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**To:** The Honorable Commissioners of Cambridge  
**From:** Tom Carroll, City Manager *Tom M. Carroll*  
**Date:** April 25, 2024  
**Subject:** Budget Transmittal Memorandum, Fiscal Year 2024-2025 (“FY 25”)

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Please find attached the draft Fiscal Year 2024-2025 Budget and Capital Improvement Program (“draft Budget”) for your consideration and adoption before July 1, 2024.

The draft Budget holds constant the real property tax rate from fiscal year 2022-23 (“FY 23”) and fiscal year 2023-24 (“FY 24”) of \$0.8096/\$100 of assessed value. It also implements the second of two scheduled water and sewer rate increases following a decade without rate increases. The additional monies advance a series of necessary investments in our sanitary sewer collections systems which will lessen or eliminate sewerage overflows.

The draft Budget also invests the remaining balance of American Rescue Plan Act (“ARPA”). It is essential that all ARPA funds be committed by the end of 2024 and spent by the end of 2026. If this does not occur, the City will have to return its unspent balance to the Treasury Department.

The draft Budget maintains four financial reserves created in FY 24. These include a rainy-day fund, a debt reserve, a set aside for local matching funds for shoreline resiliency, and an art in public places reserve funded with

annual contributions of 1% of our capital improvement plan.

This draft Budget creates three additional financial reserves. These include \$500,000 which is being set aside to prevail in litigation against CWDI should CWDI choose this path; a \$500,000 reserve for economic development; and a \$750,000 reserve in the Marina Fund for replacing piers E, F, and H in 2025 or 2026. These reserves will be discussed in greater detail below.

Even after these reserves are funded and a substantial capital investment plan (“CIP”) detailed below is implemented, the City will end FY 25 with more than \$2,076,570 in undesignated fund balance in its General Fund. The City’s three enterprise funds—Water, Sewer, and Marina—also enjoy healthy FY 25 ending balances of working capital. The Special Projects Fund contains millions of dollars in grants and capital investments.

Overall, the City of Cambridge has a much stronger financial position as we begin the next fiscal year and look ahead to fiscal year 2025-26 (“FY 26”). I believe the upcoming fiscal year will be an inflection point for progress

for the City of Cambridge, and this may be the most important budget in Cambridge's memory. Our best days are before us if we execute the plans contained herein.

### **Reviewing this draft Budget**

Like most municipal budgets, this document is full of tables, charts, spreadsheets, and jargon. Most budgets are not drafted for the average taxpayer to easily read and understand. By necessity, expenditures are organized into hundreds of line items for staff to use to account for expenditures properly. This necessity can make approaching a budget binder daunting. In addition, one can easily be drawn into minute details of the operating budget—the trend of expenditures on vehicle maintenance or fuel costs, for example. These details are important, to be sure, but it is far more important to focus on how the entirety of the draft Budget implements the strategic plans and policy objectives the Commissioners of Cambridge have established.

While replete with acronyms and numbers, a city budget is really a statement of intention. It communicates to the reader what the City pledges to accomplish with and for the City's residents in the year ahead. It is a statement of what we prioritize, and in my view, it is akin to a contractual commitment with our residents, businesses, and visitors.

The City organization is rapidly developing the capacity to put to work the investments Council has provided, though we have not always invested with the speed we had hoped. Adding more staff in FY 25 will help us invest these dollars with the speed and financial control that Council expects.

Most city budgets are split into two parts: an operating budget and capital budget.

An operating budget provides for day-to-day services, paying for police officers, street maintenance crews, office clerks to process transactions, and planners and engineers to manage projects. An operating budget mostly pays for the dedicated city employees who serve the community, the supplies and resources employees need to do so, and the facilities we work from to serve. Unless the workforce experiences a rapid increase or decrease in staffing levels, operating budgets are generally consistent from one budget cycle to the next.

A capital budget includes bricks and mortar projects, and large equipment purchases lasting multiple years. A capital project includes investments such as sewer line replacements, buying a heavy dump truck, or procuring an excavator to repair underground water and sewer breaks. Capital projects require more advanced planning and consideration of long-term implications of investment. Capital projects or equipment can be financed with some debt, whereas the City would not borrow for operations. Such capital investments are occasional in part or in whole funded with outside grants or loans which impose additional requirements for spending and tracking.

In FY 23, the City established the Special Projects Fund with the intention of using it for tracking most capital projects apart from the General Fund. This helps the Commissioners separate operating and capital investments. The Special Projects Fund will have greater variation year over year as the City's grant cycles fluctuate or major projects begin and end. Still, there is an interrelationship

between the General Fund (operating) and the Special Projects Fund (largely capital). The City's three enterprise funds do not have separate capital and operating budgets yet, though this is a practice that could be explored in the future budget cycles.

This budget message has several companion documents immediately following this Budget Transmittal Memorandum. These include:

1. A memorandum stating how this draft FY 25 Budget advances the five goals Council established by Resolution No. 23-06.
2. A companion document detailing additional positions and changes in classifications.
3. A memorandum detailing capital projects and new initiatives proposed in FY 24 and FY 25.

Throughout the remainder of this budget message, I will detail the financial conditions and plans for each of the City of Cambridge's five funds. I draw special attention to Tables 1 and 2. Combined, these two tables show the intertwined fiscal condition of all five funds for FY 24 (the fiscal year we are concluding) as well as FY 25. These two tables are the budgetary equivalent of pilot's altitude and speed gauges. We can use these gauges to see instantly how any change in the draft Budget Council wishes to consider increase or decrease each fund's ending fund balance and effect the overall flight path.

### **General Fund**

The General Fund in this draft Budget for FY 25 is balanced. That is, the General Fund as proposed will receive

\$17,462,224 in revenues and will expend \$16,872,380, providing a structural budget surplus of \$589,844.

As shown in Tables 1 and 2, the City of Cambridge began FY 24 with \$7,471,347 in undesignated General Fund balance. Based on current forecasts, the FY 24 Budget will end the fiscal year with a \$7,783,961 in undesignated fund balance, a slight improvement in our financial position. This figure includes our reserves because these will not be spent in the current year.

This improved financial position is a result of staffing vacancies, underspending in various line items, and better than expected revenues.

The City begins FY 25 by setting aside \$5,335,284 in reserves which are described more fully below. This means that the effective beginning FY 25 General Fund undesignated fund balance is \$2,236,726 and this figure can be seen in Table 2.

Importantly, though, the FY 25 Budget relies on \$300,000 in one-time ARPA funding as a revenue replacement. Moreover, ARPA funds are being used to pay for the first full year of OpenGov in FY 25. ARPA will not be available in FY 26 and the General Fund will have to pay for OpenGov on its own. The looming end of ARPA for revenue replacement means that the City will in fact have a more modest structural budget surplus in future years. We must grow our revenue, decrease our expenditures, or both in the months ahead.

### *General Fund Revenues*

The City's General Fund revenue picture is outstanding, driven by two improving sources of funds.

First, the City's property assessed valuation will crest \$1 billion in FY 25, a major threshold which seemed unattainable in the decade following the Great Recession. Even while keeping the City's tax rate flat, this larger tax base adds well over \$1 million to the City's General Fund annually even as the tax rate remains flat. This increase revenue stems from new housing construction and appreciation of existing properties.

Second, the City's interest earnings on our treasury increased in FY 24 by about \$565,000 through improved yield on investments. The current interest rate environment makes us optimistic that higher yields are probable in FY 25. These two revenue sources combined provide the structural surplus the City has long needed to provide better pay and benefits for our employees, add staff, invest in equipment, and start to catch up on long-deferred basic infrastructure maintenance. Interest income will fall as all ARPA funds are invested and as interest rates go down, but the City's strong reserves and working capital balances make interest income a tremendous boost to the City's operating revenues in the near term.

### *Wages and Benefits*

The Wages and Classifications Table (Table 5) is based on an internal review of staffing, job duties, rank structure, and the marketplace.

This draft Budget includes cost of living adjustments ("COLA") for most classifications' salary floors and salary ceilings. This is not an across-the-board COLA raise but is more nuanced and reflective of lessons we have learned through recruitment and analyzing the regional labor market.

The greatest emphasis for increases in each classification's floor or ceiling is towards the bottom of the City's pay scale. This is quite intentional. We wish to reward, retain, and recruit amazing front-line employees providing direct services to our residents daily. Simply put, this draft Budget puts more money into the purses of our front-line staff. This is equitable and right.

Our wages and classifications system is far from complete, though I believe it provides fair and living wages that make us competitive in the Eastern Shore marketplace. On behalf of my coworkers in the organization, thank you to Council for your sustained investment in our employees.

Additionally, the draft Budget provides funds for employees who are not at the top of their classification's pay scale to move up towards the salary ceiling for their classification after an evaluation confirms acceptable or exceptional performance. The City remains committed to developing a performance review process that clearly defines the ways in which these salary adjustments can be made. This evaluation system is still not completed, but the draft Budget provides resources for performance-driven progress through all classifications if the employee is not already at the top of his or her classification's pay.

Starting in July, the City will offer only one healthcare plan for all active employees. More than three quarters of our workforce have already switched to the high deductible, consumer-driven healthcare plan (commonly called "the HSA plan"). Starting in FY 25, this will be the City's only plan and it will remain unchanged in the upcoming fiscal year other than modest changes to the deductibles because of changes to the Internal Revenue Code. Under the HSA

Plan, employee pays significantly less in premium deductions and can voluntarily deposit money from each paycheck pre-tax into their HSA.

The elimination of our legacy healthcare plans for active employees will save the City money in the short and long term. Data indicates that the City will save about 10% from our prior year healthcare costs in the current fiscal year by incentivizing our active employees to select the HSA plan. These savings are only expected to improve in future years because the HSA plan creates a much greater overlap, medically and financially, between the interests of the City and our active employees.

#### *Financial Reserves*

This draft Budget continues the practice begun in FY 24 of setting aside financial reserves, either as required by Council resolutions (see appendixes) or to implement policy objectives. These reserves in the General Fund are detailed below and can be observed by examining Table 2.

#### *Rainy Day Reserve*

This reserve follows the Government Finance Officer Association (GFOA) recommended practice of putting two months of operating revenue aside. The Rainy-Day Reserve in FY 25 is \$2,928,716.

#### *Debt Reserve*

The Debt Reserve was established to set aside an additional cushion to pay the year after the upcoming year's debt service obligations for the General Fund. In this draft Budget the City pays all of its FY 25 debt next year and sets

aside FY 26's annual debt service payments for the General Fund, too. This practice reveals that the City's general obligation debt service will decrease by \$76,903 in FY 26 as previous financing for Public Services equipment is retired. Accordingly, the debt reserve needed shrinks, freeing up resources in FY 25. This policy and analysis informs the virtues of Table 3 and the City's overall healthy debt management practices. Please also remember that the debt reserve is in addition to the rainy-day reserve described above, providing additional fiscal flexibility should the City need it in years ahead.

Combined, the debt reserve and the rainy-day reserve set aside \$3,915,284 for an unlikely emergency. This practice allows this and future councils to make policy decisions about the City's finances with the knowledge that this Council has been fiscally responsible and exceeded GFOA best practices.

#### *Art in Public Places Reserve*

The City established an art in public spaces program by setting aside 1% of its capital plan each year for murals, sculptures, banners, or any other art media.

Each fund now includes a new expenditure line item called "Transfer to Special Projects for 1% for the Arts". Each fiscal year, staff will compute each fund's capital investment, and then transfer 1% of that figure to the Special Projects Fund. These funds will be carried for year after year until spent on art projects consistent with our plans and policies.

Total available funding for public art in FY 25 in this reserve is \$211,951. This figure includes unspent and carried

forward FY 24 arts funding plus new transfers in FY 25 to comply with the art in public places policy. Council should make extra effort to put this reserve to work in the upcoming fiscal year.

#### *Shoreline Resiliency Reserve*

Last year, the Commissioners set aside \$900,000 to provide a 5% match for an \$18 million living shoreline project spearheaded by resident Larry White and former City Engineer George Hyde.

This massive project requires a \$1.8 million (or 10%) local match. The City expects to receive half of our local matching funds from the State of Maryland, and thus set aside \$900,000 in a reserve in FY 24. The City is planning to expend \$480,000 for the acquisition of WBOC property along the Choptank. We expect this acquisition will count towards the City's local match. Accordingly, one can see the remains from the original \$900,000 Shoreline Reserve, now shown in Table 2 at \$420,000.

This living shoreline and embankment system, once built, will have ongoing operating and maintenance expenses not already part of the City's budget. This will warrant the establishment of a new enterprise utility for stormwater to ensure ongoing maintenance and to manage stormwater in other parts of the community. This is not contemplated yet, but more policy deliberation will be necessary to establish this new utility and equitably assess fees.

#### *Economic Development Reserve*

A Brookings Institution white paper from 2002 recommended that local governments add a third leg to the

budgeting stool: economic development. Most municipal budgets are split into two parts: operating and capital budgets. Capital budgets inevitably suffer in lean economic times so that basic services can be preserved. Capital disinvestment is the result. The Brookings Institution recognizes that this same problem exists with a City's economic engine. Lean times lead to underinvestment in growing the tax base. To remedy this, the Brookings Institution recommends a local government view its budget as having three parts: operating, capital, and economic development. Without purposefully investing in each leg of the three-legged stool, the community becomes wobbly.

This \$500,000 reserve provides flexibility for this or the next City Council to acquire strategic property, fix infrastructure needed to entice a job-creating company to Cambridge, offer a forgivable loan to an existing corporation that is adding employment here, or other similar initiatives. This is the start of a best practice through which I hope Cambridge expands our tax base and provides meaningful work for our residents, particularly those who are historically disadvantaged. This draft Budget itself is a testament to the benefits of how public funds from a growing tax base can be invested to fix community problems. Tax base growth is thus essential to catching up and meeting future public needs.

#### *Reserve for CWDI Litigation*

This draft Budget sets aside \$500,000 for probable litigation against the Cambridge Waterfront Development, Inc, or CWDI. This is necessary because CWDI and their attorneys have sent blustery letters threatening legal action

against the City of Cambridge even as they refuse to fulfill their covenants or modify their governance structure to become open and transparent.

If there is litigation, it will be because CWDI chooses it. It is my full expectation and sincere hope that this financial reserve will not be spent on litigation. Yet CWDI's approach requires the City to prepare for litigation.

Cambridge Harbor is a complex, multi-million-dollar redevelopment project ranging from \$116,582,236 to \$240 million in private investment, depending on which CWDI document one references. These figures do not include a purported \$50 million in public investment. Cambridge Harbor is a big and complex project.

Litigation in a project of this size and complexity may be inevitable, and while nobody from the City wishes it to happen, we should be prepared for this probability. CWDI's attorneys have already seen fit to send the City several threatening letters. Should CWDI choose to file lawsuits against the City or fail to fulfill its obligations and the City is forced to file suit against them, we must be prepared to prevail in order to protect our community's interests. This reserve ensures the City will prevail.

Importantly, this CWDI litigation reserve will only be used if the City exhausts \$200,000 it has already appropriated to support Cambridge Harbor. As you will recall, the City provided \$300,000 in ARPA to CWDI in FY 23<sup>1</sup> and pledged another \$200,000 in FY 24. The \$200,000 for the current fiscal year has not been transmitted to CWDI

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<sup>1</sup> CWDI is essentially using the City's prior \$300,000 grant funding to threaten the City with litigation. Cambridge taxpayers are thus funding both sides of the potential legal conflict, adding insult to injury.

because of their opaqueness. The City is investing the \$200,000 which had been earmarked for CWDI in FY 24 to pay for the City's outside legal counsel regarding Cambridge Harbor matters as well as other consultants we are hiring. The longer CWDI refuses to fulfill its obligations and the more the City must spend from this \$200,000, the less will be available to assist Cambridge Harbor.

Between the remaining balances from the \$200,000 and the \$500,000 reserve set aside in FY 25, the City has ample financial resources to get Cambridge Harbor Project back on track.

Responsibility for whether litigation comes to pass rests squarely with the CWDI board. But the status quo at Cambridge Harbor cannot and will not stand.

After these six reserves are accounted for, the City's available fund balance in the General Fund to start FY 25 is \$2,236,726 and this figure can be seen in Table 2.

#### *General Fund Supplemental Appropriation*

Table 2 shows that the City's General Fund is structurally balanced in FY 25, meaning revenues exceed expenditures. If all revenues and expenditures are undertaken as planned, the City's General Fund will end FY 25 with a fund balance of \$2.8 million excluding reserves. It is important in our budgeting process to demonstrate whether or not the City has a structurally balanced budget, and this is apparent from Table 2.

With best practice reserves established and a structurally balanced FY 25 budget, it is reasonable for Council to draw down on its excess working capital and invest these funds in needed capital projects. Staff

recommends the City invest \$500,000 in a sidewalk on Leonards Lane between Cosby Avenue and Washington Street. Second, staff recommends Council provide \$250,000 to replace failing culverts on Cedar Street near Cambridge Creek. Third, I recommend the City improve its life insurance benefit by providing \$100,000 policy for all employees, plus a \$100,000 accidental death and dismemberment policy. This will cost \$34,000 more annually and provides an equitable solution to underfunded benefits for all City employees. If Council concurs, a motion to include these investments totaling \$784,000 in the final appropriation ordinance is in order.

### **Special Projects Fund**

This is the third year the City has had a Special Projects Fund, a fund established to account for capital and grant projects apart from the day-to-day operations of the City of Cambridge shown in the General Fund.

This budget format allows the budget reviewer to more easily make sense of the General Fund and determine if the City is structurally balanced. Capital projects in the Special Projects Fund go up and down with greater variation year over year, but the City's General Fund remains relatively consistent since it is mostly operational.

The Special Projects Fund remains a work in progress. There is particular need for clarity around how we show previous year's grants from the State of Maryland Department of Housing and Community Development.

### **Sewer Fund**

The Sanitary Sewer Fund is one of three enterprise funds operated by the City of Cambridge. An enterprise fund can be thought of like a separate business entity owned and managed by the Commissioners of Cambridge. The City charges customers fees every month to collect and treat wastewater before discharging the treated water into the Choptank River in compliance with all regulations. The more water a customer uses, the higher the monthly fee.

In 2022, the City conducted an internal utility rate study which was followed by several public listening sessions. The rate study recommended, and Council passed, the first utilities rate increase in a decade. Because the rates for solid waste were also raised at the start of 2023, the City is phasing in water and sewer rate increases starting with a 5% rate increase in July of 2023 and a second 5% rate increase scheduled for July of 2024. By the start of FY 25, the City will have raised water and sewer charges 10% over the 2013 rates for these life-giving services.

As a result, the Sewer Fund (and Water Fund too) will receive additional revenue in FY 25. This approach softens the impact for ratepayers but does pose a few fiscal challenges for implementing our utility plans. Still, the rate increase and federal infrastructure grants and loans enable the City to pursue two needed sewer projects in FY 24 and FY 25.

Despite additional revenues, the volume of work activities requires the Sewer Fund to run a structural deficit in FY 25. The Sewer Fund has ample working capital to absorb this in the fiscal year ahead, though this warrants careful management and oversight in the years ahead.

Council awarded the \$3.8 million dollar West End Sewer Project in January, and construction is expected to start this month. The City issued \$2.6 million in bonds (true interest cost of 3.829%) to match a \$504,000 direct spending allocation from the federal government. The remaining project costs are paid from Sewer Fund working capital. This project is expected to reduce or eliminate sanitary sewer overflows from inflow and infiltration during wet weather events along Water Street. The debt service to retire the \$2.5 million of debt is included in Table 3 which shows all City of Cambridge debt.

The FY 25 Budget includes a \$4.1 million project to rebuild the Trenton Street Pump Station. This project has already been awarded a forgivable loan and low-interest loan from the Maryland Water Quality Revolving Loan Fund. This project is under design and is expected to begin construction in the fall.

Next year's budget also includes a major systems upgrade at the Southside Pump station to reduce the likelihood of sewerage overflows at Maple Dam or on Regulator Drive. It also includes \$200,000 for consulting services to determine solutions to overflows in the southern portions of our sewer system tributary to Maple Dam. This will likely lead to developing future major capital projects to resolve these issues once fully modeled and understood.

The FY 25 Budget establishes a preventative maintenance (PM) working group in the Department of Public Services. This includes hiring three new utility maintenance workers and purchasing \$400,000 of equipment including a robotic sewer camera, a smaller vaccom, and a mini-excavator. PM is a best practice we will

implement in the next year and will improve the sewer collections system and reduce the frequency of sewer overflows.

### **Water Fund**

The City of Cambridge is fortunate to have a well-run water utility with ample, affordable, and high-quality drinking water. The City purchased its water system in 1959. Starting in FY 24, the former Municipal Utilities Commission (MUC) was integrated into the Public Services Department, starting the process of having one department head to oversee water, sewer, streets, and buildings and grounds. This approach offers efficiency and resource sharing. Yet, the reorganization does not alter the fund accounting we need to follow for our enterprise funds, including the Water Fund.

Another aspect of a 2023 City reorganization is the functional separation of utility billing—now part of the Finance Department—from the field staff who read water meters, pump and treat our water, and maintain our water supply system. The Water Fund continues to pay for the costs of the Utility Billing Division. Thus, the fund accounting remains the same even as the organizational structure is realigned.

The Water Fund in FY 25 shows a modest surplus of \$3,869. Water sales have been lower than forecasted in FY 24. The Water Fund is not undertaking any unusually large capital projects in FY 25. Its capital expenses include normal vehicle, meter, and main replacements.

## **Marina Fund**

The City's third enterprise fund is the Marina Fund. Our marina supports recreational boaters, cruise ships, transient boaters, dockside fishing, working watermen, and visitors simply enjoying the views of our treasured lighthouse and scenic river front.

The City's marina needs significant investments in the coming years. This includes a new system to reduce the impact of wave action for our customers' boats. This is budgeted at \$430,000 in FY 25 and is shown in the Special Projects Fund. Senior Project Manager George Hyde obtained a grant for this project.

Future capital needs include the need to replace three piers (E, F, and H), ideally as soon as FY 26. Each pier replacement is expected to cost \$1 million. The State of Maryland provides generous grants from boater user fees, but even with the prospect of a 50% grant from the State the Marina Fund will need approximately \$1.5 million to pay for our local share of the pier replacements. This is not supportable from the current slip fee and revenue structure we have despite a slip fee rate increase in calendar year 2023.

This draft Budget makes a substantial down payment on this \$1.5 million funding need for pier replacement by transferring \$750,000 from the General Fund to the Marina in FY 24. The remaining \$750,000 will need to be debt-financed with increased marina revenues paying off the debt service for this. This will almost certainly necessitate increasing slip fees, though there may be other ways to increase revenues to retire this debt without future General Fund subsidy.

Combined, the \$750,000 transfer from the General Fund and a proposed small debt issue equal to it will provide the marina its needed match for State grants. These piers will need to be replaced in 2025 or 2026 at the latest, and finalizing the financial plan for this should be a high focus for the appropriate city and community leaders in the coming months.

## **Analysis**

This draft Budget is framed around the goals the Commissioners set fifteen months ago and which remain the guide for the evolution and operation of this municipal organization.

This draft Budget invests significantly in basic infrastructure, the next generation of leadership in our community, and continued organizational improvements. It provides essential sewer investments and provides preventative asset management for our sewer collection system. This draft Budget invests ARPA with the expectation of continuing dividends to the organization and community.

The City's overall financial health is strong, largely driven by increasing property values, interest income on our treasury, grants, and the continuing benefits of modest utility rate and slip fee increases two years ago.

This document is far from perfect and would not yet earn recognition from the GFOA were we to submit it. Still, this policy document is another step forward in making the City more transparent, efficient, effective, and equitable.

The City's grants team has nearly \$20 million in grants pending at the time of this writing. Throughout the

coming months, some of these grant applications are likely to be awarded to the City. This will alter and increase the City organization's workplan in live time throughout the upcoming fiscal year. I need to stress to Council and the community that the City organization's capacity is strained on our best days. Even after adding staff in 2023 and 2024, our staffing levels remain below what is needed to meet Council and community expectations. Some of this can be managed by improving our systems—we do not have many advanced municipal systems in place, and we can improve our efficiencies throughout the organization. New staff members are getting up to speed and hitting their stride. Still, most of our workforce is operating at a very high tempo. Council and senior staff leadership need to provide room for organizational review and efficiency analysis. Investments in software will only work if we change our management systems and train our front-line staff to utilize them.

#### *Acknowledgments*

All of us remain deeply saddened by the passing of former Finance Director Deborah Cooper right before the new year. Ms. Cooper led her team to receive an unqualified audit for FY 23, the highest level of confidence auditors can provide. I miss Deborah daily, and I imagine her lovely voice in my mind as I contemplate how she would approach today's challenges. She always urged me to do more for our front-line employees, and I feel duty-bound to listen to her even after her passing. This draft Budget incorporates her insights even after her passing.

The City is truly fortunate to have hired Perry Peregoy to serve as Ms. Cooper's replacement. Perry brings a unique combination of hometown institutional knowledge—his childhood memories include crabbing on the banks of the mighty Choptank River where Gerry Boyle Park is today—and years of experience on Wall Street and in private business. Throughout the budget preparation, he has asked incisive questions, kicked the tires on unspoken assumptions, and offered new solutions. I really have enjoyed working side by side with Perry and learning from him throughout this process.

Cameron Waters has been sitting side by side with Perry and me throughout the budget preparation process. Cameron was one of our first Portia Johnson-Ennels interns, and because of his professional skills he has become our first-ever Stafford Fellow. Cameron is studying business and accounting in college, and he has been managing various spreadsheets and tables, asking outstanding questions, and sharing his point of view. Cameron devoted countless hours to this budget process. During our budget preparation meetings, I would occasionally refer to Perry and me as "OG," mistakenly thinking it meant "Old Guys." Cameron diplomatically taught me that I was not using the term "OG" correctly; I still think Perry and I are OGs.

I also appreciate my other amazing co-workers. Department heads, senior staff, and front-line employees alike are adapting as we reorganize and prepare for more senior leadership transitions. While change remains the watchword for the organization, the people we have filling our ranks from top to bottom are hardworking and caring.

This Budget Transmittal Message has not yet made much mention of Cambridge's Rescue Fire Company, and I would be remiss if I did not recognize and give thanks for the thousands of volunteer hours these women and men give back to our community. Capably led by Chief Adam Pritchett and Assistant Chiefs Brad Walters and Andrew McCarter, RFC is foundational to Cambridge. Equipment such as the rescue fire truck ordered last year will be built and arrive in the fall. The City still needs to catch up on deferred replacements of our four engines. These expensive pieces of equipment save lives. The City still has need for more investment in fire equipment in the near term even as we await delivery and deployment of prior investments.

