator which has been approved by the city but not yet posted or filled)
 - Communications where the ratio is 3:4 (and only one of the non-management positions is currently filled)

- Branch Services where Assistant Director of Branch Services and two Managers of Branch Services supervise and oversee four union Branch Heads
- Since 2021, the City has approved eight new full-time non-senior management positions, six of which were necessary for branch hours expansion. The City approved seven new senior management positions (five full-time, two part-time) during that same time frame.
- With so many Senior Managers, the current organizational chart and chain of command create a significant backlog in accomplishing anything, as requests must be passed up the ladder through multiple levels of administration/management and dotted line reports.

Recommendation: Do not approve the creation of any additional Senior Management level positions until the 12 vacant union positions, some of which have been open for nearly a year, are filled, and the additional above positions are created and filled.

We know that the City is asking for a flat budget from departments this year. However, the City is acknowledging the importance of its libraries by funding upcoming renovations at the Collins Branch and a significant overhaul or moving of the Central Square branch. We feel that making the above relatively minor adjustments to staffing is just as important as the infrastructure updates and will enable the Library to continue its exemplary service to the people of Cambridge.

Sincerely,

CPLSA Board
 Ana Hurka-Robles
 Aruna Gopalan
 Clara Hendricks
 Emily Meyer
 Hill Saxton
 Janina Green
 Liz Danner
 Michael Roberson