I appreciate so much those who work geographically closest to me. This includes Tyasia Johnson, Ina Holden, Lynne Widli, Cheryl Hannan, and Steffanie Malkus. They have all helped with this budget document and special projects throughout the year. They are wonderful co-workers. They also openly acknowledge I am an OG.

Thank you also to the Mayor and Commissioners for your thoughtful work, policy deliberations, and devotion to public service.

#### *Budget Review Process*

The Finance Director and I will make a presentation and overview on April 29<sup>th</sup> at a special work session starting at 6 p.m. Department heads and our Stafford Fellow will be attending to answer additional questions and present their budget needs to Council. David Deutsch will also attend to give him additional background on the organization and projects we have planned for the upcoming fiscal year.

Staff plans to introduce the appropriation ordinance for first reading on May 13<sup>th</sup> with a public hearing and second reading scheduled for May 20<sup>th</sup>. To meet notification requirements, the public hearing notices will need to be advertised in late April with the assumption that the FY 25 Budget is adopted as presented. This does not preclude Council from making amendments to it before it is adopted or within the upcoming fiscal year. This schedule is compact because of the changed Council meeting schedules in May and June.

Council may consider having additional work sessions on the draft Budget on May 6<sup>th</sup>, May 13<sup>th</sup>, or May 20<sup>th</sup>. Of these dates, only May 6<sup>th</sup> would not be a regularly scheduled meeting date. Should Council need more time or wish to make more substantive amendments to the draft Budget, June 10<sup>th</sup> is the last opportunity to do so without calling additional special meetings in June. As is our practice, no council meeting is scheduled for June 24<sup>th</sup> because of the annual Maryland Municipal League conference.

#### **Concluding Remarks**

I look forward to discussing next year's draft Budget on April 29<sup>th</sup>, my last Council meeting with the City of Cambridge.

It has been an honor to serve in this community, even if my tenure is shorter than I had hoped or expected.

As I reflect on the two years I have served with you, I am extremely proud of our accomplishments. The revitalized Cambridge Police Department is committed to community policing and patrolling with purpose. Police staffing levels are rebounding. Combining Public Works

with the former Municipal Utilities Commission has advanced efficiency, effectiveness, and equity. Combining financial services with utility billing provides more separation of duties and coverage. In Engineering, we have provided a smooth succession plan so Cambridge can undertake the important slate of capital projects ranging from sanitary sewer investments to the shoreline resiliency project. Administrative Services adds support and human resources services that our organization has historically lacked. And the Development Department under the capable leadership of Assistant City Manager Brandon Hesson provides the structure Cambridge needs to improve housing, economic development, and planning. I am particularly proud of our wages and classifications system which provides greater consistency, fairness, and equity for all our employees. This has helped our workforce to become more reflective of the community we serve, even as much more work remains to advance diversity and inclusion.

As Council knows, I have grave concerns about Cambridge Harbor. I believe the project in its current conception will have negative and lasting implications for this community. This Council and the next has the authority—and indeed the duty—to ensure this project is not an anchor around the Cambridge community’s neck for generations to come.

I now leave it in your capable hands to continue the work we have begun together.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "Tom M. Conner".



## COUNCIL AGENDA REPORT

**To:** The Honorable Mayor Rideout and the Commissioners of Cambridge  
**From:** Tom Carroll, City Manager *Tom M. Carroll*  
**Date:** April 25, 2024  
**Subject:** On Budget Alignment with Council Goals

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The Commissioners held an FY 25 goal setting session on February 5, 2024, reviewing Council's goals previously adopted by Resolution No. 23-06. The retreat included status update memos and briefings from all seven departments, including the Rescue Fire Company (RFC). While Council and staff discussed a wide range of initiatives and brainstormed new ideas, Council did not make any amendments to the 2023 goals. Accordingly, these goals continue to serve as the lodestar for the upcoming FY 25 Budget and CIP.

Council's established goals are as follows:

1. Be inclusive, consistent, and fair retaining, assisting, and attracting businesses with consistently applied rules and processes; and
2. Improve the City of Cambridge's organizational efficiencies and effectiveness; and
3. Create a more beautiful City with better and healthier housing, improved gateways, a vibrant downtown, and a sense of pride within the City staff and our community as a whole; and
4. Engage Cambridge's youth and foster meaningful work for our young adults; and
5. Develop improved infrastructure, long-term projects, and capital plans, including the preservation and restoration of the old City Hall structure at 307 Gay Street by 2026.

This memorandum discusses the ways in which the draft FY 25 Budget and CIP aligns with and advances these goals.

**Goal 1: Be inclusive, consistent, and fair retaining, assisting, and attracting businesses with consistently applied rules and processes.**

The draft Budget supports business retention and attraction in a number of important ways in the upcoming fiscal year.

First, \$500,000 is set aside for unspecified economic development in the upcoming fiscal year. This will enable the City to acquire property, offer grants, invest in necessary “but for” improvements, offer forgivable loans, hire consultants to assist with economic development planning or initiatives, or create other economic development incentives. This type of financial set aside enables the Commissioners of Cambridge to respond to opportunities to support business retention and recruitment. It provides the means by which the City can follow the advise from the Brookings Institution of ensuring funds are available for growing the community’s tax base.

Second, the draft Budget continues investments in the downtown by reserving \$131,500 from ARPA for more streetscape investments. This remaining balance of ARPA allows the City to build on investments currently underway to improve the appearance and accessibility of our Main Street sidewalks.

Third, the FY 25 Budget provides an ample reserve of \$500,000 to protect the community’s interests along the waterfront should CWDI refuse to manage the Cambridge Harbor project effectively. As discussed previously, the City does not expect to need this financial reserve, but it is available to ensure the success of the waterfront project if necessary.

These several items do not include the in-kind ways in which the City is assisting businesses. Other ways the City’s services help our businesses include community policing and patrolling with purpose, improved rescue fire services with new fire apparatuses and volunteer incentives, economic inclusion programs, workforce development for lead paint abatement training, and programs utilizing local contractors such as the homeowner helper program. The Department of Development is still building out its team; in the meantime, it is taking shape with new software, more personnel, and streamlined systems.

**Goal 2: Improve the City of Cambridge’s organizational efficiency and effectiveness.**

The City of Cambridge is bringing on-line OpenGov software which will greatly improve workflows. The initial priorities include code enforcement, public services work orders, and rental registration, though OpenGov has a broad array of solutions for municipal services and so this software eventually will assist the City with process improvements in many other areas, too. Additionally, the draft Budget sets aside \$50,000 for the selection and roll out of a grants management software solution. With more than \$20 million in grants under management in FY 25, finding a grants management solution is essential for our efficiency.

The draft Budget enhances the City’s workforce by adding key positions, including adding a graduate engineer to assist with capital project development. The Cambridge Police Department now has staffing sufficient to staff specialized units such as Pro-Active Community Engagement (PACE) unit. The CPD is nearing completion of a staffing study to determine the optimal number of sworn officers required to provide the policing level of service this community desires. It may be several years before CPD can reach whatever the optimal level is determined to be, though at least we will have a data-driven target. The Department of Public Services will be adding a new preventative maintenance crew for the sanitary sewer collections system and will invest in equipment such as a robotic sewer camera to assess underground sewer blockages and breaks.

The City is also exploring investments in facilities and equipment to reduce our reliance on non-renewable energy. This includes additional EVs, hybrid vehicles, more solar on public buildings, and other energy efficiency improvements in public buildings, including utilities. The City aspires to be a carbon neutral municipal organization by 2030.

The greatest challenge to improving our organizational effectiveness continues to be hiring and retaining quality employees. We continue to face the same labor market challenges as other organizations or businesses on the Eastern Shore. That said, the City's organization is accomplishing succession planning in the Department of Engineering, preventative maintenance in the Department of Public Services, reorganization in Finance, and more. Each work group is in the midst of its own series of process improvements, and cross department teams are being formed to coordinate grant writing and management, policy reviews, personnel systems, and DEI initiatives.

### **Goal 3: Better, healthier housing, improved gateways, a vibrant downtown, and a sense of pride.**

None of the Council goals has more staff attention than making a meaningful impact on our housing.

First, Council has established the Land Bank Authority of Cambridge (LBAC) and capitalized it with \$1 million in FY 24. The LBAC holds the greatest promise of cutting through the systemic problems of property abandonment, neglect, intentional vacancy, and poor housing conditions.

Second, the City has just received a \$1.87 million grant from Housing and Urban Development (HUD). This grant will enable the City to train a local workforce for lead paint abatement and begin the overdue process of remediating lead paint in older homes, especially in our low-income neighborhoods. Council President Lajan Cephas has led this important initiative, and I fully expect the healthy homes program will grow and expand in the years ahead.

Third, the City is constructing eight new homes on Douglas and School House Lane as part of the Home Ownership Works (HOW) Program. These homes will be offered to modest income prospective homebuyers, and the program is structured to ensure these buyers can afford a new home without becoming cost burdened. The City is currently applying for more funding from the State of Maryland to build another eight homes in FY 25 and FY 26 where the former *Club du Jour* was located along Chesapeake Court.

Fourth, the City is in the process of standing up the homeowner helper program which will assist owner-occupied homes with code enforcement projects they otherwise could not afford. This program will help homeowners age in place, capitalize what will become a revolving loan fund for future improvements, and remove blight.

Fifth, in FY 25 the City will begin the second of a five-year program to establish a revolving loan sidewalk improvement program. Each year, the City will have the ability to manage and oversee \$200,000 worth of sidewalk replacements. This will improve accessibility for those with disabilities and connect our neighborhoods, while enhancing homeowner pride in the public spaces next to our privately held properties in Cambridge.

Sixth, the City has applied for a \$4.1 million grant from the Department of Transportation to reconstruct Cedar Street from Pine Street to Dorchester Avenue. This project will improve the appearance of one of our main gateways, remove barriers for pedestrians, and install green infrastructure at the headwaters of Cambridge Creek.

The City continues proactive and consistent enforcement of property maintenance codes. Code Enforcement will work hand in hand with the LBAC to remediate problem properties and encourage private investment. The homeowner helper program gives code enforcement an important tool to help homeowners achieve compliance and preserve the value of their most important asset, their home.

Finally, the City's art-in-public-places program established in FY 24 will have \$211,951 available to commission public art in the upcoming year. This funding provides the City an incredible opportunity to invest in our neighborhoods and central business district with impactful public art and cultural enrichment. The funding is available; the Commissioners will need to issue a charge to put this funding to work!

#### **Goal 4: Engage Cambridge's youth and foster meaningful work for our young adults.**

The draft FY 25 Budget continues funding for several relatively new youth related services and programs.

For the second year in a row, the City is budgeting \$75,000 for the *Portia Johnson-Ennels Youth Internship Program*. Moreover, the City is still reserving an additional \$225,000 in the Special Projects Fund to provide three more years of funding so that this effort can be sustained. The Director of Administrative Services leads the interdepartmental team that oversees this fun and worthwhile summer program providing internships for ten Cambridge young adults.

One of last year's interns has been offered a full-time, eighteen-month contractual role as our first ever Stafford Fellow. Cameron Waters is a college student studying business and accounting, and he is working full-time with the City's Finance Department through the balance of FY 25 unless he leaves us for a more compelling job opportunity. He has been instrumental in preparing this draft Budget and has an extremely bright future. We hope he serves in local government, and particularly makes his career with the City of Cambridge.

This draft Budget provides financial support to several community non-profit organizations supporting youth. This includes \$15,000 for the Empowerment Center to enhance its daycare offerings, \$15,000 for New Beginnings to continue its summer internship program in FY 25, \$10,000 for the Reading Social program affiliated with Harvesting Hope, and \$10,000 for scholarships for All 4 Love. All these grants will technically be provided in FY 24 so that these partner organizations can put this funding to work as quickly as possible. In the future, such grants from the City may be much harder to provide, and the City should consider establishing a policy for non-profits to approach the Commission for financial aid and support.

The new Healthy Homes program funded with the HUD grant will develop our workforce in lead paint abatement, and ideally will serve as an entry into broader workforce development initiatives to match our young adults with meaningful work in the high demand labor trades. I am optimistic that by partnering with the Elks and other similar organizations the City can foster a highly skilled and well compensated workforce that can build a portion of the over one-half of one billion dollars of construction projects on the books. This will require intentionality and a willingness to use new approaches from the Chamber of Commerce, CWDI, Chesapeake College, our community's contractors and developers, and community organizations. This is a daunting task, but a noble and necessary one.

Finally, I find the need for the Leonard Lane sidewalk to be essential, and directly related to protecting our children. As I have already described, I see so many young kids (but not only children) walking in the road between Cosby and Washington Street. This places them at grave risk, and Council has the opportunity to provide safe passage for our children already walking on Leonard Lane. Too often, policy makers invest in places and not in people. I usually think this is poor policy: we should place people first. But in this case, the investment in sidewalks will be, I fully expect, lifesaving. This \$500,000 project will not only benefit children, but it is being undertaken because of our desire to protect their wellbeing.

## **Goal 5: Develop improved infrastructure, long term projects, and capital plans; restore the old City Hall.**

The biggest news of FY 24 was the award of a \$1.8 million grant for the design of the shoreline resiliency project. This engineering and planning work will continue full steam in FY 25. Once the design is approved by state and federal partners, the City can expect \$16 million in construction grants to protect our downtown from rising sea levels. The City is in the process of acquiring property for this project near Gerry Boyle Park as FY 24 comes to a close. This is a massive step forward for our community.

The City is in year two of a five-year plan for the water and sewer systems. This plan includes \$20 million in water and sewer investments, leveraging grants and low-interest loans, replacing equipment, and continuing to improve operations. Between FY 24 and FY 25, the City will bid and award contracts for over \$8 million of sanitary sewer investments. To pay for these planned investments, the City has already increased water and sewer fees 5%, and a second 5% rate increase will take place on July 1, 2024. The City is pursuing a \$3.1 million grant or low-interest loan for relining the Cambridge Creek Interceptor in FY 26. Additional investment is necessary to reduce sewer discharges in other parts of our collections system, and FY 25 includes upgrading the Wood Road pump station which will relieve some pressure on the Maple Dam watershed.

In FY 23 and FY 24, Council provided \$950,000 for road resurfacing. FY 25's draft Budget includes \$600,000 to continue this program. The City will invest more in residential sidewalks through the new Sidewalk Improvement Program, and the draft Budget continues investments in sidewalks and streetscape on Maple Street and Pine Street. A new sidewalk will be installed on Leonards Lane, as detailed above, if Council approves the supplemental spending. Similarly, the failing culverts on Cedar Street will be replaced if Council approves that supplemental project, too.

FY 25's draft Budget continues replacement of vehicles and equipment, primarily in the Department of Public Services and in the Cambridge Police Department. Finance will be working on a formal fleet replacement and management plan to ensure our fleet's costs are contained and our assets are maintained.

The FY 24 budget included \$700,000 in planned expenditures for the first phase of a stabilization and restoration project of the former City Hall at 307 Gay Street. Delaying the start of this project is the legal process we must follow to work with the Maryland Historic Trust (MHT) to place preservation easements on the old City Hall. This is a painstaking and time-consuming process, and it is not certain as of this writing when the FY 24 investments will commence. These have not yet been bid, even well into the fourth quarter of FY 24.

Despite the delays in commencing FY 24 investments, the City is budgeting an additional \$575,000 for FY 25 for the old City Hall project. This consists of \$175,000 in State Bond Bill funding thanks to the advocacy of our Eastern Shore delegation, especially Delegate Tom Hutchinson. The City also has two separate state grants pending, each for \$100,000. These state grants require dollar-for-dollar local matches, and the City again provides \$200,000 in the Special Projects Fund for our local match in FY 25.

Starting very soon, and with funding spread over three separate fiscal years, the City and the State of Maryland will invest \$1,275,000 in this project. This is a sizeable investment, to be sure, though the total renovation costs are estimated at \$10 million. In the near term, perhaps in FY 26 or FY 27, the Commissioners will need to make an "all-in" investment in the project, a prospect that will require state and federal grants but also a municipal bond issue to cover at least \$5 million of the total renovation cost. One idea to explore to support a bond issuance is to establish a tax increment financing (TIF) district on the existing city hall at 410 Academy; the return of city offices to 307 Gay Street makes our current location surplus and ripe for redevelopment. This redevelopment could generate TIF revenues that could support some of the debt service needed to renovate the old City Hall. Sales proceeds for the liquidation of 410 Academy could also be invested in the renovation of the Old City Hall.

The draft FY 25 Budget includes more than \$4 million of investment to reconstruct the Trenton Street Pump Station. Engineering is already underway, and this project will begin in the spring of 2024.

City Engineer Bucky Jackson and the grants team have applied again for a \$4.1 million grant to reconstruct Cedar Street, including needed replacements of the culverts under Cedar at the headwaters of Cambridge Creek. This grant is pending, and the project presents an opportunity to enhance connectivity and enhance one of our gateways.

Finally, significant investments are needed in the City's Marina in the near term. The Engineering Department has obtained a \$430,000 grant to reduce underwater wave action, and modest improvements are planned around the Marina and at the iconic Lighthouse. The FY 25 draft Budget includes funding to retrofit "A" dock to improve revenue, and provide maintenance to the Marina's bathhouse. Most importantly, the FY 25 draft Budget establishes a reserve of \$750,000 for the FY 26 replacement of piers E, F, and H. More planning and analysis are needed, but this draft Budget provides a substantial first step towards undertaking this important project in FY 26.

### **Conclusion**

The investments detailed in the draft FY 25 Budget tie directly to the established Council goals set by Resolution No. 23-06. I have so appreciated the chance to serve as the City Manager of this wonderful community as we engage in the vital work of establishing community trust, confidence, and hope. This Budget and CIP advances Council's goals and mitigates clear and present community problems. This is good and important work, and I firmly believe Cambridge's best days are before it.



## COUNCIL AGENDA REPORT

**To:** The Honorable Mayor Rideout and the Commissioners of Cambridge  
**From:** Tom Carroll, City Manager *Tom M. Carroll*  
**Date:** April 24, 2024  
**Subject:** On the Capital Improvement Plan (“CIP”) and Programs

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This supplemental memorandum is rather like that waxy, honey-combed sheet of paper one finds at the top of a fancy box of chocolates. It tells you what is inside and where to find it in the tray of otherwise similar looking candies. You certainly don’t have to read this memo; you can just start biting in wherever you like. But this supplemental memo might help you more quickly find what you are looking for and save some stomach aches. It is also an attempt on staff’s part to be as transparent as possible with explanations about the larger investments are embedded throughout the over 1,000 line items in the various spreadsheets that comprise the FY 25 draft Budget.

### **General and Special Projects Funds**

The City’s improved financial position in FY 24 and FY 25 allows for increased funding for Buildings and Ground (BAGs). This includes providing more funding for replacing highly visible but mundane items like trash cans and picnic tables (line 432), more funding for parking lot maintenance (line 423), and putting on new siding on the Police Substation along Pine Street (line 424). These increases in both FY 24 and FY 25 are essential to catching up on deferred maintenance. The City has underinvested in its facilities (out of financial necessity, I believe), but the City’s improved revenue picture enables these investments to be made and added to our base budget. Public Services is also purchasing additional smaller pieces of equipment and tools. This includes procuring our second Ford 150 Lighting for the Streets Superintendent’s use. This EV is part of our continuing effort to replace our fleet with hybrid or electric options when available. Funding for this will come from the ARPA sustainability line item found in Table 10. Buildings and Grounds is also purchasing a Ford 350 with a wide body (EV options are not yet available) for tools and heavy equipment. This can be found in line 430 of the budget.

I also want to draw attention to a new \$50,000 for curb and gutter repair in Streets and Highways. This will allow the City to fix our portion of responsibility as we roll out the new sidewalk improvement program, as well as replace antiquated curbs with accessible truncated domes. This can be found in line 569 of the budget and will be managed by the Department of Public Services.

The Information Technology (“IT”) Division’s budget includes a new OpenGov subscription in line 256 of the draft Budget. There are other subscriptions in this line item, but OpenGov is the largest of them at \$68,000 annually. The IT Division will also have \$60,250 in CIP table (also shown in Table 10 for a continuous power supply solution) for the Public Safety Building. This will protect mission critical hardware if there is an unexpected power surge or power failure.

Utilizing \$600,000 from ARPA, the City is continuing its road resurfacing program Council restarted in FY 23 and FY 24. A 2019 analysis by the City Engineer indicates the City should be spending between \$400,000 and \$500,000 annually on road resurfacing. In large part because of ARPA, this Council has been able to do this over the last two fiscal years, and the benefits show to anyone walking or driving throughout the community. This \$600,000 expenditure continues this work and gets us back on track with basic infrastructure maintenance.

#### *Sidewalk Improvement Program*

This draft Budget makes the second of five annual investments in sidewalk replacement. In FY 24, the City set aside \$200,000 for proactive sidewalk replacement. The plan is that one-fifth of the cost will be assessed annually against the adjacent property owners for these replacements. So, the City will receive \$40,000 in FY 25 for fixes made in FY 24. This will continue for five years. The FY 25 draft Budget sets aside a new \$160,000 for sidewalks plus the \$40,000 repayment from the FY 24 project, effectively giving the sidewalk program a \$200,000 budget in FY 25. This process will be repeated five times and if it works as planned the City will have a perpetual income stream of \$200,000 annually for proactive sidewalk repairs even after the initial five years. This will allow the entire City, over time, to have better accessibility and connectivity. This program can be found on line 742 in the draft Budget, and the \$40,000 revenue in FY 25 can be found on line 698.

The Cambridge Police Department will receive three replacement vehicles ordered in FY 24 and three replacement vehicles ordered in FY 25. The three FY 24 vehicles were unplanned purchases and are as a result of vehicular accidents which totaled three existing patrol cars. These unexpected acquisitions are partially offset by insurance proceeds from the totaling of these vehicles. The three planned vehicles in FY 25 will be partially offset by ARPA funding as all replacement vehicles for CPD will be hybrids and the City has set aside ARPA funding for investment in sustainability. The investment of ARPA funds for these hybrid vehicles can be found in Table 10, Sustainability. Some increased annual costs will be added to the vehicle lease line item 323 shown in the Patrol Division of the Police Department draft budget in the General Fund.

#### *Neighborhood Grant Program*

A new program is contemplated in the Housing Division of the Department of Development: an annual neighborhood grant program. This idea came from the Cambridge Association of Neighborhoods to provide modest neighborhood grants so that residents or organized neighborhood groups could solve nuisance issues in their neighborhood through a formal, modest grant program. This draft Budget provides \$15,000 for this

new program in FY 25 which can be seen on line 612. Staff will need to develop the parameters of this program, but this will enable us to respond to specific concerns from organized groups of residents.

#### *Grants Software*

Staff members are continuing to research solutions to improve the oversight and administration of grants. Tables 8 A and 8 B show just how significant the City's current and prospective grant awards are. With so much grant funding under management or pending, we will need additional technology tools to properly manage and efficiently report on these grants. I have set aside \$50,000 in Table 10 from ARPA as a place holder for subscribing to grants software in FY 25. This will likely be the first-year subscription fee only, and future costs will be charged to eligible grants as part of the administrative grant costs, as permitted. The decision on what software to procure is being led by Shayla Johnson in Finance, Steffanie Malkus in the City Manager's Office, and Eddie Crosby in Development.

#### *Non-Profit Support*

The FY 24 budget includes several supportive investments in community non-profit organizations which have asked for specific help or have a clear and present needs. This includes support for Maces Lane<sup>1</sup> (\$50,000), the Empowerment Center facilities to expand daycare capacities (\$15,000), New Beginnings youth internship support (\$15,000), the Reading Social through Harvesting Hope (\$10,000) to promote early childhood literacy, the Historical Society (\$10,000), one-time support for daytime sheltering options for people experiencing homelessness (\$25,000), and support for summer youth programs through All 4 Love (\$10,000). Combined, these smaller financial grants from the City equal \$135,000. It is important to convey that the City has had an unprecedented opportunity with ARPA and our current positive revenue picture to offer non-profits support. I think all of the organizations need to be informed that additional funding should not be expected in future fiscal years. If Council wishes to formalize a community grants program, Council may wish to form an *ad hoc* committee to determine how to do this in the future should it be a priority for the next Council.

#### *Long Wharf Erosion Repair and Sidewalk Replacement*

Sea level rise and more severe storm events are causing erosion under the public sidewalks at Long Wharf near the Farmer's Market, the dock for the Nathan, and the perimeter around the Long Wharf parking area. This draft Budget provides \$108,582 in FY 25 for phase 1 of a three-year repair program. Future years include \$70,000 in FY 26 and \$32,000 in FY 27. Funding for the FY 25 repair comes from ARPA and can be seen in Table 10. Future phases will have to be provided for in the next two budget cycles.

#### *Supplemental Budget Considerations*

This draft Budget does not include but does recommend \$750,000 of supplemental spending on capital projects. These proposed expenditures are shown on Table 2. These investments are not included in the draft Budget in order to show that the City's FY 25 Budget is structurally balanced, meaning revenues exceed expenditures in the upcoming fiscal year. The projected ending balance after everything that is incorporated into the draft

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<sup>1</sup> In FY 20, the then-City Commission made a non-binding pledge of \$50,000 annually to the Mace's Lane organization over the next ten years. The City of Cambridge has provided two separate \$50,000 investments already, and this will constitute our third towards fulfillment of that pledge.

budget is \$2,826,570. This undesignated fund balance can be invested in other funding priorities, but we should recognize this is dipping into our bank balance to do so and we should do this with care and intentionality. I feel quite comfortable doing so, though, since the City has over \$4 million in our rainy day and debt reserves and even after these supplemental investments are made the General Fund still has \$2,076,570.<sup>2</sup> Staff are also recommending adding an improved life insurance benefit in FY 25, a \$34,000 annual cost which will reduce the projected ending fund balance to \$2,042,570 if all three supplemental expenditures are included.

#### *Leonards Lane Sidewalk*

The first supplemental investment is \$500,000 in FY 25 to install a new sidewalk on the east side of Leonards Lane from Cosby Avenue to Washington Street. Too often I observe our young children and teens walking in the road or along the grassy swale here. Street lighting is imperfect here, and I am afraid a child walking this stretch of road is at great risk of being hit and potentially losing his or her life. We have the ability to prevent this by putting in a new and safe sidewalk on this stretch of road. And this project will provide pedestrian access to the Leonard Lane Park still in the planning stages. I do not think we can wait, however, to protect our children from this potentially unsafe condition. As I have contemplated this need, I have come to realize that it is my absolutely highest capital priority in the upcoming fiscal year. We have the ability to fix this serious safety concern and keep pedestrians safe, especially our children, and we need to do this project as soon as we can. If Council has hesitation about reducing the General Fund balance to close to \$2 million, I would place this project higher than the \$600,000 we have from ARPA for road resurfacing. Our roads can wait another year, but our children walking on Leonards Lane cannot.

The second supplemental investment is \$250,000 in FY 25 for replacing two failing culverts at the headwaters of Cambridge Creek that go under Cedar Street. The possible failure of these culverts would necessitate emergency repairs and unscheduled disruptions to traffic on this vital roadway. Therefore, I think this project is important and Council should draw down on fund balance in FY 25 to replace these culverts. Engineering is planning the design of these culvert replacements with an eye toward the eventual reconstruction of Cedar from Pine Street to Dorchester Avenue, a project that has a \$4.1 million RAISE grant pending.

The funding for these two non-budgeted projects can be shown in Table 2 of the draft Budget. I request Council move to amend the draft Budget to include \$750,000 for these two capital projects. (I also recommend Council include the \$34,000 for supplemental life insurance.)

#### *Unfunded General Fund Priorities*

This draft Budget and CIP contemplates the largest capital improvement program ever for our community. Despite the CIP's size, there are numerous projects which remain unfunded. The two greatest of these are the need to replace the failing heating, cooling, and ventilation ("HVAC") system at

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<sup>2</sup> A year ago, Council approved a \$1,060,000 supplemental appropriation that was also not included in the draft FY 24 Budget. This approach was taken last year for the same reason—the draft Budget attempts to show a structurally balanced budget, reserves, and then fund balance that is not reserved for another purpose. Staff continues to try to manage towards a \$2 million undedicated fund balance at the end of the fiscal year, and the supplemental expenditures contemplated in this draft Budget achieve this objective. That said, Council may wish to spend more or less from the undedicated fund balance given the overall fiscal condition of the City.

the Public Safety Building and the need to replace the 32-year-old, 1992 Pierce Engine that remains part of our fire fleet. These important but unfunded priorities necessitate some discussion below.

The HVAC system that was installed in 2007 at the Public Safety Building was undersized for its then-current needs and installed some already used equipment. That was 17 years ago. Today, the system cannot keep up. This means the bunk rooms on the fire side of the building are too cold during the winter and too hot during the summer. The squad room for our police officers is also similarly seasonally uncomfortable. The water pipes in the ceiling burst almost a year ago, causing water damage directly over the police administrative offices.

HVAC solutions range from \$1 million to \$1.4 million, although none of these are preferred by Director of Public Services Wayne Suggs. He continues to explore other options. In the meantime, mini-split units are being installed to improve conditions, but these are stopgap measures and not a long-term fix. The City is hopeful that Inflation Reduction Act (IRA) funding can be obtained in the years ahead to replace these outdated systems and make the building a net-zero structure. This issue is worth monitoring and perhaps will need to be addressed in the near term.

This spring staff applied for \$1 million in Congressionally Directed Spending towards the purchase of a \$1,250,000 replacement pumper. As of this writing, this request is still pending. Staff was informed on April 22, 2024 that at best the City could hope to obtain 35% of this total, or \$437,500. If in fact the City does obtain this federal funding, the City will still have a \$562,500 to \$812,500 gap. But even if we ordered the truck today, it would take two years before it would be built and before payment would be expected. Thus, the City has time to find a solution for the unfunded portion of this investment. Staff is hopeful that some of this funding may yet be obtained. Even as the City has spent over \$3.5 million in the last two years on fire equipment—a replacement ladder truck and a replacement rescue vehicle expected to be delivered this fall—the four engines that are the front line service vehicles are aging and our replacement schedule falls behind here too.

Table 10 shows a number of additional categories where the remaining ARPA expenditures are earmarked for specific priorities. This includes \$200,966 for future youth services and programming, \$126,324 for DPS equipment, \$14,355 for yet to be specified CPD community policing, \$340,891 for the homeowner helper program, and several other previously identified priorities.

### **Water**

Routine projects and acquisitions to maintain the high level of service residents presently enjoy from the Public Services Department. The major item of note is the planned purchase of an electric vehicle for meter reading (\$50,400) in FY 25. This purchase can be seen on line 874 in the draft Budget.

The Department of Public Services is also acquiring a generator on a trailer with a collapsable boom with an emergency lighting system for work after dark. This \$13,000 piece of equipment will be shared by all DPS divisions as needed, and the costs will be distributed among the Water, Sewer, and General Fund.

## Sewer

The most significant investments in FY 25 are being made to reduce illicit discharges of sewerage. The following projects and programs are planned across FY 24 and FY 25:

1. Council has already awarded a \$3.8 million project to replace the failing West End sewer line. This project can be found at line 813 of the draft Budget in the FY 24 column. Please note this project is essential. The original budget was \$3.2 million but the second bid yielded a bid price that was \$600,000 over the original engineer's estimate. Funding comes from a Congressionally Directed Spending of \$504,000, a \$2.5 million bond issued a year ago, and the balance from Sewer Fund working Capital. Construction is expected to start any day now.
2. The City is designing and planning to bid the \$4.1 million Trenton Street Pump Station replacement project. This project is planned to start in the fall of 2024. This project can be found at line 814 of the draft Budget in the FY 25 column.
3. The FY 25 draft Budget includes \$400,000 in smaller capital equipment investments to support preventative maintenance and reduce illicit discharges. These investments can be found on line 821 of the draft Budget in the FY 25 column. This includes:
  - a. the purchase of a robotic sewer camera for assessing sewer conditions (\$110,000, including a trailer);
  - b. the acquisition of a smaller Vaccon for daily use (\$175,000 with a trailer). Our existing larger Vaccon will need to be refurbished in FY 26 (approximately \$100,000 cost) and this smaller one will have greater daily utility as well as providing us this essential kit while the larger one is out being refurbished.
  - c. The procurement of a mini-excavator and trailer for more routine preventative maintenance. This costs \$130,000 and includes a trailer.
4. The hiring of three additional maintenance workers to deploy a preventative maintenance crew daily to operate the above equipment and extend the useful life of our aging sewer collections system. Please note that this crew is likely to be staffed with current and seasoned DPS employees, so the additional maintenance workers will essentially backfill the duties in streets or BAGs these incumbents presently provide. The salaries for these additional sewer employees can be found at line 788 of the draft Budget in the FY 25 column, and related payroll costs are shown immediately below in the appropriate line items.
5. The FY 25 draft Budget includes \$200,000 for the City Engineer to engage professional services to assess sewer flow in the parts of the system tributary to the Maple Dam pump station so that steps can be taken to reduce the chances of illicit discharges. This cost is shown on line 780 of the draft Budget in the FY 25 column.
6. The FY 25 draft Budget includes \$385,000, a cost which includes upgrading the Southside Pump Station (near Woods Road) which is a bottleneck in our southern sewer system. This cost is shown on line 784 of the draft Budget in the FY 25 column.

These investments are necessary. Our sewer collections system is inundated with additional water that enters our pipes from inflow and infiltration. This additional water surcharges our system and causes frequent sewer overflows. This is unacceptable and this draft Budget takes steps to remedy these problems as quickly as possible. Beyond FY 25, the City has plans to line the Cambridge Creek Sewer Interceptor in FY 26 (\$3,250,000) and another sewer project in FY 27 (\$3,000,000). While the City is certainly behind, aggressive measures are being taken to cure this unacceptable situation which is getting worse and worse with sea level rise and more severe storm events.

Spreading cost of the sewer smaller equipment over two fiscal years, \$200,000 from FY 25 cash and \$200,000 from non-bonded debt in Sewer Fund revenue. The City has had a line of credit with Bay Vanguard for almost a decade, and the plan is to utilize this source of funds to spread these capital costs over two fiscal years. This approach preserves working capital in the Sewer Fund with minimal interest rate costs. That said, if interest rates rose sharply and unexpectedly in the next eighteen months, the Sewer Fund could simply repay the remaining balance from working capital balances in FY 25. The repayment of \$200,000 in FY 26 is shown in Table 3 B in the table section of this draft Budget.

### **Marina**

The Cambridge Yacht Basin is a key economic driver of the community, attracting boaters and visitors alike to our waterfront. Many of these visitors become part-time or full-time residents, investing in restoring historic homes and patronizing local restaurants and businesses. The economic multiplier from the Cambridge Yacht Basin is extensive.

The City Marina is a treasure, but it needs accelerating and continued investment. This draft Budget takes significant steps towards this objective. The draft Budget invests \$512,500 in three projects and sets aside \$750,000 for replacing three piers in 2025 or 2026.

#### *Wave screen*

Former City Engineer George Hyde obtained a \$430,000 grant for installing an underwater wave attenuation system. This will reduce the impact of large ships on docked boats in the Cambridge Yacht Basin, a serious concern for our slip holders. This project is shown on line 733 of the draft Budget in the Special Projects Fund. The project is planned to start in September of 2024.

#### *Dock "A"*

This dock is the primary path to the iconic Lighthouse (to the right as you walk towards the Lighthouse). It has less protection from the elements and has of late been used mostly by local watermen and their durable watercraft. But these slips are not presently marketable for many recreational boaters and a few watermen find the City's insurance requirements onerous. This \$60,000 project to realign the piers along Dock "A" will allow catamarans and other larger craft to dock parallel to Dock "A." This will, we believe, meet an unmet need in the area and we anticipate this investment will have a three-year return on investment. Funds are provided from Marina's fund balance. This project can be seen in line 961 in the Marina Fund draft Budget.

*Bathhouse roof and soffit*

The Marina Fund also provides local dollars for replacing the bathhouse roof and soffits in FY 25. This project can be seen in line 952 in the Marina Fund draft Budget.

*Pier Replacement*

Of greatest import is the setting aside of \$750,000 in FY 24 as a reserve to provide 25% of the necessary funding for the replacement of piers E, F, and H. Staff anticipates being able to obtain a 50% grant from the Maryland Department of Natural Resources. (This grant is, we believe, due in August for FY 26.) The remaining 25% will need to come through increasing revenues from the Cambridge Yacht Basin. The City and stakeholders from the Marina should study possible solutions earnestly in 2024 so that a plan can be put in place in 2025 to complete this needed work.

These several projects, plus laying away a substantial down payment for next year's more substantial work, are a substantial investment in the advancement of the Cambridge Yacht Maintenance.

**Conclusion**

This draft Budget is replete with projects, programs, and initiatives that are exciting and substantial. I hope this supplemental memorandum gives the reader an easy user's guide to searching for the projects or expenditures that are of most interest to them. This is not a comprehensive guide to all the details and expenditures throughout the draft Budget, but it is a great tool to help the reader learn about the largest projects and initiatives.



## COUNCIL AGENDA REPORT

**To:** The Honorable Mayor Rideout and the Commissioners of Cambridge  
**From:** Tom Carroll, City Manager *Tom M. Carroll*  
**Date:** April 25, 2024  
**Subject:** On Personnel and Positions for the draft FY 25 Budget

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This memorandum is a companion document to the budget message and details the evolution of the City's workforce in FY 24 and FY 25. The City is building a highly capable team with wonderful professionals dedicated to advancing Council's goals and better meeting the service expectations of our residents.

I am particularly proud of the grants team the City is building out. We have a capable grants coordinator to obtain funding and a talented grants accountant to manage the considerable volume of current and planned grants expenditures. In between coordination and accounting are the subject matter experts investing the grants in the community. Tables 8 A and 8 B show the amount of grants the City has been awarded and the amount of grant dollars applied for and pending as of this writing. Cambridge is positioning itself to take full advantage of the considerable federal and state assistance made possible by the Bipartisan Infrastructure Law (BIL) and the Inflation Reduction Act (IRA). That said, as grants are awarded, I fully anticipate needing to add more positions to implement these programs and projects effectively.

### *Reclassifications in FY 24 and FY 25*

Throughout the current fiscal year, I have reclassified three finance employees to reflect additional job duties and responsibilities. These include upgrading a Finance Clerk (7) to Senior Finance Clerk (8), reclassing an accounting specialist (9) to a newly created position of Billing & Payments Supervisor (10), and reclassifying a Senior Accounting Specialist (10) to a Finance Manager (11). These positions are capably filled by Joann McCready, Tiffany Geib, and Vicky Simmons, respectively. I have also reclassified Executive Assistant Tyasia Johnson (9) from an Executive Secretary (8).

In FY 25, I am increasing the classification of the GIS Specialist from 8 to 9, the Grants Coordinator position from 10 to 11, and the Director of Planning from 13 to 14. These reclassifications in the upcoming fiscal year are based on market analysis. The FY 24 and FY 25 reclassifications will

assist the City with retention and recruitment and continue our efforts to align our wages with the market. Of the six occupied positions that have or will be reclassified between FY 24 and FY 25, five are held by female professional incumbents, two of whom are women of color.

### **New Positions Added in FY 24**

Three additional positions—Grants Coordinator, Heavy Equipment Mechanic, and Code Enforcement Officer—were included in the FY 24 Budget. (The Heavy Equipment Mechanic position remains unfilled at this time and is being eliminated in FY 25.) In addition to these positions funded in the FY 24 Budget, the City has added four full-time, additional professional positions, and one fellowship. These positions are made possible in part through success obtaining grants to support these professionals. The newly created positions in FY 24 include an Environmental Program Manager (13), Housing Program Manager (13), Program Specialist (10), and Senior Accounting Specialist (10). In addition, the City has established a one-year fellowship to honor Dr. Theresa Stafford who passed away just before the holidays in 2023. This position is a full-time and benefitted role, though it is not considered permanent as it is funded with ARPA. The Stafford Fellowship (6) is funded for the entirety of FY 25. These new positions are detailed below.

#### *Environmental Program Manager*

This position is funded for three fiscal years from a FEMA grant, and focuses on stormwater, green infrastructure, and the shoreline resiliency project. The City is fortunate to have Drew Koslow, a seasoned environmental specialist, capably serving in this role. Among Drew's duties is pursuing grants for green initiatives, and he adds a great deal of capacity to our grants team. This position falls within the Engineering Department.

#### *Housing Program Manager*

This position is partially funded by grants from the Department of Housing and Community Development (“DHCD”). This role leads the newly established Housing Division in the Department of Development. The City is fortunate to have hired Eddie Crosby, an experienced grants administrator with over a decade of similar experience at Bowie State University. He and his wife retired to the Eastern Shore to be on the water, but he has decided to continue to work in this area because of his passion for fair housing, equity, and purpose. Cambridge is blessed to have Mr. Crosby in the Development Department.

#### *Program Specialist*

This position is capably occupied by Gavin Woolford who graduated last spring with a master's degree in social work. The Program Specialist is part of Department of Development, Housing Division. Gavin is supporting the Homeownership Works (HOW) program, now referred to as UPLIFT, the establishment of the Land Bank Authority of Cambridge (LBAC), the Homeowner Helper program, and the emerging Healthy Homes Program now that the City has obtained a HUD grant. Additionally, Gavin spearheaded several property acquisitions in FY 24.

#### *Senior Accounting Specialist (for Grants)*

Last fall, the City was fortunate to recruit Shayla Johnson to fill the newly created Senior Accounting Specialist (for Grants). Shayla is a graduate of UMES with a degree in business and is creating a system to oversee millions of dollars in state and federal grants in the Special Projects Fund. I

learned after I hired Shayla that her son was one of the 13 Portia Johnson-Ennels interns last summer. Under Shayla's guidance and leadership, the City is exploring the acquisition of grants management software in FY 25.

#### *Dr. Theresa Stafford Fellowship*

Some municipalities offer entry-level, professional positions known as fellowships or management internships. These opportunities provide a 12-month contract for a young professional to gain hands-on experience in local government, and while fellows receive benefits in addition to pay, these positions are by design short in term. In December, shortly after Dr. Theresa Stafford received her eternal reward, Deborah Cooper and I created a fellowship in her honor. Funding for the Stafford Fellowship comes from ARPA. The opportunity was offered to Portia Johnson-Ennels intern, Cameron Waters. Cameron is currently a college student studying business accounting. His duties in FY 24 include assisting the Finance Director and City Manager with the preparation of the draft Budget. Cameron is simply crushing it, despite enduring numerous cultural references during meetings with Perry and me that predate his birth, often by a few decades.

Three of these five positions were filled through open recruitment, and the City had very talented applicant pools for each of these new position processes. The Program Specialist and Stafford Fellowship opportunities were created for the people we hired. Again, the fellowship is an annual contract and thus not a permanent position, and Mr. Waters was selected while working a full schedule every week as a continuing Portia Johnson-Ennels intern. The Program Specialist position was established in anticipation of a pending transition for the contractual relationship the City had with Yvette Robinson for housing initiatives. Of the four new permanent positions added in FY 24, three are held by people of color, including one female. The Stafford Fellow is also filled with a person of color who joined our team through the Portia Johnson-Ennels program.

#### *Marina*

On January 1, 2024, the City's contract with Oasis ended and the City resumed management responsibilities over the Marina. The City, with the consent of Oasis, offered positions to all three Oasis employees. All three individuals accepted the City's job offers to serve as Harbor Manager (class 11, Scott Fitzhugh) or Harbor Assistant (class 6, Mike Rossy and Perry Peregoy). So in FY 24, the City technically added three employees but also discontinued a professional service contract. To the slip holders and visitors, we hope this transition was viewed as perfectly seamless. Scott Fitzhugh had been a City of Cambridge employee until the City contracted with Oasis in 2018. Perry Peregoy greatly assisted the City by agreeing to utilize his prior and extensive background in financial services to serve as our interim Finance Director. Now that he has accepted the position full-time, we are recruiting a Harbor Assistant replacement for the position at the Marina he vacated.

#### **New Proposed Positions in FY 25**

The draft Budget contemplates adding six new positions in FY 25, with at least one of these positions funded completely through a recently awarded HUD grant. Three of the additional positions will be paid for by the Sewer Fund and will establish a PM program for our sanitary sewer collections system. Two contemplated positions in Engineering hold promise of a partial offset from grants awarded for specific capital projects.

### *Three Maintenance Worker*

The FY 25 salary and benefits line items provide funding for a Maintenance Worker II (class 7) and two additional Maintenance Worker I (class 6) positions. These three individuals will be dedicated to daily preventative maintenance and sewer collection system asset management. These new field employees will be part of the Department of Public Services, and the draft Budget includes funding for a smaller, tow-behind vacuum, a robotic sewer camera system and trailer, and a mini-excavator. Adding more staff for preventative maintenance is essential to improving our ability to reduce sewage overflows and is a best practice we have not followed in the past. I view this as very much a non-discretionary program to add next year.

### *Healthy Homes Program Specialist*

The City was recently awarded a \$1.87 million grant to train and certify residents on lead paint abatement and to perform lead paint removal in homes built prior to 1978. This new program will be part of the Housing Division in the Department of Development. The Healthy Homes Program Manager (class 10) will provide direct daily oversight to this new program. This will be the second position we are filling that is entirely dependent upon continuing federal grants beyond three years. (The other is the Environmental Program Manager in Engineering.) A component of the Healthy Homes Program is community engagement through a Public Outreach Coordinator. We believe this is of paramount importance to the program's success. The grant does not provide sufficient funding to add the POC as a full-time position but does provide monies for community engagement and outreach. The City is looking at utilizing these funds for a part-time POC. As of this writing, staff members are still formulating a plan for how to deploy these grant dollars for community engagement.

### *Graduate Civil Engineer*

The City is fortunate to have George Hyde, PE serving as a Senior Projects Engineer for an additional year beyond his original plan of retiring last November. His extended service could not have come at a better time for the City given the capital projects we have under Engineering's management. The draft Budget contemplates employing Mr. Hyde through December of 2024. He will then retire from public service with the sincere thanks of Cambridge. This draft Budget contemplates hiring a graduate civil engineer—a professional just starting his or her career—to supplement Bucky Jackson. The job description and classification are under review, but the draft Budget provides a salary of \$80,000 with associated benefits costs. Staff believes that a portion of this new position's salary will be eligible for reimbursement under federal grants associated with green infrastructure and shoreline resiliency.

### *Overlapping Engineer Tech III*

The City has one Engineer Tech III position to mark City of Cambridge underground utilities for construction projects and to inspect City construction projects in process. Some inspections require either third-party contractual inspections or inspections by the City Engineer or Senior Project Engineer. That said, there is more utility marking and city inspections than can be completed by one person in the coming two to five years. The long-serving and dedicated incumbent, Ed Phillips, is eligible to retire at any time and when he does the City will lose considerable institutional knowledge. This draft Budget contemplates hiring an additional Engineering Tech (class to be determined based on qualifications) who can learn under the incumbent, provide needed inspections for over \$8 million in sewer projects already under way, and succeed Mr. Phillips whenever he does retire. Thus, the draft Budget contemplates an overlap with the incumbent and the likely successor.

### *Records Tech I*

The draft Budget does add an additional Records Tech I (class 6) in the Cambridge Police Department. The City continues to struggle with the performance of the County Dispatch center's entering in of warrants and other related duties. Unfortunately, there are risks to the public if we do not improve our own reliability in this area, so Chief Todd and his team are requesting another person to ensure the timely processing of all warrants, court filings, mandated reporting, and more. The draft Budget provides funding for this civilian position in CPD.

### **Police Staffing Study**

Over the last two years, Cambridge Police have been gradually rebuilding the size of the department. CPD has benefited by becoming an agency that is now attracting certified law enforcement professionals who are experienced and can be deployed independently and promptly after completing a field training program. CPD continues to lose an occasional officer to other opportunities or retirement, but on balance the CPD is gaining strength. It is possible that in FY 25 CPD will reach 40 sworn officers on the force, a remarkable turnaround under the leadership of Chief Todd.

As the strength and size of CPD rebounds, we must look ahead to determine what comprises a full complement of sworn police officers to meet Cambridge's community policing expectations. Earlier in FY 24, Council approved a contract with a consultant to provide a staffing study and support a move towards "patrolling with purpose" strategy as a complement to our community-oriented policing. The staffing study is expected to be made available in late April or May. This will stimulate conversations about how many net additional police officers the City should recruit in the coming months and years.

### **Additional Incentive Pay for Rescue Fire Company (RFC) Volunteers**

As already discussed briefly in the Budget Transmittal Memorandum, the draft Budget contemplates an additional \$45,000 for volunteer stipends or incentives. The particulars of how these incentives will be structured remains a work in progress. In addition, each of the three chief officers who already enjoy a stipend will receive a \$2,500 increase in annual stipend starting in FY 25.

A new line item has been established and funded at \$45,000 for the chiefs to allocate for volunteers in a way that improves recruitment and retention. This figure was selected because RFC has a roster of 50 volunteers and slightly more than 30 volunteers annually respond with enough frequency and earn enough points to be considered in good standing.

It should not be lost on us that our volunteer firefighters respond to 1,200 calls for service in and near Cambridge annually. These women and men provide thousands of hours of service to our community. Demographers, sociologists and journalists opine constantly about how the next generations coming into adulthood do not currently share the values of volunteerism, public service, and community. We do not have to agree with this analysis to know that RFC has struggled to attract the next generation of firefighters to their roster. This remains a particular challenge for attracting people of color, though real and meaningful progress has been made and should be celebrated.

## **Benefits and Payroll System**

The City's migration toward a consumer-driven healthcare plan over the last two years is starting to pay dividends. As of this writing, medical claims are on pass to be down 30% over the prior year, and evidence indicates this is among the plan's covered lives which are not high claims cases. This means that through incentives and education, we are encouraging our employees to make more educated and cost-effective healthcare decisions. About half of the savings the City enjoys through reducing medical claims across the board are returned to the employees through contributions to their health savings accounts. The City is also incentivizing wellness. Combined, a consumer driven health plan and incentives can help the City control its long term healthcare costs.

I would be remiss if I did not point out just how successful the City's self-insurance plan has been for the last two decades. Under the guidance of Chet McWilliams and his colleague Glee Corona, the City has managed to enjoy stable healthcare costs year after year. Chet and Glee are always monitoring our claims, offering new ideas to improve the plan or save money, and support our employees. Our plan design developed by the McWilliams Group has saved the City millions over the years, and Chet and Glee are proponents of the City's move towards a consumer-driven healthcare model. We could not ask for better service!

Starting in July, all active employees who receive health insurance from the City will be enrolled in the consumer-driven healthcare plan with an HSA. Over two policy years, three out of four employees had voluntarily moved to this model anyway. It is now time to discontinue the older plans the City has offered.

Recently, Council received a report from Administrative Services Director Ina Holden detailing enhanced benefits the City has added over the last two years. These benefits include paid parental leave, voluntary wellness incentives, payment if an employee declines health insurance and stays on a qualified spouse's plan, leave donation, and the upcoming roll out of the Time to Care Act. This review of benefits has also led staff to recommend that the City enhance our life insurance policies for all employees. Additional life insurance for all employees will cost the City \$34,000 annually, and this new benefit is considered as a supplemental expenditure in Table 2.

Under the Finance Director Perry Peregoy, the City is rolling out this month a new payroll system called Paycom. This modern payroll system will streamline the data entering process, provide employees more insight and control over their benefits, allow for auditable project and grant accounting, and save time. Like any change, the new payroll system requires adaptation from our employees. But this new payroll system is consistent with Council's second stated goal of improving the efficiency and effectiveness of our organization. I am excited for this improvement.

## **Conclusion**

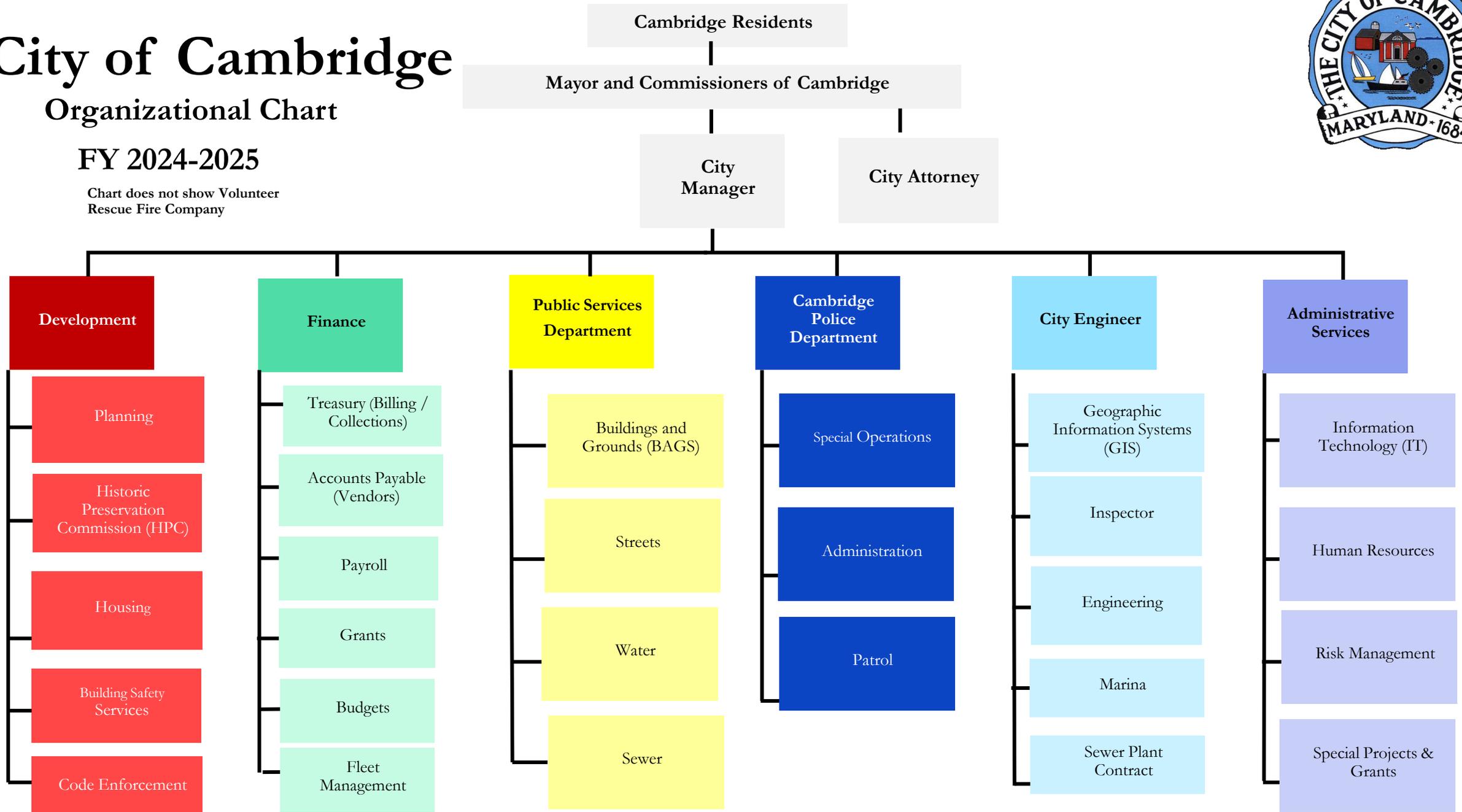
The City of Cambridge's work force is being rightsized, though in this context that means adding new positions, reclassifying individuals who take on additional duties, and hiring positions dependent upon current and future grants for continuing support. Our workforce has historically been undersized, and this proposed Budget takes significant steps forward to correct this so that our workforce can better meet the service expectations of our residents. We are also enhancing pay and benefits to make our organization more competitive.

# City of Cambridge

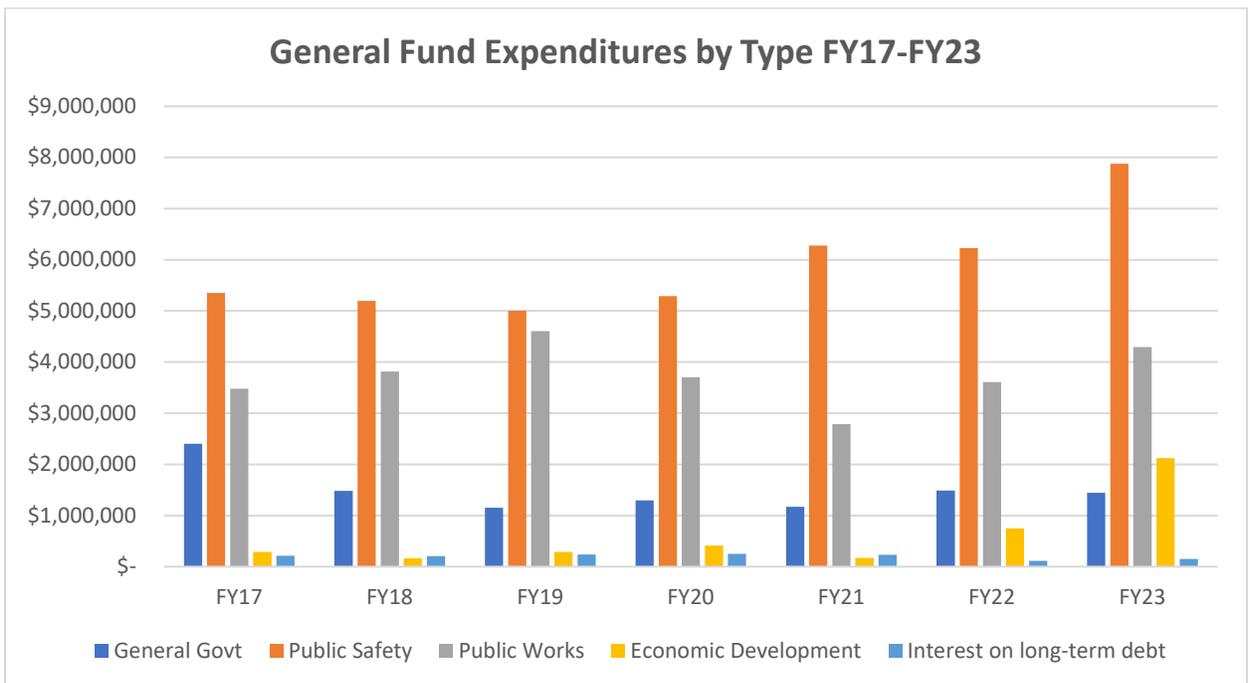
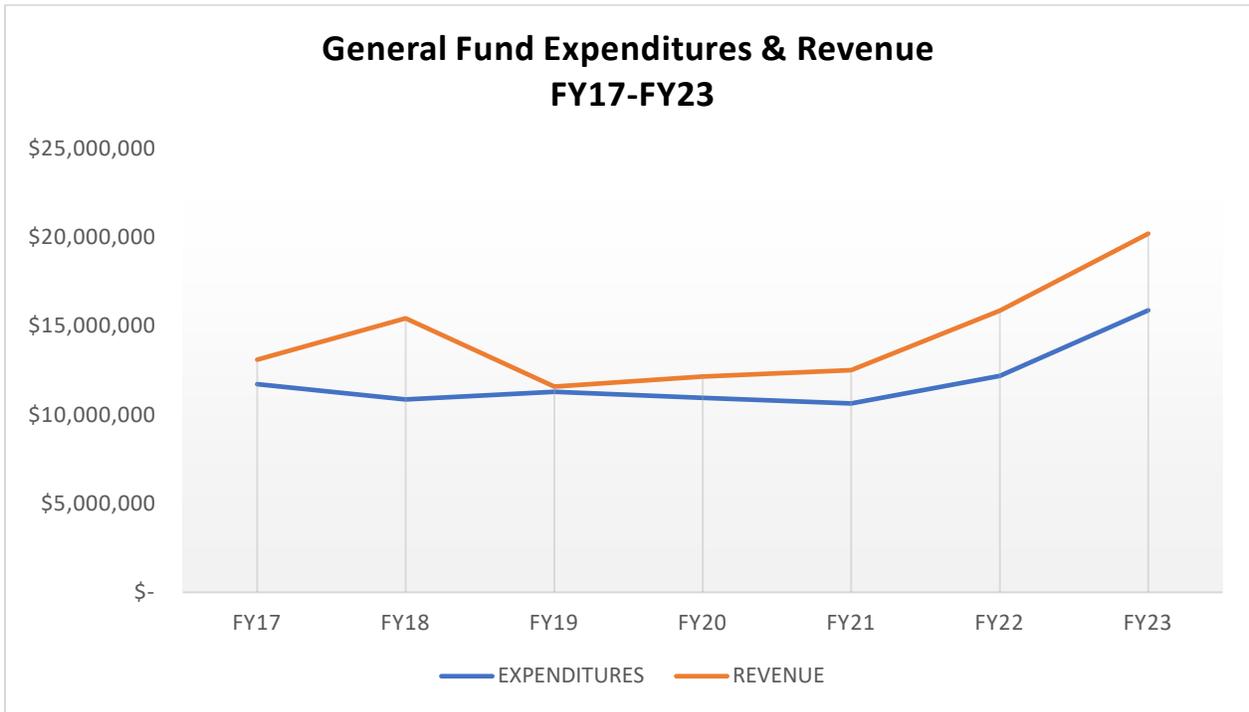
## Organizational Chart

FY 2024-2025

Chart does not show Volunteer  
Rescue Fire Company



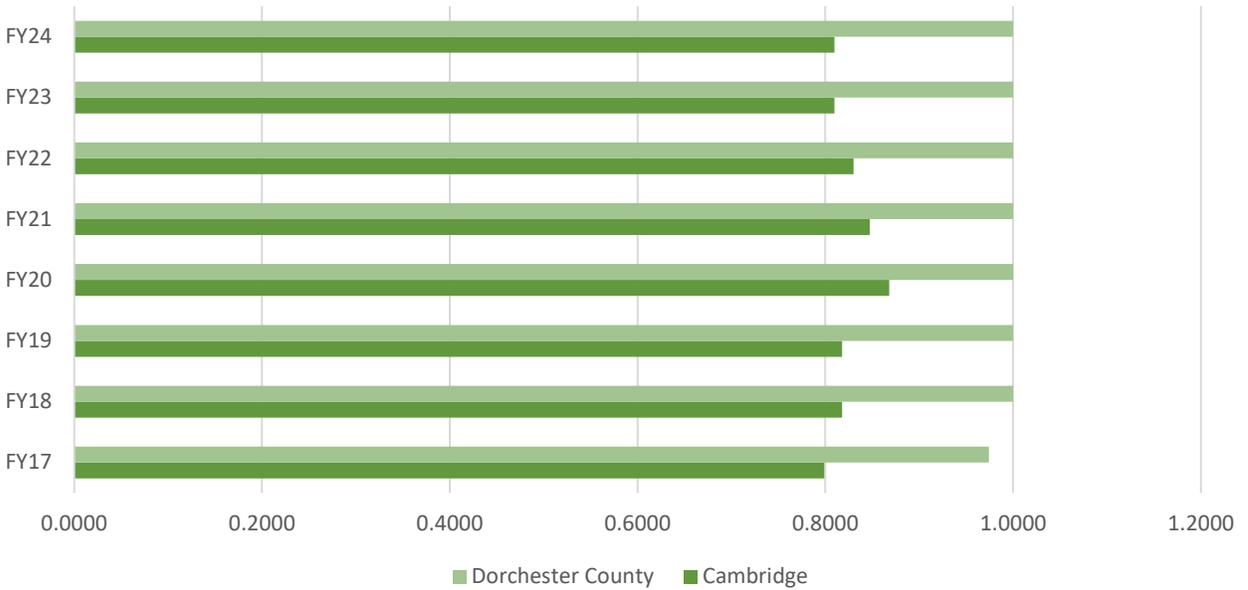
# City of Cambridge Budget Information



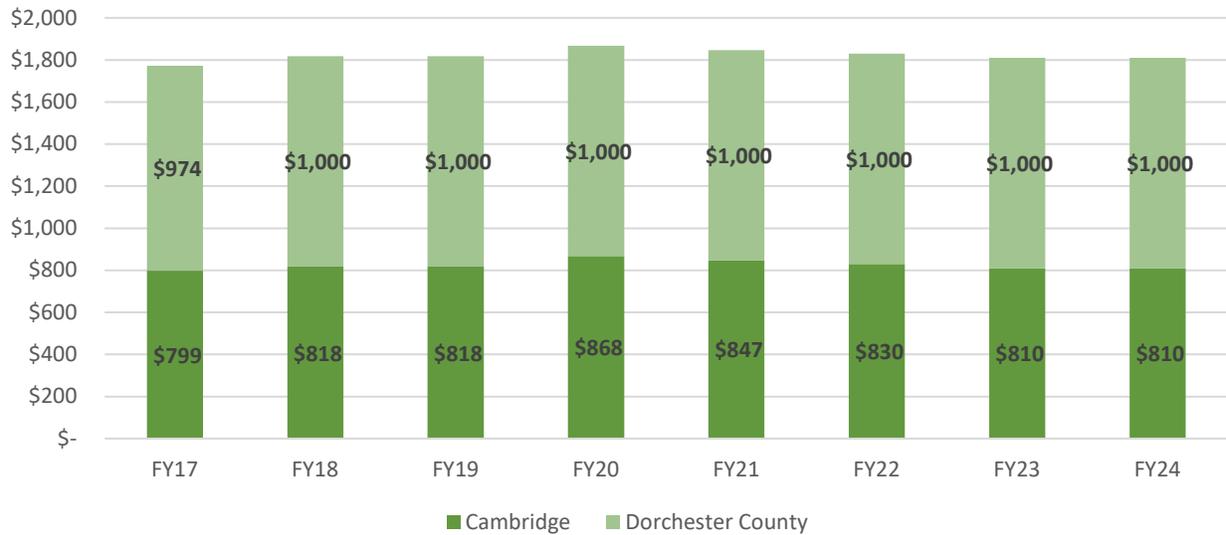
### Cambridge Property Tax Revenue FY17- FY23



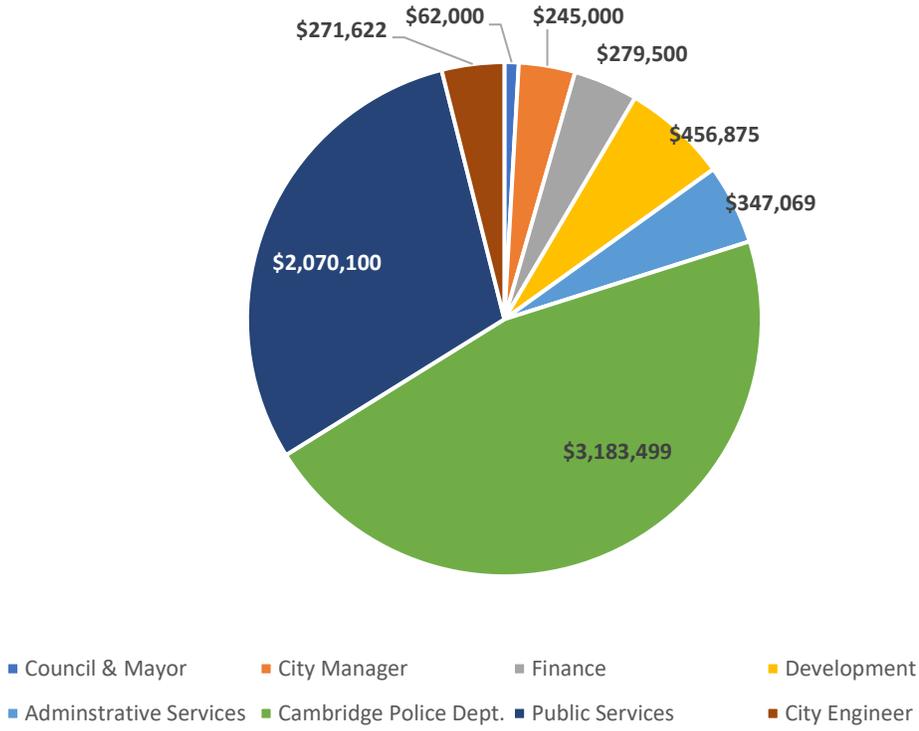
### Cambridge Share of Dorchester County Property Tax FY17-FY24



### Cambridge Share of Property Tax for Homes Assessed at \$100,000 FY17-FY24



### Salary + Overtime by Department FY24

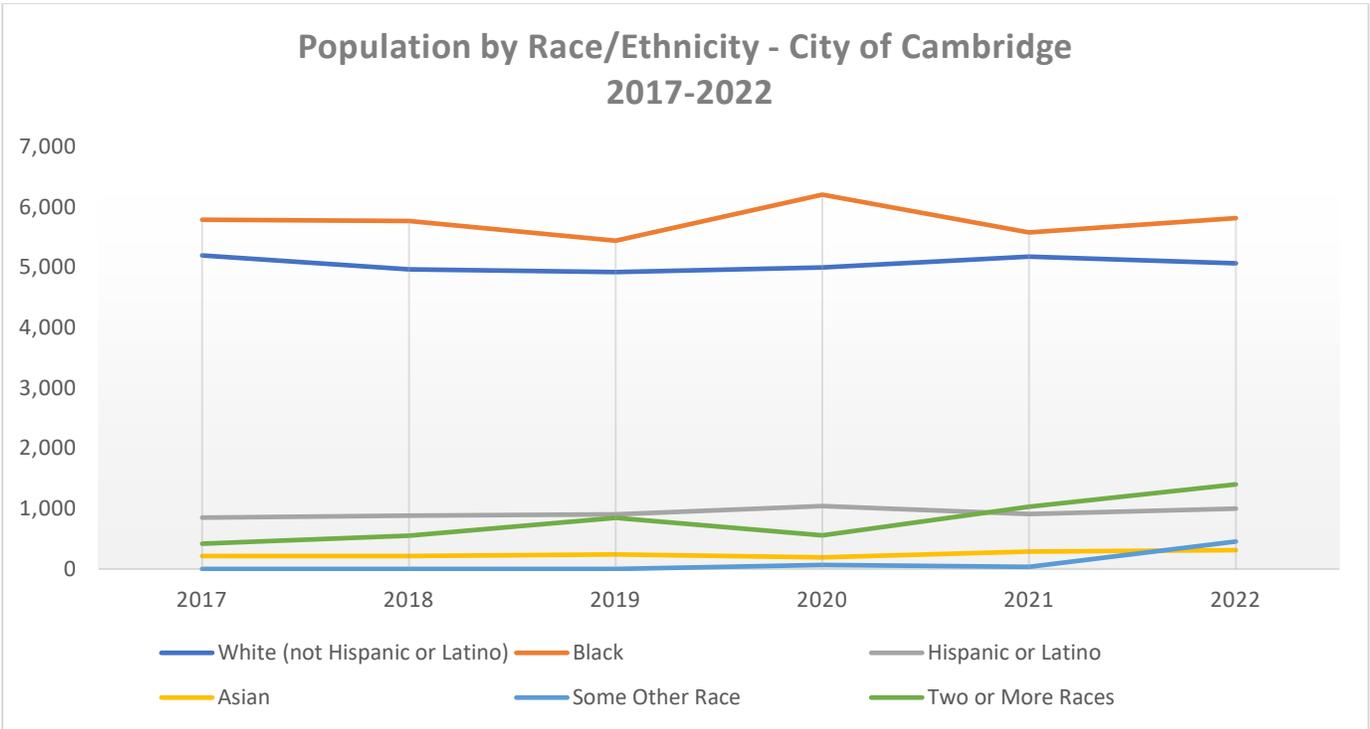
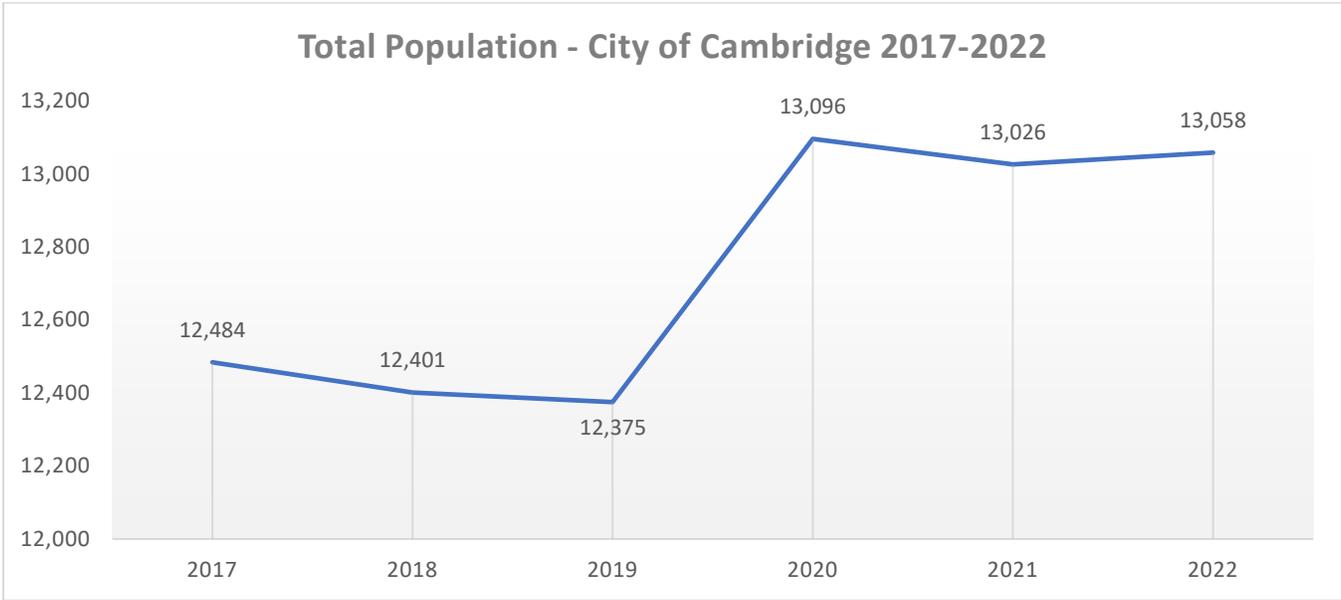


Debt Service	Balance Apr-2024	2024	2026	2028	2030	2032	2034	2036	2038	2040	2042	2044	2046	2048
Leaf Vacuum Truck	\$ 45,560													
Clam Shell Truck	\$ 30,373													
Sweeper & Dept. of Public Services	\$ 76,105													
2013 Washington St. Bank Building	\$ 69,504													
Public Facilities Bond	\$ 4,341,192													
Sewer Fund: Water Quality Bond	\$ 592,896													
USDA	\$ 192,352													
Rescue Fire Truck	\$ 1,831,440													
Water St. Sewer replacement	\$ 3,498,177													
Sailwinds Wharf	\$ 2,552,258													

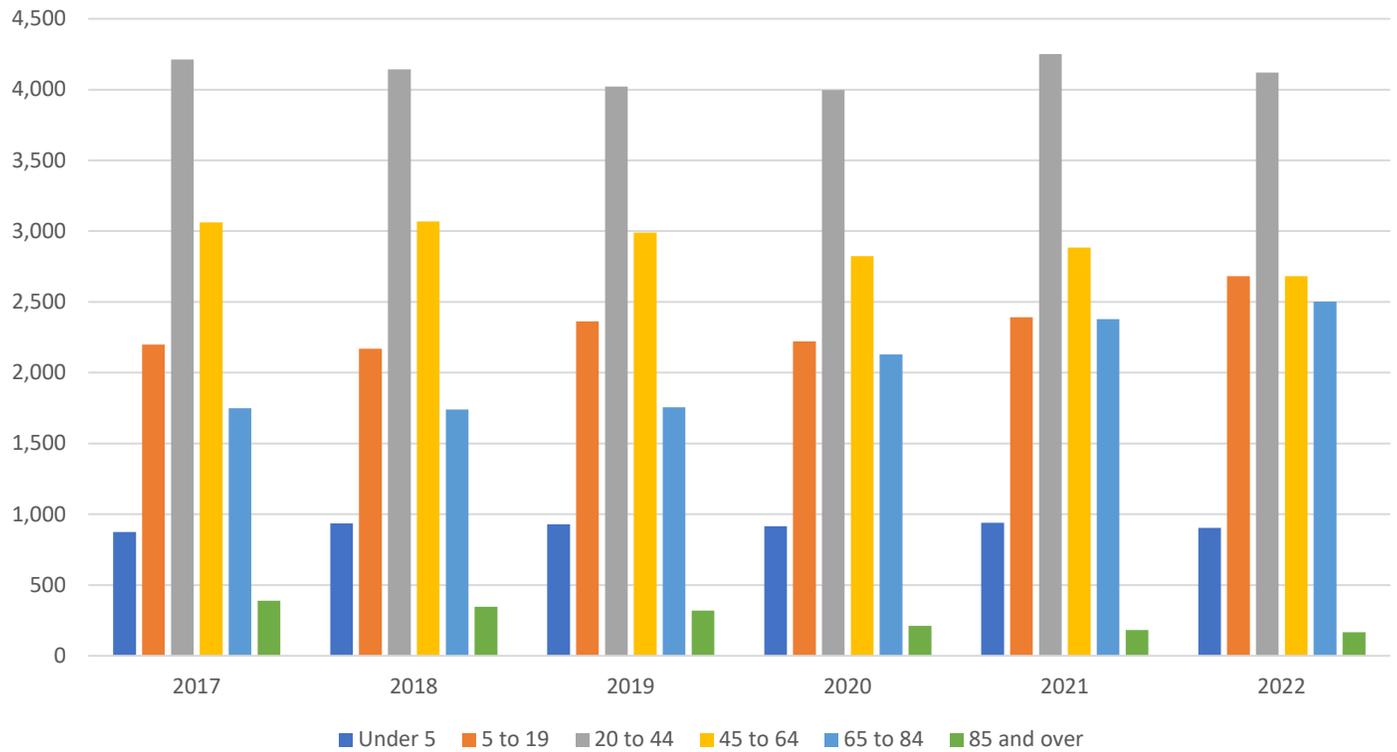
# About the City of Cambridge in Charts & Graphs

	Cambridge	Dorchester County	Maryland
Population, 2020 Census	13,096	32,531	6,177,224
Population, % change- 2010 to 2020	6.2%	-0.3%	7.0%
Population, 2010 Census	12,326	32,618	5,773,552
Population, 2022 American Community Survey 5-Year Estimates	13,058	n/a	n/a
Median Age	37.3	43.8	39.7
65 Years and Older	28.2%	21.9%	23.9%
White alone	38.8%	61.1%	47.2%
Black or African American alone	44.5%	27.7%	29.1%
Hispanic or Latino	7.7%	5.5%	11.8%
American Indian or Alaska Native alone	0.0%	0.3%	0.2%
Asian alone	2.4%	1.1%	6.8%
Native Hawaiian and other Pacific Islanders	0.0%	0.0%	0.0%
Two or more races	10.7%	3.9%	4.4%
Housing units	6,517	16,383	2,530,844
Occupied housing units	5,314	13,721	2,321,208
Homeownership rate	44.2%	68.4%	67.7%
Median gross rent	\$ 956	\$ 968	\$ 1,550
Without Health Care Coverage	4.3%	5.2%	6.1%
High School graduate or higher, persons age 25 years & higher	87.3%	87.8%	91.4%
Bachelor's degree or higher, persons age 25 years & higher	20.1%	19.2%	43.8%
Below Poverty level	22.3%	15.4%	9.6%
Employment Rate	56.0%	56.2%	63.7%
Median Household income	\$ 44,114	\$ 57,490	\$ 94,991

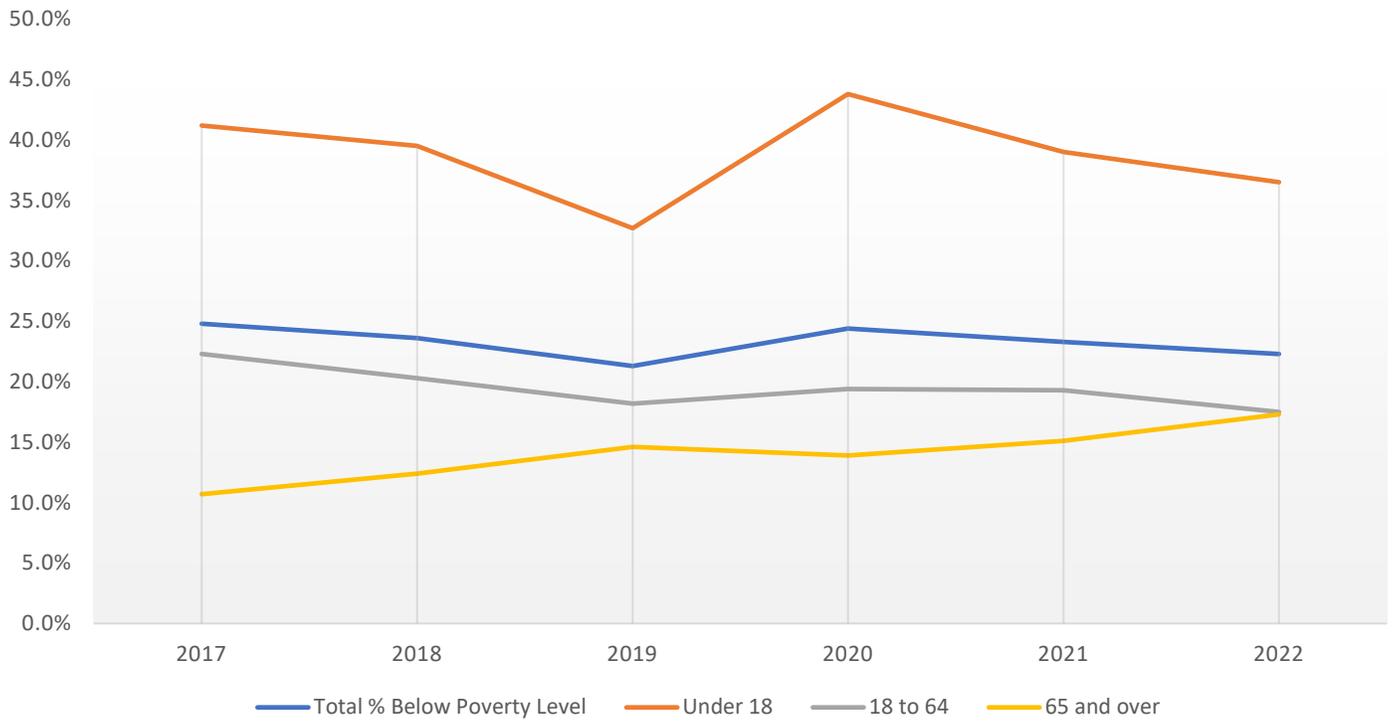
Source: 2022 American Community Survey 5-Year Estimates, unless otherwise noted in italics, 2020 Decennial Census.



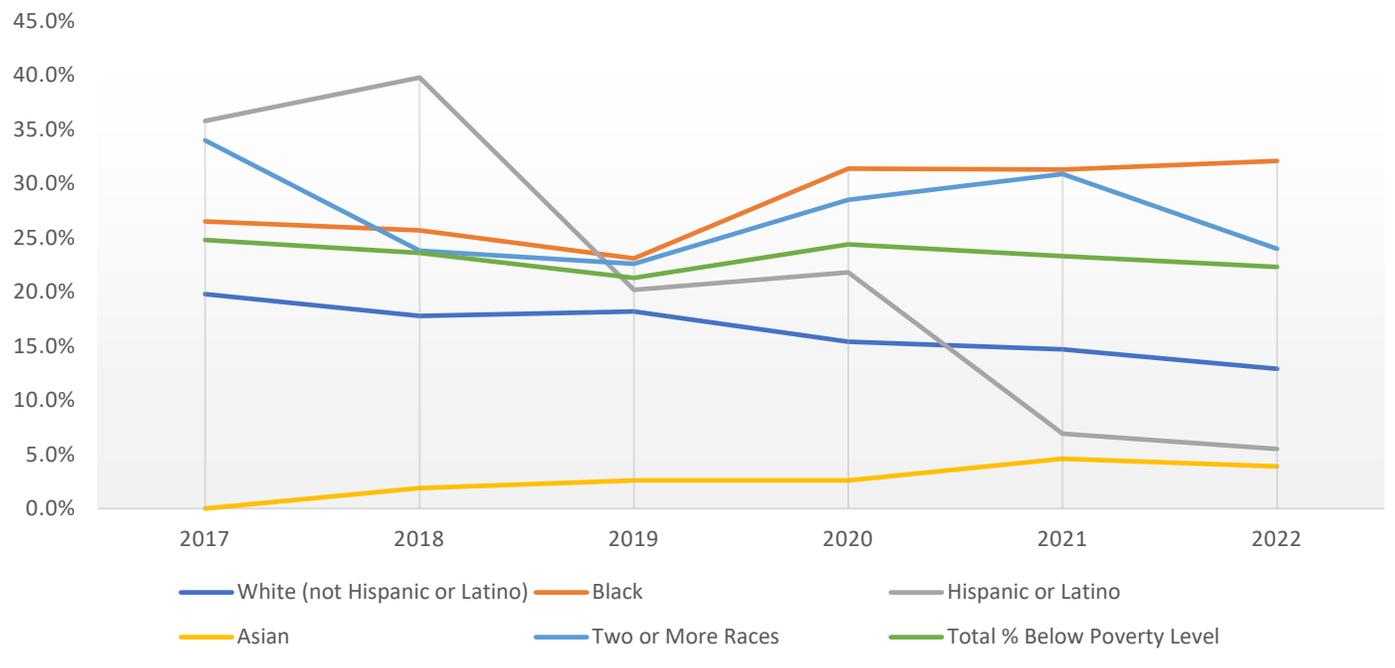
Age Distribution - City of Cambridge 2017-2022



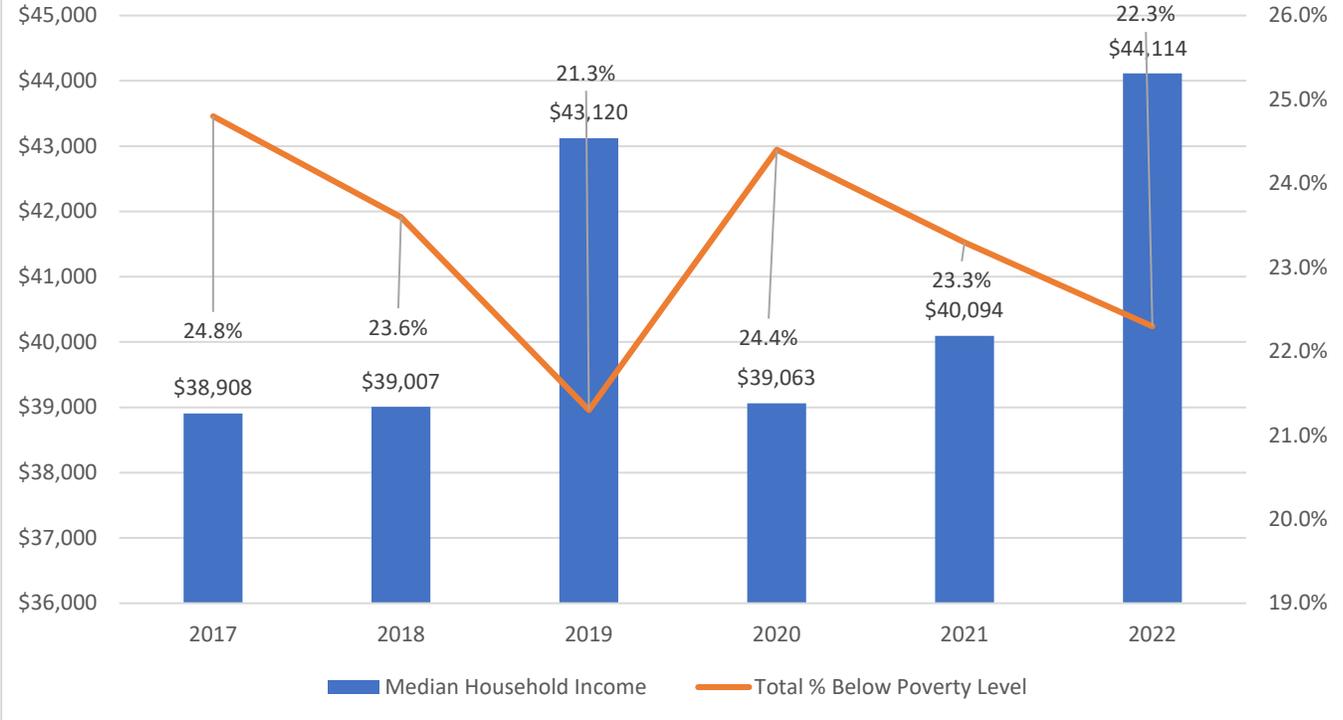
**% Below Poverty Level by Age - City of Cambridge  
2017-2022**



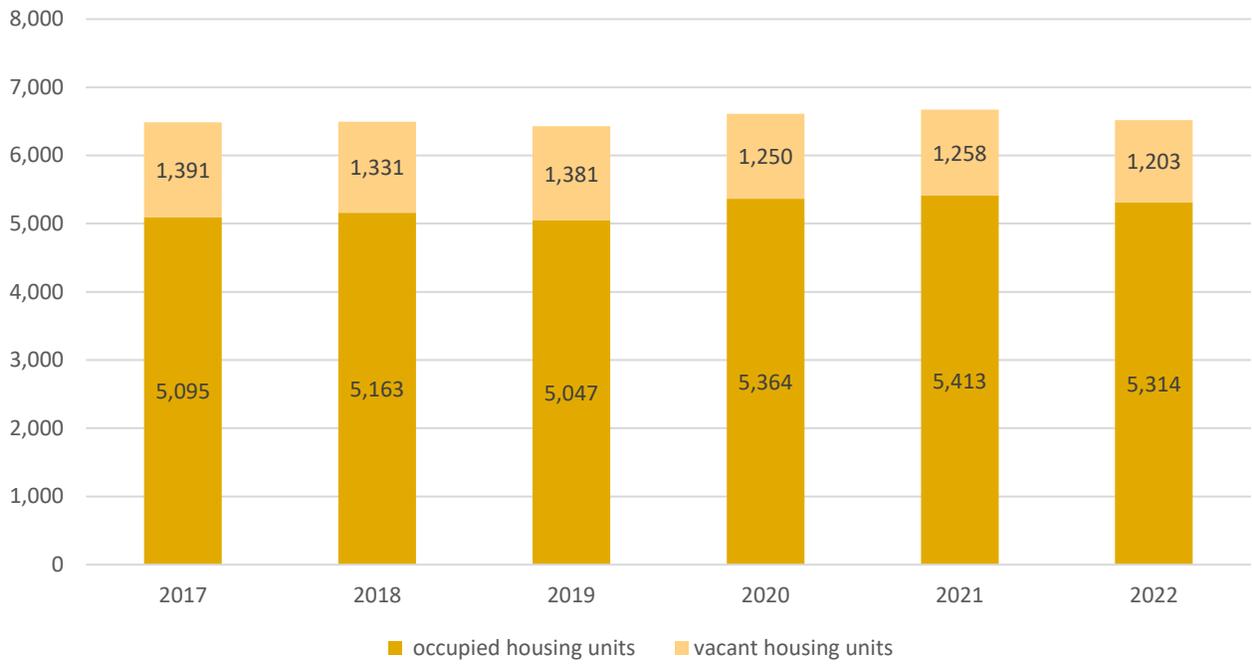
**% Below Poverty Level by Race/Ethnicity - City of Cambridge  
2017-2022**



### Relationship of Median Household Income to % Below Poverty Level - City of Cambridge 2017-2022



### Total Occupied and Vacant Housing Units - City of Cambridge 2017-2022



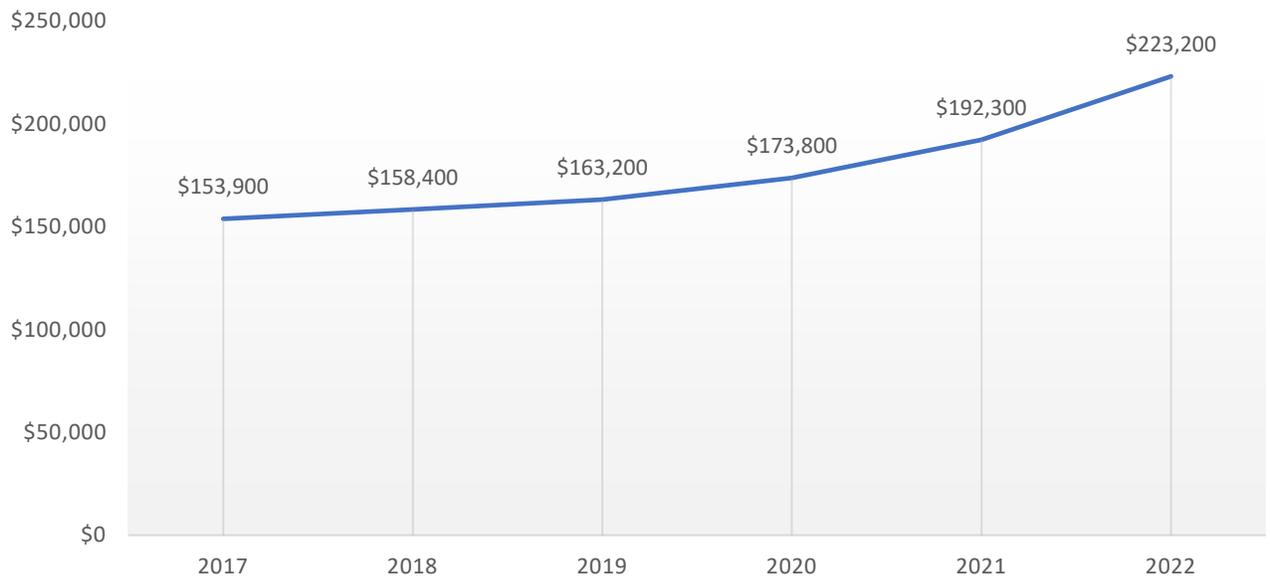
### Median Rent - City of Cambridge 2017-2022



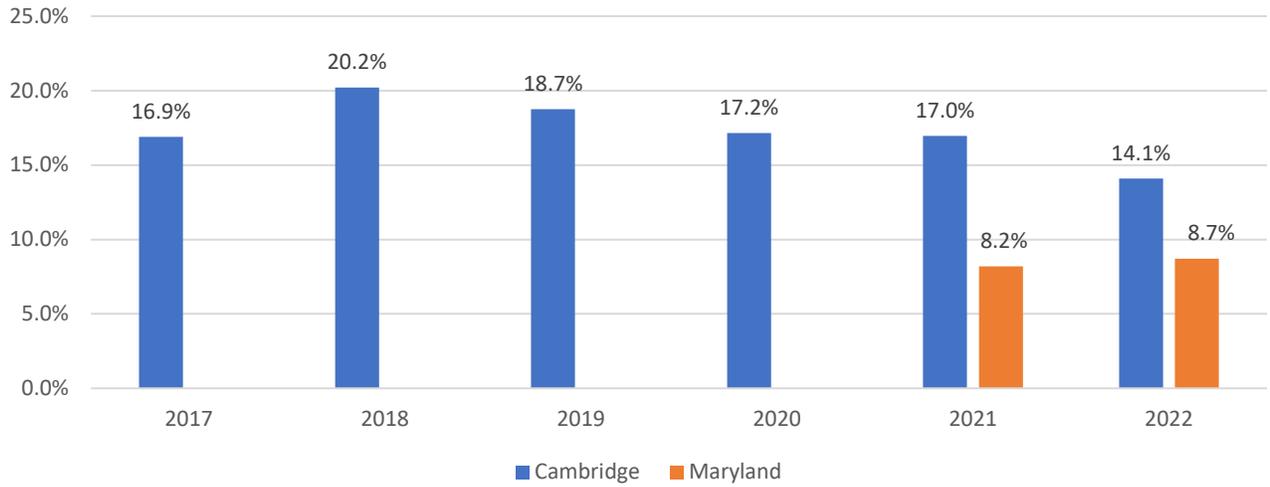
### Median Rent - City of Cambridge Compared to the State of Maryland and Selected Cities 2021-2022



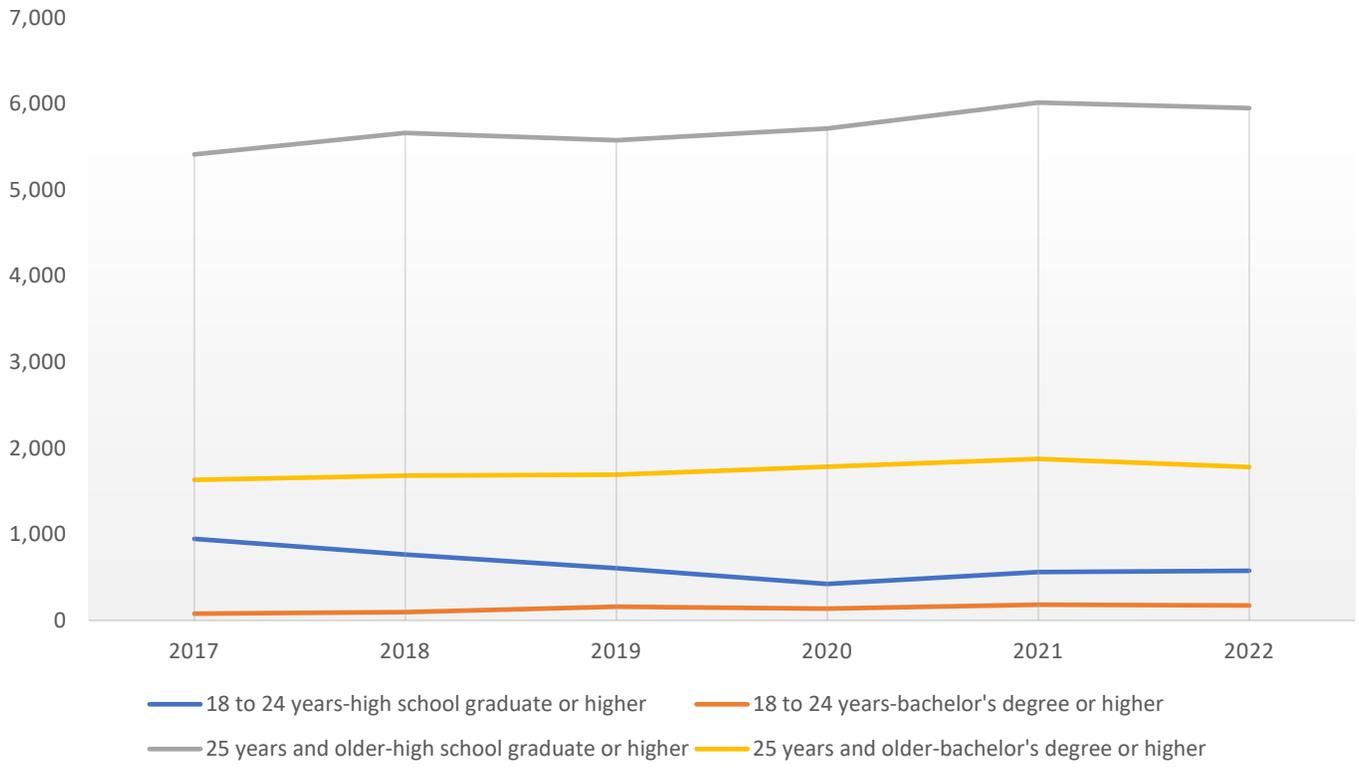
### Median Value of Owner-Occupied Units - City of Cambridge 2017-2022



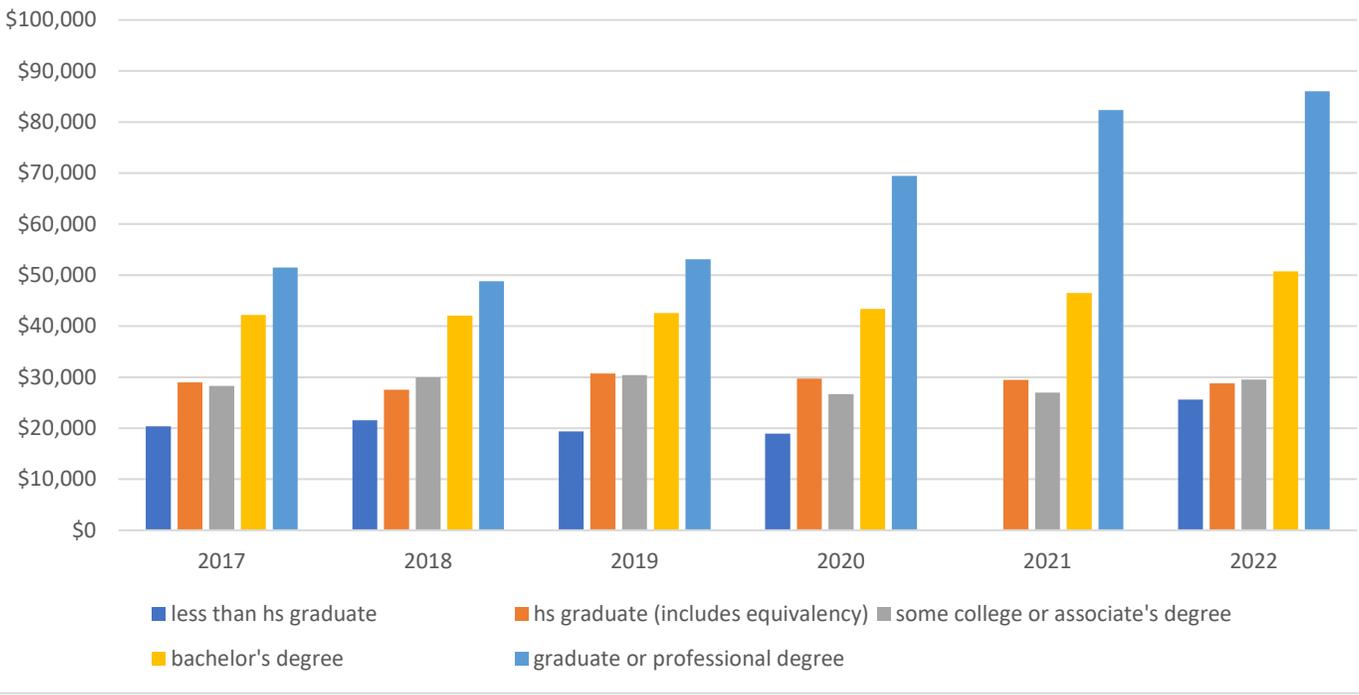
### % of Occupied Housing Units with No Vehicle - City of Cambridge 2017-2022



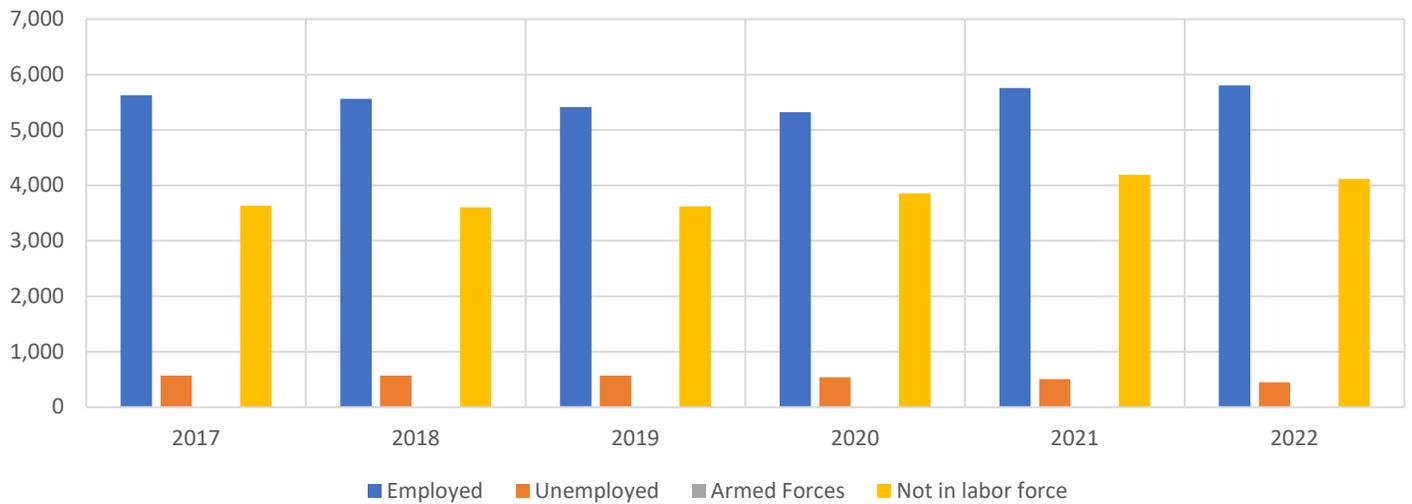
### Educational Attainment by Age - City of Cambridge 2017-2022



### Earnings by Educational Attainment - City of Cambridge 2017-2022



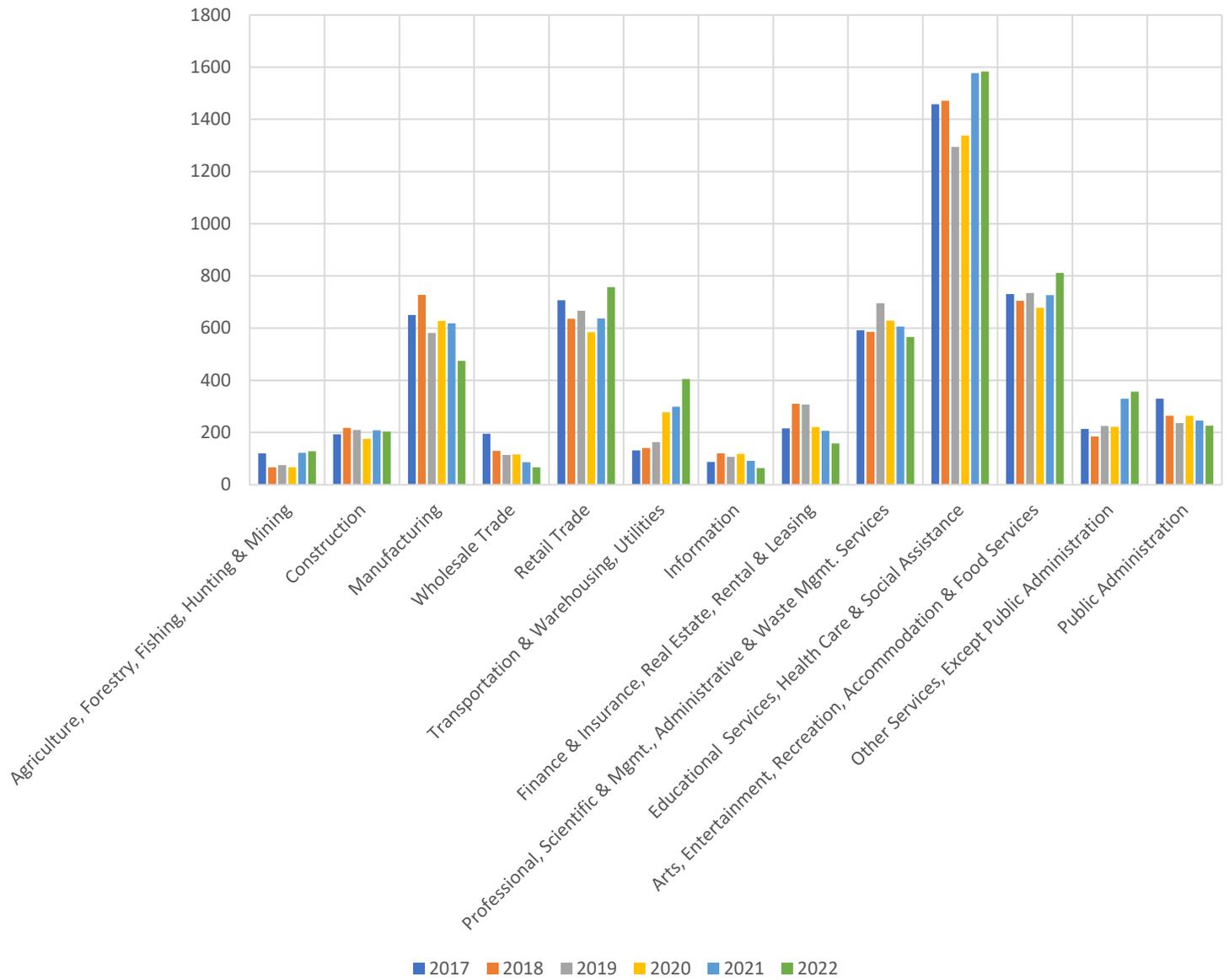
### Employment by Type - City of Cambridge Population 16 Years and Older 2017-2022



### Top Employers - City of Cambridge 2023

Employer	Type
Hyatt Regency-Chesapeake Bay	Accommodation & Food Services
Cambridge Mack Senior Center	Health Care & Social Assistance
Autumn Lake Healthcare at Chesapeake Woods Center	Health Care & Social Assistance
Auxiliary The Eastern Shore Hospital Center	Health Care & Social Assistance
Mallard Bay Nurse Rehab Center	Health Care & Social Assistance
Maryland Wire Belts	Manufacturing
Cambridge Engineered Solutions	Manufacturing
EGIDE USA	Manufacturing
Interstate Corrpac, Inc.	Manufacturing
Horn Point Laboratory	Professional, Scientific, Technical Services
Walmart Supercenter	Retail Trade
Source: Maryland Dept. of Labor, last updated 10/2023	

## Employment by Industry - City of Cambridge 2017-2022



All data sources: 2022 American Community Survey 5-Year Estimates & 2020 Decennial Census, unless otherwise noted.

**City of Cambridge  
General Fund**

**Revenue**

	<b>Actual 2022</b>	<b>Actual 2023</b>	<b>Budget 2024</b>	<b>Projected 2024</b>	<b>Budget 2025</b>
1 Real Estate	6,480,616	6,917,329	6,600,000	7,754,005	8,207,000
2 Personalty - Personal Property	38,777	695	-	-	
3 Personalty - Personal Property	18,964	(1,073)	-	-	
4 Personalty - Personal Property	765,874	761,043	828,575	892,500	895,000
5 R.R. & Public Utilities	337,729	349,891	325,000	460,000	460,000
6 Prior Year Levies	8,966	325	50,000	500	1,000
7 Interest-Delinquent Tax	118,065	96,542	80,000	35,000	35,000
8 Revenue Replacement (ARPA)	-	-	400,000	400,000	300,000
9 ARPA Transfer to GF (Youth Program)	-	-	75,000	20,000	
10 Over/Short	(875)	1,162	-	-	
11 Income Taxes	955,570	1,170,269	1,000,000	1,170,000	1,170,000
12 Admissions & Amusements	120,347	70,061	98,743	112,000	115,000
13 Room Tax	927,042	895,093	950,000	900,000	950,000
14 Southside Landing	16,911	17,181	15,900	17,300	17,000
15 Highway User	709,563	538,767	847,638	847,600	997,249
16 Traders License	35,554	35,133	26,000	28,000	26,000
17 License & Permits	32,126	16,642	10,000	23,200	22,500
18 Plumbing Permits	220,979	161,761	150,000	250,000	250,000
19 HVAC Permits	29,462	26,623	25,000	39,000	40,000
20 Electrical Permits	4,380	4,020	3,500	5,400	4,800
21 Buildings & Equipment Permits	622,059	575,568	650,000	454,000	650,000
22 Board Up Permit	-	-		-	
23 Cable T.V. Franchise	158,263	149,742	160,000	142,800	145,000
24 Housing Rental Registration	205,242	204,018	200,000	225,000	235,000
25 Health Insurance Prescription Rebate	35,860	12,714	24,000	14,000	14,000
26 Health Insurance Employ Contribution	146,330	115,250	175,000	117,400	120,000
27 Health Insurance Retiree Contribution	-	(160)	-	-	
28 Sewer		1,680		1,400	
30 Grant- Tubman Mural Grant	23,624	1,200	-	-	

**City of Cambridge  
General Fund**

31	Grant-MacesLaneSRPSDF2020CAMB00184	200,000	5,512	-		
32	Grant- Cannery Park MD-20-CD-2	510,000	11,902	-		
34	Sea Wall Project	256,266	-	-		
35	Flood Mitigation Grant	135,328	6,533	-		
36	Covid-19 Recovery Funds	1,958,181	-	-		
37	Payment-in-lieu-of-taxes (pilot)	54,600	56,293	57,000	60,000	80,000
38	Community/Drug Take Back	15,000	-	-		
41	Police Protection-State (SAPP)	190,886	540,489	500,000	545,000	500,000
42	Financial Corporations	21,396	-	10,698	-	
43	Grant-Broadband (Packing House, Park)	100,000	-	-		
44	State 508 Funds	23,532	24,104	24,000	24,000	24,000
45	Corona Virus Grant (COVID-19)	8,993	-	-		
46	Woods Road Lights	-	-	500	-	-
47	Beer & Wine License	-	-	4,000	-	-
48	County Fireworks	2,000	2,000	2,000	2,000	2,000
49	Dept Public Works/Misc	15,135	10,227	5,000	5,500	5,000
50	Delinquent parking tickets	255	175	300	100	175
51	Solid Waste Disposal Fees	844,352	926,286	1,112,342	1,110,000	1,100,000
52	Property Cleanup Fees	28,250	44,680	40,000	31,400	35,000
53	Board Up Property Fees	-	1,833	1,500	1,500	1,500
54	Scrap Metal Proceeds	431	440	400	-	-
55	Fire Dept Service Charges (Hazmat)	-	10,200	10,000	-	5,000
56	Parking Citations	1,670	620	1,000	800	1,000
57	Civil Citations	6,250	750	500	200	400
58	Municipal Infractions	32,943	8,737	6,000	28,800	30,000
59	Interest & Dividends	65,333	86,617	35,000	600,000	650,000
60	Donations	(1,000)	-		-	

**City of Cambridge  
General Fund**

61	CPD Events Fund Contributions	23,089	9,212	5,000	7,500	5,000
62	Police officer fees	11,575	64,418	20,000	24,600	25,000
63	Sale of Assets	-	-	-	26,600	8,000
64	Forfeitures Confiscations	-	-	-	-	-
65	Miscellaneous Interest	-	-	-	-	-
66	Miscellaneous Revenue	51,981	30,609	35,000	35,000	35,000
67	Jury Duty Reimbursement	45	60	-	30	-
68	Workman's Comp Reimbursement	42,072	9,018	15,000	-	-
69	Operating Exp Reimburs	(567)	6,697	-	-	-
70	WCEM Wire	800	800	800	800	800
71	Water Tower Lease	25,751	25,555	26,354	29,000	27,500
72	Lighthouse Rental Fee	300	225	300	300	300
73	Electronic Sign Revenue	-	25,937	12,000	12,000	12,000
74	Misc Rental Leases	26,480	-	-	-	-
75	Cambridge Com Radio	2,700	2,475	2,700	4,325	-
76	Carry-Over Reserve	-	-	1,064,886	-	-
77	Reimburse from Utlities Audit	-	-	15,000	15,000	15,000
78	Transfers from Other Funds	25,702	-	-	-	-
79	Transfer from Special Projects	-	-	-	51,000	125,000
80	ARPA Transfer to GF	-	-	-	102,000	120,000
79						
80	<b>Total Revenue</b>	<b>16,702,422</b>	<b>14,189,882</b>	<b>15,701,637</b>	<b>16,626,560</b>	<b>17,462,224</b>

**City of Cambridge  
General Fund**

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84 **Expenditures**

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86 **Commissioners**

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	<b>Actual 2022</b>	<b>Actual 2023</b>	<b>Budget 2024</b>	<b>Projected 2024</b>	<b>Budget 2025</b>
<b>Commissioners</b>					
Salary-Regular	56,478	52,431	50,000	52,431	50,000
FICA Expense	4,321	4,012	3,825	4,012	3,825
Health Insurance	-	-	-	-	-
Time To Care	-	-	-	-	225
Pension	2,540	2,274	2,264	2,274	2,400
Workman's Comp	197	222	229	222	737
Dues MML	2,308	12,983	12,000	-	-
Meetings & Conventions	7,837	31,320	30,000	25,000	27,000
Operations Supplies	468	-	500	750	840
Professional Services	4,500	18,000	18,000	18,000	20,000
Contingency	-	-	-	-	-
<b>Subtotal</b>	<b>78,650</b>	<b>121,242</b>	<b>116,818</b>	<b>102,689</b>	<b>105,027</b>
<b>Mayor</b>					
Salary-Regular	5,031	9,092	12,000	12,000	12,000
FICA Expense	385	696	918	918	924
Health Insurance	-	-	-	-	-
Time To Care	-	-	-	-	50
Pension	-	-	-	-	-
Workman's Comp	47	53	55	55	147
Dues and Publications	-	186	200	200	400
Meetings & Conventions	4,092	7,484	3,000	3,000	3,600
Operations Supplies	1,138	313	1,000	1,000	1,080
Contingency	-	-	500	-	-
<b>Subtotal</b>	<b>10,692</b>	<b>17,825</b>	<b>17,673</b>	<b>17,173</b>	<b>18,201</b>

**City of Cambridge  
General Fund**

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	<b>Actual 2022</b>	<b>Actual 2023</b>	<b>Budget 2024</b>	<b>Projected 2024</b>	<b>Budget 2025</b>
<b>City Manager</b>					
Salary-Regular	189,993	276,103	245,000	245,000	285,000
FICA Expense	14,349	20,745	18,743	18,742	21,342
Health Insurance	23,845	26,710	19,616	29,500	30,168
Time To Care	-	-	-	-	1,255
Pension	18,167	34,618	27,734	27,734	33,394
Recruitment	24,062	12,230	1,000	1,000	1,000
Employee Training	-	250	1,000	-	-
Relocation Expense	13,713	-	-	-	15,000
Workman's Comp	563	955	1,120	1,300	447
Office Supplies	407	2,922	2,000	2,000	2,100
Printing	778	862	750	750	800
Advertising	4,000	7,647	6,000	2,500	3,000
Travel	950	3,877	3,000	4,500	5,040
Dues and Publications	11,178	2,512	4,000	14,000	15,015
Meetings and Conventions	2,214	8,720	3,000	6,000	6,300
Vehicle Gas & Oil	-	-	-	-	-
Vehicle Repair & Maint	202	-	-	-	-
Operating Supplies	286	1,301	1,000	-	-
Office Equip Repair/Maint	-	-	-	-	-
<b>Subtotal</b>	<b>304,705</b>	<b>399,452</b>	<b>333,963</b>	<b>353,026</b>	<b>419,861</b>
<b>Elections</b>					
Misc Operating Expenses	-	33,544	-	-	30,000
<b>Subtotal</b>	<b>-</b>	<b>33,544</b>	<b>-</b>	<b>-</b>	<b>30,000</b>

**City of Cambridge  
General Fund**

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	<b>Actual 2022</b>	<b>Actual 2023</b>	<b>Budget 2024</b>	<b>Projected 2024</b>	<b>Budget 2025</b>
<b>Financial Administration</b>					
Salary-Regular	228,754	251,306	279,500	290,600	403,500
FICA Expense	17,050	18,982	21,382	22,231	30,868
Health Insurance	67,758	76,201	84,238	84,238	40,356
Time To Care	-	-	-	-	1,816
Pension	35,509	35,820	31,639	31,639	48,299
Employee Training	204	590	7,500	7,500	-
Workman's Comp	827	1,014	1,277	1,277	885
Unemployment Insurance	274	286	300	300	-
Office Supplies	5,067	5,030	6,000	6,000	6,000
Telephone	9,037	12,203	9,000	12,000	12,000
Postage	2,168	3,493	2,500	2,900	3,000
Advertising	715	462	1,000	-	-
Travel	17	-	3,500	1,500	1,500
Dues and Publications	354	459	2,000	1,000	960
Meetings and Conventions	-	-	2,500	1,500	1,500
Vehicle Gas & Oil	371	-	-	-	-
Vehicle Repairs & Maint	-	-	-	-	-
Community Outreach Prog	-	-	-	-	-
Operation Supplies	400	537	1,500	500	600
COVID-19 Supplies	970	-	-	-	-
Professional Service	46,640	42,200	50,000	70,000	70,000
Prof Serv - Acct Firm as FD	-	-	-	-	-
CWDI	-	-	-	-	-
Miscellaneous Operating	211	1,675	1,000	250	480
Insurance Property	9,764	(6,470)	10,000	10,000	10,000
Lease Payments	6,975	6,991	7,850	7,850	8,000
Employee Recognition	2,735	-	-	1,000	2,400
Write Offs	8,175	3,177	10,000	20,000	20,000
Non-Bonded Debt	-	-	-	-	-
<b>Subtotal</b>	<b>443,975</b>	<b>453,955</b>	<b>532,686</b>	<b>572,285</b>	<b>662,163</b>

City of Cambridge  
General Fund

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181		<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Projected</b>
182	<b>Law</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2024</b>
183					<b>Budget</b>
184	Printing	-	-	-	-
185	Professional Services	7,396	21,800	7,500	500
186	Ethics Commission	-	-	1,500	1,000
187	Legal Fees	133,317	96,423	135,000	130,000
188	<b>Subtotal</b>	140,713	118,223	144,000	131,500
189					148,700
190					
191		<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Projected</b>
192		<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2024</b>
193	<b>Administrative Services</b>				<b>Budget</b>
194	Salary-Regular	-	-	156,200	162,800
195	FICA Expense	-	-	11,949	12,454
196	Health Insurance	-	-	10,069	10,069
197	Time To Care	-	-	-	-
198	Pension	-	-	17,682	22,500
199	Recruitment	-	-	20,000	75,000
200	Employee Training	-	-	5,000	-
201	Training - Citywide	-	-	50,000	-
202	Workman's Comp	-	-	714	971
203	Office Supplies	-	-	2,000	300
204	Printing	-	-	300	500
205	Postage	-	-	500	500
206	Marketing	-	-	5,000	3,000
207	Travel	-	-	3,000	500
208	Dues and Publications	-	-	500	3,000
209	Meetings and Conventions	-	-	3,000	1,500
210	Vehicle Gas & Oil	-	-	1,000	55
211	Vehicle Repairs & Maint	-	-	4,000	-
212	Operation Supplies	-	-	3,000	3,000
	Safety Equipment Maint - AEDs				
213	Professional Service	-	-	25,000	45,000
214	Employee Recognition	-	-	25,000	28,000
215	<b>Subtotal</b>	-	-	343,914	369,149
					341,781

**City of Cambridge  
General Fund**

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	<b>Actual 2022</b>	<b>Actual 2023</b>	<b>Budget 2024</b>	<b>Projected 2024</b>	<b>Budget 2025</b>
<b>Planning &amp; Zoning</b>					
Salary-Regular	111,802	144,083	152,500	141,500	216,667
FICA Expense	8,519	11,146	11,705	10,825	16,575
Health Insurance	14,283	17,704	20,250	18,800	32,112
Time To Care	-	-	-	-	975
Pension	17,794	17,020	17,320	19,191	25,935
Employee Training	982	589	3,000	600	3,000
Workman's Comp	10,669	665	699	805	590
Unemployment Insurance	-	-	500	-	-
Office Supplies	254	571	500	600	600
Advertising	12,383	8,024	9,500	8,500	9,000
Dues and Publications	250	719	600	-	720
Professional Service	-	-	-	-	-
Committee Meeting Compensation	9,450	7,050	15,000	8,500	15,000
Certification Fees	350	-	1,200	150	1,200
<b>Subtotal</b>	<b>186,735</b>	<b>207,570</b>	<b>232,774</b>	<b>209,471</b>	<b>322,374</b>
	<b>Actual 2022</b>	<b>Actual 2023</b>	<b>Budget 2024</b>	<b>Projected 2024</b>	<b>Budget 2025</b>
<b>General Services</b>					
Professional Services	5,000	-	-	-	-
Grant-Clean up & Green Up Maryland	2,994	-	-	-	-
<b>Subtotal</b>	<b>2,994</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**City of Cambridge  
General Fund**

	<b>Actual 2022</b>	<b>Actual 2023</b>	<b>Budget 2024</b>	<b>Projected 2024</b>	<b>Budget 2025</b>	
242						
243						
244						
245	<b>Information Technology</b>					
246	107,290	118,730	130,119	129,811	134,120	
247	7,800	9,164	10,298	10,298	10,260	
248	28,272	26,766	29,616	29,640	32,052	
249	-	-	-	-	604	
250	13,192	13,138	15,239	16,885	16,054	
251	11	-	1,000	1,000	1,500	
252	8,457	10,493	7,154	8,235	295	
253	15,654	32,377	36,800	36,800	56,208	
254	30,965	34,218	58,920	40,000	69,156	
255	54,616	89,665	81,250	53,441	64,300	
256	74,305	72,523	135,340	62,083	145,416	
257	-	-	300	-	300	
258	4,950	574	5,700	322	2,500	
259	-	-	6,600	1,261	-	
260	<b>Subtotal</b>	<b>345,512</b>	<b>407,648</b>	<b>518,336</b>	<b>389,776</b>	<b>532,765</b>

City of Cambridge  
General Fund

	Actual 2022	Actual 2023	Budget 2024	Projected 2024	Budget 2025	
261						
262						
263						
264	<b>Police Administration</b>					
265						
266	Salary-Regular	425,135	483,193	541,550	801,400	772,228
267	Salary-Overtime	1,644	(1,164)	5,000	19,750	19,800
268	FICA Expense	31,846	37,839	41,811	62,818	59,075
269	Health Insurance	65,244	80,827	89,238	132,055	106,572
270	Time To Care	-	-	-	-	3,475
271	Pension	17,855	17,253	22,017	24,396	23,521
272	LEOPS Pension	-	-	-	-	-
273	Recruitment	42,495	44,513	32,000	35,000	30,000
274	Employee Training	7,445	7,520	13,000	18,000	18,000
275	Wellness/Stress Treatment	4,000	-	10,000	-	-
276	Workers Compensation	41,767	4,203	56,105	64,572	53,486
277	Unemployment Insurance	9	-	1,200	-	-
278	Office Supplies	3,902	7,093	9,000	5,300	9,000
279	Telephone	(480)	-	9,000	13,991	-
280	Travel	4,048	4,907	5,000	13,000	12,500
281	Dues and Publications	1,100	510	1,500	1,300	1,300
282	Meetings and Conventions	(223)	2,070	2,000	1,500	1,800
283	Vehicle Repairs & Maint	29	125	-	-	-
284	Community Outreach Program	1,761	187	1,500	1,500	-
285	Pine Street Substation	2,047	1,867	4,500	2,600	4,000
286	Tools/Equipment	31,419	23,994	25,000	25,000	25,000
287	Communications	13,257	12,147	13,500	13,500	13,500
288	Explorer Program	-	-	-	-	-
289	Professional Services	12,855	19,580	15,000	15,000	15,000
290	Awards	525	1,292	1,500	1,500	1,500
291	Events	1,000	7,032	10,000	8,000	8,000
292	Utilities	-	-	37,000	-	-
293	Insurance-Property	81,305	132,919	100,000	120,000	120,000
294	Public Safety Bldg Bond	70,742	34,800	434,119	434,119	434,119
295	Machinery & Equip Capital	-	-	-	-	-
296	Non-Bonded Debt	390,661	385,360	-	-	-
297	<b>Subtotal</b>	1,251,388	1,308,067	1,480,540	1,814,301	1,731,876

**City of Cambridge  
General Fund**

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	<b>Actual 2022</b>	<b>Actual 2023</b>	<b>Budget 2024</b>	<b>Projected 2024</b>	<b>Budget 2025</b>
<b>Patrol</b>					
Salary-Regular	1,862,874	1,833,834	1,888,868	1,497,600	1,912,723
Salary-Overtime	224,917	419,024	283,330	407,100	407,040
FICA Expense	157,569	178,256	166,173	145,710	146,323
Health Insurance	476,313	590,085	652,337	650,000	358,680
Time To Care	-	-	-	-	8,607
Pension LEOPS	620,345	668,942	800,000	802,600	903,304
Workman's Compensation	262,376	340,222	300,519	330,225	219,019
Unemployment Insurance	37	-	5,000	-	-
Vehicle Gas & Oil	58,274	77,883	90,000	80,000	90,000
Vehicle Repairs & Maint	44,430	22,419	35,000	35,000	42,000
K-9 Program	9,167	11,648	17,000	14,000	13,500
Bike Patrol	-	1,757	3,000	2,000	2,000
Covid Supplies	2,981	-	-	-	-
Tools/Equipment	-	6,600	6,600	6,600	6,600
Uniforms	23,362	38,016	23,000	25,000	25,000
Body Camera Maintenance Agreement	36,953	36,953	50,004	50,004	50,004
Shot Spotter			50,000	50,000	50,000
Ammunition	7,540	14,345	12,000	10,000	10,000
Dispatcher Costs	177,217	177,217	177,217	177,217	177,217
Machinery & Equip Capital	-	-		-	-
Vehicle Lease	26,032	128,407	182,000	325,000	460,400
Lapse Time	-	-		-	-
<b>Subtotal</b>	<b>3,990,387</b>	<b>4,545,608</b>	<b>4,742,048</b>	<b>4,608,056</b>	<b>4,882,418</b>

City of Cambridge  
General Fund

	Actual 2022	Actual 2023	Budget 2024	Projected 2024	Budget 2025	
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327						
328						
329	<b>Special Operations</b>					
330						
331	Salary-Regular	346,386	233,548	417,943	362,100	422,020
332	Salary-Overtime	27,856	26,560	75,230	67,200	67,200
333	FICA Expense	27,325	20,257	37,728	32,841	32,285
334	Health Insurance	50,232	62,230	68,786	69,000	106,212
335	Time To Care	-	-	-	-	1,899
336	Pension	4,787	17,736	21,076	24,900	15,202
337	Pension LEOPS	-	-	-	-	-
338	Workman's Compensation	4,813	35,050	26,295	66,500	30,651
339	Operations Supplies	20,483	23,995	40,000	40,000	40,500
340	Clothing Purchase	1,082	-	2,500	2,500	2,500
341	Evidence Buy Expense	3,000	-	5,000	5,000	5,000
342	<b>Subtotal</b>	485,964	419,376	694,557	670,041	723,469
343						
344	<b>Community Policing</b>					
345	Operation Supplies	12,570	16,610	20,000	20,000	20,000
346	<b>Subtotal</b>	12,570	16,610	20,000	20,000	20,000
347						
348						
349	<b>CPD Event Fund</b>					
350	Operations supplies	10,250	-	-	2,000	2,000
351	<b>Subtotal</b>	10,250	-	-	2,000	2,000
352						
353						
354	<b>Ironman</b>					
355	Salary-Overtime	-	29,234	25,000	38,972	25,000
356	<b>Subtotal</b>	-	29,234	25,000	38,972	25,000
357						
358	<b>Special Events</b>					
359	Salary-Overtime	-	-	5,000	-	-
360	<b>Subtotal</b>	-	-	5,000	-	-
361						
362	<b>Police Department Total</b>	5,750,559	6,318,895	6,967,146	7,153,370	7,384,763

City of Cambridge  
General Fund

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	Actual 2022	Actual 2023	Budget 2024	Projected 2024	Budget 2025
<b>Rescue Fire Company</b>					
RFC-LOSAP	(31,073)	76,884	75,000	75,000	62,000
Office Supplies	306	491	500	500	500
Printing	2,460	2,337	3,000	3,000	3,000
Vehicle Gas & Oil	5,981	7,351	8,500	9,000	15,000
Vehicle Repair & Maint	34,956	42,951	60,000	60,000	60,000
Tires	9,834	16,376	3,000	3,000	3,000
Operations Supplies	3,299	3,560	5,500	5,500	6,500
COVID-19 Supplies	-	-	-	-	-
Hazmat Supplies	14,219	13,819	10,000	10,000	10,000
Foam	-	-	-	-	-
Protective Gear	48,535	70,474	60,000	60,000	60,000
Water Rescue	-	-	5,000	5,000	5,000
Hose & Appliances	14,738	5,462	10,000	10,000	10,000
Systems Management	9,785	7,819	10,000	10,000	10,000
Fire Prevention	4,458	4,757	7,000	7,000	7,000
Other Repairs & Maint	6,726	3,840	5,000	5,000	5,000
Radio Repairs	245	593	1,250	1,250	1,250
Air Mask Repairs	-	321	500	500	500
Radio Replacement	4,258	-	4,500	4,500	4,500
508 Expenses	-	23,959	10,000	39,500	25,000
Tools/Equipment	17,278	23,285	32,000	32,000	32,000
Awards	3,900	10,800	12,000	12,000	12,000
Certification Fees	31,955	32,747	40,000	40,000	40,000
Insurance-Property	18,929	21,168	16,500	21,579	21,579
Volunteer Benefits	20,000	27,500	32,500	32,500	40,000
Membership Incentives/Retention					45,000
Vaccinations/Health	26,366	22,599	25,000	25,000	25,000
Banquet	4,098	5,500	9,000	9,000	9,000
Training	4,877	8,253	10,000	10,000	10,000
Fire Truck Lease Purchase-NB Debt	76,816	(184,877)	140,880	140,880	140,880
Public Safety Bldg Bond	294,129	294,129	289,413	289,413	289,413
<b>Subtotal</b>	<b>627,073</b>	<b>542,098</b>	<b>886,043</b>	<b>921,122</b>	<b>953,122</b>

City of Cambridge  
General Fund

	Actual 2022	Actual 2023	Budget 2024	Projected 2024	Budget 2025	
400						
401						
402						
403	<b>Buildings and Grounds (BAGs)</b>					
404						
405	Salary-Regular	235,363	298,033	418,631	366,820	438,500
406	Salary-Overtime	5,571	6,209	9,800	28,062	28,200
407	FICA Expense	17,510	23,477	32,775	30,000	33,545
408	Health Insurance	100,801	124,878	174,600	137,500	104,328
409	Time To Care	-	-	-	-	1,973
410	Pension	43,239	17,748	47,389	52,509	52,488
411	Workman's Comp	28,089	29,449	36,295	43,350	36,171
412	Unemployment Insurance	4	-	500	-	-
413	Telephone	29,805	29,794	30,000	26,038	30,000
414	Computer Software	908	976	910	1,045	1,140
415	Vehicle Gas & Oil	9,238	11,663	12,500	6,375	12,000
416	Vehicle Repairs & Maint	5,487	6,736	7,500	2,355	3,000
417	Operations Supplies	3,560	3,756	6,000	6,972	7,500
418	ADA Portable Toilets	1,295	625	1,500	1,046	1,500
419	Weed & Mosquito Control	2,874	1,791	4,000	1,100	4,000
420	Tools/Equipment	824	2,518	4,500	4,500	10,040
421	Flow Prevention Test	380	-	400	400	400
422	Signal/Traffic Maintenance	13,636	15,353	12,000	87,000	45,000
423	Street/Parking Lot Maintenance	4,390	7,269	5,500	5,500	94,500
424	Building Repairs & Maintenance (Non-PSB)	48,066	100,288	50,000	181,051	111,600
425	Building Repairs & Maintenance (PSB)	66,575	39,517	55,000	159,414	160,200
426	Utilities	101,626	135,162	125,000	166,610	174,936
427	Energy Cost Street Lights	363,481	412,778	395,000	381,365	395,000
428	Misc Operating Expense	2,696	1,384	3,500	3,500	6,000
429	Insurance-Property	17,644	19,730	20,000	39,234	41,196
430	Vehicle Leases	-	-	-	-	34,020
431	City Hall Roof	16,049	-	-	-	-
432	Park & Playground Maintenance	-	-	-	-	144,974
433	Housing Authority Drainage	22,636	-	-	-	-
434	Non-Bonded Debt	93,888	122,124	122,000	122,000	122,000
435	Grounds Maintenance	-	-	-	-	122,124
436	<b>Subtotal</b>	1,235,636	1,411,258	1,575,300	1,853,746	2,094,212

**City of Cambridge  
General Fund**

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	Actual 2022	Actual 2023	Budget 2024	Projected 2024	Budget 2025
<b>Public Works Administration</b>					
Salary-Regular	113,467	125,798	152,500	152,500	151,000
FICA Expense	8,242	9,623	11,666	11,666	11,552
Health Insurance	60,015	74,386	65,000	65,000	22,116
Time To Care				-	680
Pension	17,946	34,113	17,263	19,128	18,075
Substance Abuse Testing	173	1,276	1,000	-	-
Employee Training	3,329	4,524	7,500	7,500	7,500
Workman's Comp	632	12,031	697	3,710	4,622
Unemployment Insurance	7	-	1,000	-	-
Office Supplies	5,188	11,241	5,000	5,000	3,600
Telephone	15,792	21,487	17,000	28,922	30,300
Postage	529	4,025	2,000	2,000	3,000
Advertising	651	2,660	1,750	1,750	2,400
Dues and Publications	50	289	200	200	300
Meetings and Conventions	-	1,133		675	-
Vehicle Gas & Oil	5,504	3,720	3,500	175	240
Vehicle Repairs & Maint	3,430	3,040	2,000	650	300
Operations Supplies	609	331	1,000	1,000	200
Tools/Equipment	879	30	1,750	-	450
Professional Services	-	695	-	1,149	-
Vehicle Lease	-	-	-	-	10,000
Insurance-Property	37,837	46,876	38,000	53,348	53,348
Lease Payments	5,119	3,082	6,400	5,000	6,480
Machinery & Equip Capital	-	-	-	150,000	-
<b>Subtotal</b>	279,399	360,360	335,226	509,373	326,162

City of Cambridge  
General Fund

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	Actual 2022	Actual 2023	Budget 2024	Projected 2024	Budget 2025
<b>Engineering Department</b>					
Salary-Regular	193,441	251,402	271,622	378,495	524,300
FICA Expense	14,119	19,298	20,779	28,955	40,109
Health Insurance	35,941	44,525	49,201	50,000	106,212
Time To Care	-	-	-	-	2,359
Pension	23,883	32,861	30,748	34,070	62,759
Workman's Comp	15,337	25,176	23,550	25,000	22,558
Office Supplies			500	1,600	1,800
Printing			1,750	1,800	1,000
Travel			1,000	1,000	1,000
Meetings and Conventions			1,000	1,000	3,000
Vehicle Gas & Oil			3,000	3,000	2,400
Vehicle Repairs & Maint			1,000	2,400	1,000
Operations Supplies			750	750	900
Tools/Equipment	-	-	1,000	900	500
Professional Services	-	-	20,000	20,000	25,000
Certificate Fees			500	500	500
<b>Subtotal</b>	282,721	373,262	425,899	548,970	795,397
<b>Building Safety Services</b>					
Salary-Regular	166,831	141,328	193,875	179,620	208,000
FICA Expense	12,536	11,072	14,831	13,741	15,912
Health Insurance	43,255	53,587	45,000	60,000	30,288
Time To Care	-	-	-	-	936
Pension	20,735	16,736	21,947	24,318	24,898
Workman's Comp	13,229	13,680	16,809	20,000	18,090
Unemployment Insurance	7	-	1,000	-	-
Postage	1,616	1,887	2,000	1,700	2,000
Vehicle Repairs & Maint	410	5,602	2,500	2,500	2,500
Operations Supplies	3,974	3,251	6,000	3,000	5,000
MDIA Fees New Construct	109,205	76,074	100,000	90,000	100,000
Demolitions	-	-	30,000	20,000	70,000
Vehicle Lease	-	12,359	8,500	24,000	25,200
<b>Subtotal</b>	371,798	335,576	442,462	438,879	502,824

**City of Cambridge  
General Fund**

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	<b>Actual 2022</b>	<b>Actual 2023</b>	<b>Budget 2024</b>	<b>Projected 2024</b>	<b>Budget 2025</b>
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512 **Sanitation and Waste**

513	Salary-Regular	114,777	128,344	-	-	-
514	Salary-Overtime	238	(5)	-	-	-
515	FICA Expense	8,148	9,667	-	-	-
516	Health Insurance	45,088	44,525	-	-	-
517	Time To Care	-	-	-	-	-
518	Pension	14,229	14,195	-	-	-
519	Workman's Comp	9,137	11,380	-	1,372	-
520	Vehicle Gas & Oil	-	2,252	3,000	3,327	3,500
521	Vehicle Repairs & Maint	18,734	10,271	15,000	9,326	12,400
522	Operations Supplies	452	-	1,000	1,000	1,020
523	Professional Services (Solid Waste Contract)	734,520	913,858	1,091,487	1,051,767	1,104,360
524	Tipping Fees	73,774	33,945	30,000	15,000	15,000
525	Truck with Clam Shell (NB debt)	30,373	30,373	30,373	30,373	30,373
526	<b>Subtotal</b>	<b>1,049,470</b>	<b>1,198,805</b>	<b>1,170,860</b>	<b>1,112,165</b>	<b>1,166,653</b>

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	<b>Actual 2022</b>	<b>Actual 2023</b>	<b>Budget 2024</b>	<b>Projected 2024</b>	<b>Budget 2025</b>
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531 **Heavy Equipment Maintenance**

532	Salary-Regular	19,146	15,404	-	-	-
533	Salary-Overtime	1,122	294	-	-	-
534	FICA Expense	1,550	1,364	-	-	-
535	Time To Care	-	-	-	-	-
536	Pension	4,584	4,700	-	-	-
537	Workman's Comp	2,944	3,751	-	-	-
538	Operations Supplies	5,500	3,642	7,000	5,282	6,000
539	Tools/Equipment	2,401	1,503	3,000	3,000	3,000
540	<b>Subtotal</b>	<b>37,247</b>	<b>30,658</b>	<b>10,000</b>	<b>8,282</b>	<b>9,000</b>

**City of Cambridge  
General Fund**

	<b>Actual 2022</b>	<b>Actual 2023</b>	<b>Budget 2024</b>	<b>Projected 2024</b>	<b>Budget 2025</b>	
541						
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544	<b>Highways and Streets</b>					
545						
546	Salary-Regular	260,603	324,950	591,859	493,000	516,500
547	Salary-Overtime	13,177	13,584	16,594	20,000	19,800
548	FICA Expense	20,390	26,433	46,547	39,245	39,512
549	Health Insurance	65,244	80,827	95,000	138,000	112,500
550	Time To Care	-	-	-	-	2,324
551	Pension	37,818	41,189	66,998	75,491	61,825
552	Workman's Comp	24,186	32,289	51,314	61,700	45,225
553	Unemployment Insurance	4	-	1,000	-	-
554	Vehicle Gas & Oil	46,706	33,272	45,000	34,000	35,040
555	Vehicle Repairs & Maint	41,921	48,025	60,000	22,000	30,000
556	Operations Supplies	8,500	4,903	8,000	5,957	6,000
557	Road Salt	14,843	13,185	15,000	-	20,000
558	Snow Removal Equipment	-	679	8,000	3,291	32,000
559	Maintenance Materials	8,744	7,615	15,500	15,500	15,600
560	Heavy Equip Repair Maint	10,000	15,948	20,000	7,550	35,000
561	Tools/Equipment	13,894	6,939	6,000	5,796	15,000
562	Uniforms	19,888	26,064	30,000	31,467	23,000
563	Resurfacing	-	-	-	-	-
564	Machinery & Equip Capital	-	-	-	-	-
565	Construction Projects	-	-	-	-	-
566	Dorchester Avenue Proj	282,005	115,998	-	-	-
567	Streets Capital Equipment	-	-	-	-	-
568	Leaf Vacuum Truck	45,560	45,560	45,560	45,560	45,560
569	Concrete for Sidewalks/Curbs/Aprons	5,992	1,500	10,000	10,000	50,000
570	Vehicle Lease	28,940	26,534	57,500	68,160	27,200
571	<b>Subtotal</b>	948,415	865,494	1,189,872	1,076,717	1,132,087

City of Cambridge  
General Fund

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	Actual 2022	Actual 2023	Budget 2024	Projected 2024	Budget 2025
<b>Development</b>					
Salary-Regular	39,664	5,232	110,000	125,577	155,500
FICA Expense	2,998	385	8,415	9,601	11,904
Health Insurance	7,314	9,062	10,032	7,148	10,176
Time To Care	-	-	-	-	700
Pension	7,042	-	12,452	15,502	18,613
Employee Training	1,299	-	2,500	-	3,933
Workman's Comp	519	908	500	285	291
Office Supplies	-	-	500	400	400
Printing	180	-	500	300	300
Postage	-	-	-	-	-
Marketing	14,213	22,200	32,500	32,500	32,500
Travel	1,107	-	3,000	1,500	1,500
Dues & Publications	489	525	1,750	450	600
Meetings & Conventions	50	-	2,500	2,000	1,250
Operations Supplies	413	-	1,000	652	650
Professional Services	-	-	-	-	-
<b>Subtotal</b>	75,288	38,312	185,649	195,915	238,317

	Actual 2022	Actual 2023	Budget 2024	Projected 2024	Budget 2025
<b>Housing Development</b>					
Salary-Regular	-	-	-	94,775	160,000
FICA Expense	-	-	-	7,250	12,240
Health Insurance	-	-	-	4,852	32,052
Time To Care	-	-	-	-	720
Pension	-	-	-	11,174	19,152
Employee Training	-	-	-	-	-
Workman's Comp	-	-	-	215	299
Office Supplies	-	-	-	100	100
Printing	-	-	-	100	300
Postage	-	-	-	-	-
Marketing	-	-	-	-	-
Travel	-	-	-	500	500
Dues & Publications	-	-	-	50	1,000
Neighborhood Grant Program	-	-	-	7,500	15,000
Meetings & Conventions	-	-	-	500	500
Operations Supplies	-	-	-	100	100
Professional Services	-	-	-	-	-
<b>Subtotal</b>	-	-	-	127,116	241,963



**Special Projects Fund**

		Budget 2024	Projected 2024	Proposed Budget 2025
<u>Revenue</u>				
669	Cannery Park	150,000	150,000	-
670	Cannery Park Community Legacy Grant	-	-	600,000
671	Cornish Park	89,732	-	89,732
672	CDBG Special Proj	2,600,000	795,010	1,804,990
673	HOW Project	3,000,000	421,719	2,578,281
674	Maces Lane MD-22-CD-3	1,538,505	1,538,505	-
675	Maces Lane 00433	291,938	291,938	-
676	Maces Lane 00555	500,000	500,000	-
677	Cambridge Resiliency Grant/ Flood Mitigation	1,000,000	-	1,800,000
678	FEMA - Community Development	570,000	380,000	190,000
679	Cannery Park DNR Grant	1,000,000	-	1,000,000
680	444-448 Race Street	422,890	422,890	-
683	Beasley Market 00556	100,000	100,000	-
684	Bike Feasibility Grant	-	17,474	-
685	Leonard Lane Park	50,744	-	-
688	Water Wave Screen	-	-	430,000
689	Police Recruitment & Retention	-	-	85,000
690	Gun Violence Reduction Grant	-	-	100,000
691	Warrant Apprehension	10,000	10,125	10,000
692	Cops Hiring Fed Grant	-	-	100,000
693	BJAG	13,000	13,000	13,000
694	Bullet Proof Vests	-	4,710	-
695	BARM	-	18,000	-
696	BYRNE-JAG Grant 2020-0021CAMB PUB SAF	-	73,430	73,000
697	Tobacco Compliance	2,500	-	-
698	Resident Sidewalk Program, Prior-Year Repayment			40,000
699	MD Safe Streets for All			320,000
700	ARPA	5,783,126	5,783,126	3,427,871
701	1% for Arts - Transfer from other Funds	88,043	148,297	63,654
702	Transfer from Gen Fund (Supplemental)		660,000	160,000
703	Transfer from Gen Fund (Comp Plan)	100,000	100,000	50,000
704	Transfer from Gen Fund (Leonard Lane Sidewalk)	-	-	500,000
705	Transfer from Gen Fund (Safe Streets for All)			80,000
706				
707	<b>Subtotal</b>	<b>17,322,036</b>	<b>11,428,224</b>	<b>13,565,528</b>

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710 Expenses

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	Budget 2024	Projected 2024	Proposed Budget 2025
714 Cannery Park	150,000	150,000	-
715 Cannery Park Community Legacy Grant	600,000		600,000
716 Beasley Market 00556	100,000	100,000	
717 Cornish Park	89,732	-	89,732
720 CDBG Special Project	2,600,000	795,010	1,804,990
721 HOW Project	3,000,000	421,719	2,578,281
722 Maces Lane MD-22-CD-3	1,538,505	1,538,505	-
723 Maces Lane 00433	291,938	291,938	-
724 Maces Lane 00555	500,000	500,000	-
726 Cambridge Resiliency Grant/ Flood Mitigation	1,000,000	200,000	1,600,000
727 FEMA - Community Development	570,000	380,000	190,000
728 Cannery Park DNR Grant	1,000,000	-	1,000,000
729 444-448 Race Street	422,890	422,890	-
730 Bike Feasibility Grant	-	28,800	-
731 Leonard Lane Park	50,744	-	50,744
733 Water Wave Screen	-	-	430,000
734 Police Recruitment & Retention	-	-	85,000
735 Gun Violence Reduction Grant	-	-	100,000
736 Warrant Apprehension	10,000	10,125	10,000
737 Cops Hiring Fed Grant	-	-	100,000
738 BJAG	13,000	13,000	13,000
739 Bullet Proof Vests	-	4,710	-
740 BYRNE-JAG Grant 2020-0021CAMB PUB SAF INT	-	73,430	73,000
741 BARM	-	18,000	-
742 Resident Sidewalk Program		200,000	200,000
743 Tobacco Compliance	2,500	-	-
744 MD Safe Streets for All			400,000
745 Road Resurfacing		450,000	600,000
746			
747 1% for Arts - Expense	18,900	-	-
748 ARPA	6,848,012	6,848,012	2,407,430
749 Transfer from ARPA to GF (Revenue Replacement)	400,000	400,000	300,000
750 Transfer from ARPA to GF (Open Gov)	-	-	68,000
751 Transfer from ARPA to GF (Demolitions)	-	-	77,000
752 Transfer from ARPA to GF (Shot Spotter)	-	-	25,250
753			
754 <b>Subtotal</b>	19,251,221	12,846,139	12,952,427

**SEWER FUND**

<b>Revenue</b>		<b>Actual 2022</b>	<b>Actual 2023</b>	<b>Budget 2024</b>	<b>Projected 2024</b>	<b>Budget 2025</b>
755	ENR O&M Grant	290,676	294,839	243,000	264,384	
756	Trenton St Grant and Loan			4,100,000	-	4,100,000
757	West End Bond Proceeds			2,500,000	3,300,000	
758	Direct Spending Grant West End Project			500,000	500,000	-
759	Impact Fees - Sewer	5,739	-	-	6,900	-
760	Sewer Service	4,181,859	4,248,710	4,512,004	4,389,473	4,700,000
761	Sanitary #4 Sewer Fees	102,127	101,323	102,000	104,000	109,200
762	Sanitary#1 Sewer Fees	329,845	215,261	215,000	222,738	233,900
763	Sanitary#3 Sewer Fees	33,852	33,316	34,000	33,965	35,700
764	Sanitary District #7 Fees	110,042	109,685	110,000	116,400	122,300
765	Sewer Fees - Horn Point	16,679	16,792	18,000	18,500	18,500
766	Pollution Control Septic	53,970	68,491	54,000	97,900	100,000
767	Sewer Connections	4,511	-	3,500	-	-
768	Discharge Service	65,873	95,930	50,000	123,886	130,000
769	Carry-Over	-	-	-	-	-
770	Interest & Dividends	534	5,731	8,000	21,300	
771	Non-Bonded Debt - FY25 Preventative Sewer Equipment	-	-	-	-	200,000
772	<b>Total</b>	<b>5,195,707</b>	<b>5,190,078</b>	<b>12,449,504</b>	<b>9,199,446</b>	<b>9,749,600</b>

773

774

775 **SEWER FUND**

776

777 **Expenses**

778

	Actual 2022	Actual 2023	Budget 2024	Projected 2024	Budget 2025
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779 **Sewer Service**

780	Professional Services	139,313	452,563	200,000	200,000	200,000
781	WWTP Operations	2,015,876	2,078,200	2,551,715	2,400,113	2,852,248
782	Pre-treatment Program	13,097	16,105	22,847	18,994	26,352
783	Non-Bonded Debt	7,085	83,128	86,134	86,134	86,134
784	Wastewater Plant Capital Investment	174,050	48,013	204,726	204,726	385,000
785	<b>Subtotal</b>	2,349,420	2,678,008	3,065,422	2,909,967	3,549,734

786

787 **Sewer - Utilities Maintenance**

788	Salary-Regular	41,935	43,465	47,500	47,525	189,500
789	Salary-Overtime	1,422	149	713	292	600
790	FICA Expense	2,971	3,430	3,688	3,635	14,497
791	Health Insurance	14,290	17,704	15,600	19,500	70,392
792	Time to Care	-	-	-	-	853
793	Pension	4,961	4,894	5,377	5,957	22,683
794	Workman's Comp	3,186	(484)	4,118	4,750	4,667
795	Vehicle Gas & Oil	2,339	1,248	1,800	600	1,800
796	Vehicle Repairs & Maint	-	936	500	616	600
797	Heavy Equip Repair Maint	485	646	4,000	25,187	25,020
798	Sewer Pipe Materials	2,481	871	-	-	-
799	Small Equipment Purchase	-	-	-	-	5,000
800	Manhole Rings	849	236	7,500	-	-
801	Sewer Repair/Maint	114,790	4,973	18,000	3,000	-
802	Packing House Project	78,000	89,816	-	-	-
803	Insurance-Property	63,756	71,296	71,296	93,242	93,242
804	Vehicle Lease	-	-	28,940	28,940	28,944
805	<b>Subtotal</b>	331,465	239,179	209,032	233,244	457,798

	Actual 2022	Actual 2023	Budget 2024	Projected 2024	Budget 2025
806					
807					
808					
809					
810	<b>Miscellaneous</b>				
811	Pension	76,168	7,447	-	-
812	OPEB Expense	16,483	-	-	-
813	West End Sewer Project	-	-	3,300,000	3,800,000
814	Trenton St Grant	-	-	4,100,000	-
815	Contingency Fund	-	-	1,244	-
816	Depreciation Expense	1,176,672	-	-	-
817	Overhead Allocation	1,351,074	123,849	1,507,953	1,507,953
818	Bonded Debt, 2023 Serial A Debt	-	-	193,804	193,804
819	Transfer to Special Projects, 1% for Arts	-	-	76,050	38,000
820	Transfers to Other Funds	-	-	-	-
821	Preventative Maintenance Capital Items	-	-	-	400,000
822	<b>Subtotal</b>	2,620,397	131,296	9,179,050	5,539,757
823					
824	<b>Sewer Total Expenses</b>	<b>5,301,282</b>	<b>3,048,483</b>	<b>12,453,504</b>	<b>8,682,968</b>
825					
826	<b>Net</b>		<b>2,141,595</b>	<b>(4,000)</b>	<b>516,478</b>
					<b>(58,409)</b>

**WATER UTILITIES**

	Actual 2022	Actual 2023	Budget 2024	Projected 2024	Budget 2025	
<b>Revenues</b>						
827	Water Sales	2,334,229	1,787,365	2,033,923	1,843,950	2,084,543
828	Fireline Charges	39,000	37,880	56,940	93,000	105,000
829	Miscellaneous Sales & Service	158,650	394,753	218,000	337,218	300,000
830						
831	<b>Unappropriated Funds:</b>					
832	Penalty Fees	70,000	60,185	70,000	68,633	71,633
833	Interest Income	2,500	18,274	2,500	27,135	33,000
834	Credit Card Processing Fee	6,000		6,000	3,000	3,000
835	Meter Activation Charges	5,000	14,150	5,000	14,600	15,000
836	Bay Restoration Fund Reimbursement	12,000	12,332	12,000	12,000	16,000
837	Impact Fees		1,850			
838	Basic Connection Fees		95,665		69,318	75,000
839	Use of Reserves			67,710	60,259	
840	Gain On Sale of Assets		(133)			
841	<b>Total</b>	<b>2,627,379</b>	<b>2,422,321</b>	<b>2,472,073</b>	<b>2,529,113</b>	<b>2,703,176</b>

## WATER UTILITIES

	Actual 2022	Actual 2023	Budget 2024	Projected 2024	Budget 2025
842					
843					
844	<b>Expenses</b>				
845	<b>OPERATIONAL AND DISTRIBUTION EXPENSES</b>				
846	<b>Salaries 10-500-100</b>				
847	Maintenance Salary	368,033	392,669	543,347	494,655
848	Operations	72,109	76,473		1,749
849	Overtime	8,419	16,480	12,000	19,800
850	Time to Care				2,634
851	Payroll Taxes	33,557	35,844	42,484	39,280
852	<b>Subtotal</b>	482,118	521,466	597,831	555,484
853					
854	<b>Maintenance 10-500-200</b>				
855	Maintenance of Vehicles & Equipment	11,372.00	16,692.00	17,000	16,852
856	Operating Expenses	28,604.00	30,450.00	32,000	30,028
857	<b>Subtotal</b>	39,976.00	47,142.00	49,000	46,880
858					
859	<b>Maintenance 10-500-300</b>				
860	Maintenance - Physical Plant	114,766	126,275	130,700	230,890
861	Maintenance - Mains	52,118	48,539	50,000	212,086
862	Maintenance - Services	56,715	64,710	100,000	130,862
863	New Main Installation	90,896	15,568	50,000	56,695
864	Maintenance - Meters & Installation	46,238	21,994	230,000	154,926
865	Small Tool & Supplies	1,092	2,950	10,000	4,200
866	<b>Subtotal</b>	361,825	280,036	570,700	789,659
867					
868	<b>Utilities - 10-500-400</b>				
869	Utilities - Pump Stations	182,802	189,088	200,000	154,410
870	Purification, Chemicals, & Testing	41,647	48,019	50,000	52,741
871	Engineering	-	-	5,000	5,000
872	Street Repairs	29,709	14,908	15,000	26,253
873	Uniforms	1,625	3,096	10,000	3,500
874	Machinery & Equipment	2,438	6,781	40,400	65,000
875	Materials & Supplies-Invoice ADJ		(25,762)		
876	<b>Subtotal</b>	258,221	236,130	320,400	306,904
877					
878	<b>Total Operational &amp; Distribution Expenses</b>	1,142,140	1,084,774	1,537,931	1,698,927

## WATER UTILITIES

	Actual 2022	Actual 2023	Budget 2024	Projected 2024	Budget 2025
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879

## 880 GENERAL &amp; ADMINISTRATIVE EXPENSES

881

882 Salaries - Administratiave	302,022	295,151	267,256	264,201	278,275
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883

## 884 Payroll Taxes &amp; Fringe Benefits:

885 Payroll Taxes	22,067	23,450	20,445	20,445	21,288
886 Retirement	186,556	101,977	96,000	92,810	105,162
887 Health Insurance	206,831	259,760	230,000	210,711	176,724
888 Time to Care	-	-	-	-	1,252

889

## 890 Other General &amp; Administrative

891 Property Insurance	21,475	22,157	35,000	44,133	44,000
892 Office Supplies	87,537	72,165	90,000	101,979	90,000
893 Office Utilities	9,988	12,540	16,000	14,532	15,000
894 Legal & Accounting	12,000	12,000	15,000	15,000	15,000
895 Education & Training	2,506	5,212	7,500	2,266	5,000
896 Employee Cell Phones	3,135	2,880	4,000	2,287	4,000
897 Workman's Comp	-	51,514	55,000	55,000	50,520
898 Credit/Debit Card Fees	12,605	13,685	13,000	10,000	10,000
900 Miscellaneous	57	1,729	3,000	1,500	3,000
901 Depreciation	139,074	156,009		0	-
902 Purchase (Doty Property)		65,000			
903 Transfer to Special Projects, 1% for Arts			3,354	3,354	3,354
904 Overhead Allocation			148,037	148,037	175,000
905 OPEB Expense		24,725			

906

907 Total General & Administrative	866,779	1,119,954	1,003,592	986,255	997,576
908 Total Operation & Distribution	1,142,140	1,084,774	1,537,931	1,698,927	1,689,710
909 TOTAL OPERATING EXPENSES	2,008,919	2,204,728	2,541,523	2,685,182	2,687,285

910

911 USDA Bond Payment (Tech Park)	12,050	6,883	12,050	12,022	12,022
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912

913 GRAND TOTAL OPERATING EXPENSES	2,020,969	2,211,612	2,553,573	2,697,204	2,699,307
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914

915

916 NET		210,709	(81,500)	(168,091)	3,869
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**MARINA FUND**

<b>Revenues</b>		<b>Actual 2022</b>	<b>Actual 2023</b>	<b>Budget 2024</b>	<b>Projected 2024</b>	<b>Budget 2025</b>
917	DNR Grants - Marina	63,314	121,924	250,000	250,000	250,000
918	Boat Slip Rentals	249,638	281,170	225,000	305,000	290,000
919	Boat Slip Electric	30,045	32,664	30,000	33,000	29,006
920	Transient Slip-Rentals	57,787	58,724	50,000	50,000	46,800
921	Miscellaneous Receipts	2,959	1,768	2,500	2,600	2,200
922	Pump Outs	1,055	950	1,000	820	840
923	Marine Fuel	196,183	204,148	210,000	165,000	177,803
924	Cruise Ships	6,731	10,622	2,500	7,500	15,000
925	Misc Revenue	16,055	22,589	-	-	-
926	Service/Bank Fees	17,051	-22,029	-	-	-
927	Transfer from other Funds	396,000	-	-	750,000	-
928		1,036,817	712,530	771,000	1,563,920	811,649

929

## 930 MARINA FUND

931

932

Actual 2022	Actual 2023	Budget 2024	Projected 2024	Budget 2025
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## 933 Expenses

934	Salary-Regular	-	-	-	58,420	169,000
935	Salary-Overtime	-	-	-	4,469	3,500
936	FICA Expense	-	-	-	4,500	12,929
937	Health Insurance	-	-	-	10,515	42,108
938	Time To Care	-	-	-	-	761
939	Pension	-	-	-	4,089	20,229
940	Workman's Comp	-	-	-	-	13,568
941	Unemployment Insurance	-	-	-	-	-
942	Vehicle Gas & Oil	-	-	-	-	1,000
943	Vehicle Repairs & Maint	-	-	-	-	1,000
944	Fuel (Cost of Goods Sold)	143,487	178,991	160,000	133,650	136,440
945	Maintenance Materials	7,516	4,952	5,000	5,000	5,000
946	Other Repairs Maintenance	9,034	10,105	11,000	19,188	11,000
947	Lighthouse Expenses	10,629	8,417	10,000	7,135	10,500
948	Professional Services	270,480	270,480	270,480	135,240	-
949	Energy Costs - Street Lights	2,141	4,800	6,000	16,887	6,600
950	Insurance-Property	2,492	2,787	3,000	3,923	3,300
951	Non-Bonded Debt	-10,230	21,129	-	-	-
952	Miscellaneous Capital	0	0	-	-	22,500
953	Long Wharf Upgrades	0	0	-	-	-
954	Franklin Street Ramp	0	0	-	-	-
955	Marina Improvements DNR	24,595	111,471	250,000	250,000	255,000
956	Contingency	9,000	22,059	-	18,125	10,000
957	Machinery & Equipment	0	0	30,000	30,000	10,000
958	Transfer to Special Projects, 1% for Arts			300	-	-
959	Transfer to Gen Fund				22,190	
960	Overhead Allocation	0	0	-	-	50,000
961	Dock "A" Reconfiguration					60,000
962	<b>Subtotal</b>	469,145	635,191	745,780	723,331	844,434

963

964	Depreciation Expense		158,963			
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965

966 Net

(81,624)	25,220	840,589	(32,785)
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## SUMMARY OF BUDGET TABLES

### Tables 1 & 2

Tables 1 and 2 are the functional equivalent of an altitude gauge for an airplane. These tables summarize the financial position of each of the City's five funds for the current fiscal year about to be completed (Table 1) and the upcoming fiscal year (Table 2), the subject of the draft Budget and CIP. The tables summarize for each fund beginning balances, revenues, expenditures, structural balance in the fiscal year, and projected ending position at the end of the upcoming budget year if all revenues and expenditures are as planned. These tables also show reserves and supplemental appropriations.

### Table 3

Municipal debt is an essential component of long-term capital planning. Borrowing responsible amounts of funds to spread the costs of public investments over today and tomorrow's taxpayers is a best financial practice. But too much debt burdens taxpayers, requiring significant amounts of current year revenue and limiting operational flexibility. Municipal debt is neither good nor bad, but instead must be managed. Each subsection of Table 3 is grouped by the fund responsible for the debt service: General Fund (3 A), Sewer (3 B), and Water (3 C).

Table 3 shows all the City of Cambridge's debt payments until all debt issues are retired. This is sorted by fund since enterprise funds also can carry municipal debt, usually as revenue bonds instead of general obligation bonds. In FY 23, the Sewer Fund borrowed \$2.6 million to fix the West End Sewer project.

Table 3 also helps calculate the debt reserve by showing the future year's total General Fund's highest fiscal burden. In FY 26, the debt reserve is the General Fund's FY 26 debt service payment of \$986,560. This is the equivalent of budgeting next year's debt payments in the actual budget and reserving the following year's debt payments as well.

It is worth noting that Table 3 A shows the continuing impact of the City's debt burden subsidizing the Cambridge Harbor project until 2048. The City incurred debt in 2018 for repairs and improvements to the promenade, and then in March of 2022 conveyed this land to CWDI. The City retained the debt service. Over the life of the bond, the City will subsidize the Cambridge Harbor project by over \$3 million. This is never accounted

for or even acknowledged in any of CWDP's presentations about how much the City and County will benefit from the Cambridge Harbor project. Table 3 shows just how long the tails of this unacknowledged subsidy are for the Cambridge taxpayers. This should be addressed in any future tax increment financing discussions.

**Table 4**

Summarizing the entirety of personnel costs, Table 4 allows the reader to see the relationship of salaries and wages to benefits. It facilitates long-term review of day-to-day operations since personnel costs are the largest driver of our operating budget. The City is enjoying a sharp reduction in workers compensation costs, though this is offset by increased police pension costs in LEOPS.

**Table 5**

This table shows the Wages and Classifications structure for the City of Cambridge organization. It establishes the pay ranges for each job classification, showing the minimum and maximum annual salary. This Wages and Classifications table attempts to provide competitive wages for all full-time employees with consistency across departments. Table 5 remains a work in progress. In FY 25, the City continues to prioritize competitive pay for police officers to enhance recruitment and retention, as well as emphasizing improved pay for classes 6-8 to ensure our front-line field and office staff have fair and living wages.

**Table 6**

This table shows the annual salary for each employee in the organization without naming the person holding the position. For more than a few positions such as the City Manager or Finance Director or City Engineer, it is easy to associate the salary with the person because there is only one individual having a particular title. For other positions, the pay of a specific individual may not be evident because there are multiple people holding that title. Public salaries are a public record, and showing the information is intended to be overtly transparent. It also allows for additional questions about gender, age, and racial equity, questions which the city administration welcomes and embraces.

**Table 7**

FY 25 CIP by fund, sources and uses of funds. It also shows future capital needs from FY 26 to FY 30. Only projects or expenditures in FY 25 are considered funded.

**Tables 8 A and 8 B**

Table A shows grants which the City has applied for as of April 15, 2024 which are pending. If the City is successful with some of these grants, the work plan will adjust to complete these various projects and programs. Some grants involve multiple year programs or projects, and some grants have some local match requirements with implications for fund and working capital balances. Grants which are already awarded to the City of Cambridge are summarized in Table 8 B and are included in the FY 25 work plan in the Special Projects Fund.

These tables are new in the FY 25 draft Budget and CIP. It is made possible because in FY 24 the City has created a grants team with tremendous capabilities. The grant team is co-led and bookended by Grants Coordinator Steffanie Malkus and Senior Accounting Specialist for Grants Shayla Johnson. The Grants Coordinator’s primary task is to identify and apply for grants, working closely with subject matter experts in the other departments. The Senior Accounting Specialist for Grants handles grants payments and administration. In between these book ends is the department personnel managing the grant itself. This could be Eddie Crosby or Gavin Woolford in Housing, Bucky Jackson in Engineering, Captain Shane Hinson in Police, or any number of other employees. Each separate grant we obtain thus requires a customized working relationship crossing the City Manager’s Office (Grants Coordinator) to the implementing department (e.g. Development or Engineering) and Finance (Senior Accounting Specialist).

I fully expect the City will need to procure specialized software to help manage the millions of dollars in grants we have under management today and the millions more we hope to obtain. This will be money well invested if we do.

**Table 9**

*Reserved.* This table will show the overhead allocation and capital project management cost recovery in future years.

**Table 10**

This display shows American Rescue Plan Act (ARPA) expenditures from FY 22 to FY 25. The ARPA funds are being put to work and this has provided the City of Cambridge a great deal of freedom to support non-profits, acquire replacement equipment, catch up on deferred maintenance of facilities and infrastructure, and much more. The looming completion of the ARPA investment means the freedom we have enjoyed since 2021 is drawing to a close. This means the General Fund will not enjoy revenue replacement in FY 26 and some expenditures which are currently supported by ARPA will need to be either cut or shifted to the General Fund. That said, the General Fund has an operating surplus in FY 25 even if you back out all ARPA expenditures. It is modest, but nevertheless it is an operating surplus. The City will need growth in its tax base or an increase in its tax rate (or both) in order to continue the advances we have made through investing ARPA strategically.

**Table 1. Fund Summary Fiscal Year 2023-2024 Projection**

<b>FUND SUMMARY - 2023-2024 Projection</b>	<b>City of Cambridge, 2023-2024 Fiscal Year</b>				
	<b>7/1/2023</b>				<b>6/30/2024</b>
	<b>Unassigned Fund Balance</b>	<b>2023-2024 Revenues</b>	<b>2023-2024 Expenses</b>	<b>Net Change</b>	<b>Unassigned Fund Balance</b>
General Fund	7,471,347	16,626,560	16,313,946	312,614	7,783,961
	<b>Unrestricted Cash Balance</b>	<b>2023-2024 Revenues</b>	<b>2023-2024 Expenses</b>	<b>Net Change</b>	<b>Unrestricted Cash Balance</b>
Sewer Fund	672,807	9,199,446	8,682,968	516,478	1,189,285
Marina Fund	540,243	1,563,920	723,331	840,589	1,380,832
Water Fund	1,440,125	2,529,113	2,697,204	(168,091)	1,272,034
Ending Balance FY2024 Projection	10,124,522	29,919,039	28,417,449	1,501,590	11,626,112
Special Projects Fund (Restricted)	4,081,171	0	0	0	4,081,171
Ending Balance FY2024 Projection	16,858,868	43,211,518	40,520,951	2,690,567	19,549,435

**Table 2. Fund Summary Fiscal Year 2024-2025 Budget**

<b>FUND SUMMARY - 2024-2025 Budget</b>	<b>City of Cambridge, 2024-2025 Fiscal Year</b>				
	<b>7/1/2024</b>				<b>6/30/2025</b>
	<b>Unassigned Fund Balance</b>	<b>2024-2025 Revenues</b>	<b>2024-2025 Expenses</b>	<b>Net Change</b>	<b>Unassigned Fund Balance Less Reserves</b>
General Fund , Prior Year Ending Fund Balance	7,783,961				
Rainy Day Reserve	2,928,716				
Debt Service Reserve	986,568				
Shoreline Resiliency Reserve	420,000				
CWDI Litigation Reserve	500,000				
Economic Development Reserve	500,000				
Available Beginning Fund Balance	2,236,726	17,462,224	16,872,380	589,844	2,826,570
FY25 Supplemental Fund Expenditures:					
Leonard Lane Sidewalk					500,000
Cedar Street Culverts					250,000
Employee Life Insurance					34,000
Fund Balance Less Supplementals:					2,042,570
	<b>Unrestricted Cash Balance</b>	<b>2024-2025 Revenues</b>	<b>2024-2025 Expenses</b>	<b>Net Change</b>	<b>Unrestricted Cash Balance</b>
Sewer Fund	1,189,285	9,749,600	9,808,009	(58,409)	1,130,876
Marina Fund Beginning Balance	1,380,832				
Pier Replacement Reserve	750,000				
Available Beginning Fund Balance	630,832	811,649	844,434	(32,785)	598,047
Water Fund	1,272,034	2,703,176	2,699,307	3,869	1,275,903
Balance - Unrestricted	10,876,112	30,726,649	30,224,131	502,518	5,831,395
Special Projects Fund Beginning Balance	4,081,171				
Art in Public Places Reserve	211,951				
Available Beginning Fund Balance	3,869,220	13,565,528	12,952,427	613,101	4,482,321
Ending Balance - FY2025 Budget	14,957,283	43,991,074	56,528,308	(12,537,234)	2,420,049

**Table 3 A: Debt Schedule by Fiscal Year for the General Fund**

Debt	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
2016 Public Facilities Bond (Police Share)	434,119	434,119	434,119	434,119	434,119	434,119									
2016 Public Facilities Bond (Fire Share)	289,413	289,413	289,413	289,413	289,413	289,413									
2016 Public Facilities Bonds Total	723,532	723,532	723,532	723,532	723,532	723,532									
Sweeper & DPW Equipment Note	76,105														
2013 Washington St Bank Building (DI)	17,376	17,376	17,376	17,376											
Rescue Fire Truck Note	140,880	140,880	140,880	140,880	140,880	140,880	140,880	140,880	140,880	140,880	140,880	140,880	140,880		
2018 Sailwinds Wharf -- CWDI	105,570	104,772	107,548	106,701	107,253	107,173	107,041	106,858	108,624	107,769	106,536	108,262	108,326	106,789	107,406
<b>Total - General Fund</b>	<b>1,063,463</b>	<b>986,560</b>	<b>989,336</b>	<b>988,489</b>	<b>971,665</b>	<b>971,585</b>	<b>247,921</b>	<b>247,738</b>	<b>249,504</b>	<b>248,649</b>	<b>247,416</b>	<b>249,142</b>	<b>249,206</b>	<b>106,789</b>	<b>107,406</b>

**Table 3 B: Debt Schedule by Fiscal Year for Sewer Fund**

Debt	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
WWTP ENR upgrade - State Revolving Loan Fund	74,112	74,112	74,112	74,112	74,112	74,112	74,112	74,112							
Dorchester Tech Park - USDA - Sewer	12,022	12,022	12,022	12,022	12,022	12,022	12,022	12,022							
2023 Serial Bond, Water Street Sewer Replacement	184,477	190,844	181,689	182,799	188,650	183,978	189,312	184,117	178,927	188,743	182,759	181,780	185,542	183,782	186,760
Line of Credit - Sewer Equipment		214,000													
<b>Total - Sewer Fund</b>	<b>270,611</b>	<b>490,978</b>	<b>267,823</b>	<b>268,933</b>	<b>274,784</b>	<b>270,112</b>	<b>275,446</b>	<b>270,251</b>	<b>178,927</b>	<b>188,743</b>	<b>182,759</b>	<b>181,780</b>	<b>185,542</b>	<b>183,782</b>	<b>186,760</b>

**Table 3 C: Debt Schedule by Fiscal Year for Water Fund**

Debt	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039
Dorchester Tech Park - USDA	12,022	12,022	12,022	12,022	12,022	12,022	12,022	12,022							
<b>Total - Water Fund</b>	<b>12,022</b>	<b>12,022</b>	<b>12,022</b>	<b>12,022</b>	<b>12,022</b>	<b>12,022</b>	<b>12,022</b>	<b>12,022</b>							
<b>Total - City Annual Debt Service</b>	<b>1,346,096</b>	<b>1,489,560</b>	<b>1,269,181</b>	<b>1,269,444</b>	<b>1,258,471</b>	<b>1,253,719</b>	<b>535,389</b>	<b>530,011</b>	<b>428,431</b>	<b>437,392</b>	<b>430,175</b>	<b>430,922</b>	<b>434,748</b>	<b>290,571</b>	<b>294,166</b>

**Table 3 A: Debt Schedule by Fiscal Year for**

Debt	2040	2041	2042	2043	2044	2045	2046	2047	2048
2016 Public Facilities Bond (Police Share)									
2016 Public Facilities Bond (Fire Share)									
2016 Public Facilities Bonds Total									
Sweeper & DPW Equipment Note									
2013 Washington St Bank Building (DI Rescue Fire Truck Note									
2018 Sailwinds Wharf -- CWDI	106,758	108,006	106,027	104,970	105,309	104,445	104,453	103,758	101,904
<b>Total - General Fund</b>	<b>106,758</b>	<b>108,006</b>	<b>106,027</b>	<b>104,970</b>	<b>105,309</b>	<b>104,445</b>	<b>104,453</b>	<b>103,758</b>	<b>101,904</b>

**Table 3 B: Debt Schedule by Fiscal Year for**

Debt	2040	2041	2042	2043	2044	2045	2046	2047	2048
WWTP ENR upgrade - State Revolving Loan Fund									
Dorchester Tech Park - USDA - Sewer									
2023 Serial Bond, Water Street Sewer Replacement	184,215	181,412	178,350	180,043					
Line of Credit - Sewer Equipment									
<b>Total - Sewer Fund</b>	<b>184,215</b>	<b>181,412</b>	<b>178,350</b>	<b>180,043</b>					

**Table 3 C: Debt Schedule by Fiscal Year for**

Debt	2040	2041	2042	2043	2044	2045	2046	2047	2048
Dorchester Tech Park - USDA									
Total - Water Fund									
<b>Total - City Annual Debt Service</b>	<b>290,973</b>	<b>289,418</b>	<b>284,377</b>	<b>285,013</b>	<b>105,309</b>	<b>104,445</b>	<b>104,453</b>	<b>103,758</b>	<b>101,904</b>

**Table 4. City of Cambridge Personnel Expenditures FY24**

Dept	No. of Emp	Salary	OT	FICA	Time to Care	Pension	LEOPS	Workers Comp	Health Ins	Payroll Costs
Mayor	1	\$12,000	-	924	50	-		147	-	13,121
Commissioners	5	\$50,000	-	3,825	225	2,400		737	-	57,187
City Manager	3	285,000	-	21,342	1,255	33,394		447	30,168	371,606
Administrative Services	3	165,300	-	12,645	744	19,786		442	10,056	208,973
Finance	6	403,500	-	30,868	1,816	48,299		885	40,356	525,723
Planning & Zoning	3	216,667	-	16,575	975	25,935		295	32,112	292,559
Information Technology	2	134,120	-	10,260	604	16,054		295	32,052	193,385
CPD-Admin	10	772,228	19,800	59,075	3,475	23,521		53,486	106,572	1,038,157
Patrol	29	1,912,723	407,040	146,323	8,607		903,304	219,019	358,680	3,955,697
Police Special Ops	7	422,020	67,200	32,285	1,899	15,202		30,651	106,212	675,469
Public Services Admin	2	151,000	-	11,552	680	18,075		4,622	22,116	208,044
Buildings & Grounds	9	438,500	28,200	33,545	1,973	52,488		36,171	104,328	695,206
Engineering	7	524,300	-	40,109	2,359	62,759		22,558	106,212	758,297
Building Safety & Code	4	208,000	-	15,912	936	24,898		18,090	30,288	298,124
Sanitation	0	-	-	-	-	-		-	-	-
Heavy Equipment	0	-	-	-	-	-		-	-	-
Streets	10	516,500	19,800	39,512	2,324	61,825		45,225	112,500	797,687
Development	2	155,500	-	11,904	700	18,613		291	10,176	197,184
Housing Development	2	160,000	-	12,240	720	19,152		299	32,052	
Sewer - Utilities Maint	4	189,500	600	14,497	853	22,683		4,667	70,392	303,192
Water Division	16	863,550	15,000	45,921	3,886	105,162		50,520	176,724	1,260,763
Marina	3	169,000	3,500	12,929	761	20,229		13,568	42,108	262,094
<b>Total</b>	<b>128</b>	<b>7,749,408</b>	<b>561,140</b>	<b>572,242</b>	<b>34,841</b>	<b>590,476</b>	<b>903,304</b>	<b>502,415</b>	<b>1,423,104</b>	<b>12,112,468</b>

\*Figures Exclude Portia Jonhson-Ennels Interns

**Table 5:  
City of Cambridge Wages and Classification, FY 25**

Class	CPD	Administrative Services	Engineering	Development	Public Services	Finance	FY 25 Wages	
							Salary Floor	Salary Ceiling
14	Chief	Director of Administrative Services	City Engineer Senior Project Engineer	Assistant City Manager Director of Planning	Public Services Director	Finance Director	\$92,500	\$112,500
13	Captain		Environmental Program Manager	Housing Programs Manager Planner Emeritus			\$85,000	\$89,150
12	Lieutenant						\$84,000	\$86,450
11	First Sargeant Sergeant	Grants Coordinator IT Manager	Harbor Manager		Utilities Manager	Finance Manager	\$73,000	\$83,916
10	Corporal			Planner I Program Specialist Building Safety Specialist	Public Services Superintendent Heavy Equipment Mechanic	Senior Accounting Specialist; Billing & Payments Supervisor	\$64,775	\$72,950
9	Executive Assistant Patrol First Class	Executive Assistant	GIS Specialist				\$57,500	\$66,675
8	Patrol Officer	IT Tech III			Public Services Foreman	Senior Finance Clerk	\$54,000	\$58,800
7			Engineering Tech II	Code Enforcement Officer II	Maintenance Worker II, Utility Tech II		\$45,000	\$56,400
6	Investigative Tech I Records Tech I Community Liason	Secretary I	Harbor Assistant Marina Service Assistant	Code Enforcement Officer I Secretary I	Maintenance Worker I; Utility Tech I Secretary I	Accounting Clerk Stafford Fellow	\$40,000	\$47,500
5		City Manager					Contracted at up to 150,000	
4		Spec. Projects Coordinators					25 / hour	35 / hour
3		Seasonal					15.00/ hour	25 / hour
2		Mayor					\$12,000	
1		Commissioners					\$10,000	



FY 24 Wages	
Salary Floor	Salary Ceiling
\$90,000	\$112,500
\$83,500	\$88,000
\$80,863	\$84,000
\$71,053	\$82,614
\$64,775	\$69,475
\$57,500	\$63,050
\$52,000	\$56,000
\$45,000	\$54,000
\$40,000	\$45,000
Contracted at 127,500	
25 / hour	35 / hour
15.00/ hour	25 / hour
\$12,000	
\$10,000	

FY 24 vs. FY 25	
Floor	Ceiling
\$2,500	\$0
\$1,500	\$1,150
\$3,137	\$2,450
\$1,947	\$1,302
\$0	\$3,475
\$0	\$3,625
\$2,000	\$2,800
\$0	\$2,400
\$0	\$2,500

**Table 6 A: Annual Salary by Position, Fiscal Year 2025 Budget**

<b>110-Mayor</b>	
Mayor	12,000
<b>Subtotal</b>	<b>12,000</b>

<b>100-City Commissioners</b>	
Ward 1	10,000
Ward 2	10,000
Ward 3	10,000
Ward 4	10,000
Ward 5	10,000
<b>Subtotal</b>	<b>50,000</b>

<b>112-City Manager</b>	
City Manager	150,000
Executive Assistant	59,000
Grants Coordinator	76,000
<b>Subtotal</b>	<b>285,000</b>

<b>125-Administrative Services</b>	
Director of Administrative Services	92,500
Special Project Coordinator	36,400
Special Project Coordinator	36,400
<b>Subtotal</b>	<b>165,300</b>

<b>120-Financial Administration</b>	
Finance Director	110,000
Finance Manager	75,000
Senior Accounting Specialist (for Grants)	70,000
Senior Finance Clerk	56,000
Accounting Clerk	47,500
Stafford Fellow	45,000
<b>Subtotal</b>	<b>403,500</b>

<b>145-Information Technology</b>	
IT Manager	76,119
IT Tech III	58,000
<b>Subtotal</b>	<b>134,119</b>

<b>300-Public Services</b>	
Public Services Director	105,000
Secretary I	46,000
<b>Subtotal</b>	<b>151,000</b>

<b>270-Buildings and Grounds (BAGs)</b>	
Public Services Superintendent	71,500
Public Services Foreman	54,000
Maintenance Worker II	48,000
Maintenance Worker I	42,500
Maintenance Worker I	43,000
Maintenance Worker I	43,000
Maintenance Worker I	43,000
Maintenance Worker I	46,000
Maintenance Worker I	47,500
<b>Subtotal</b>	<b>438,500</b>

<b>316-Highways and Streets</b>	
Public Services Superintendent	71,500
Public Services Foreman	58,000
Public Services Foreman	55,000
Maintenace Worker II	49,500
Maintenace Worker II	49,500
Maintenace Worker II	47,500
Maintenace Worker II	47,500
Maintenance Worker I	47,500
Maintenance Worker I	47,500
Maintenance Worker I	43,000
<b>Subtotal</b>	<b>516,500</b>

<b>301-Engineering</b>	
Senior Project Engineer	73,300
Engineer	110,000
Environmental Program Manager	85,000
Graduate Civil Engineer	84,000
Engineering Tech II	56,000
Engineering Tech II Understudy	56,000
GIS Specialist I	60,000
<b>Subtotal</b>	<b>524,300</b>

<b>314-Sewer-Util Maint</b>	
Maintenance Worker I	45,000
Maintenance Worker I	45,000
Maintenance Worker II	50,000
Maintenance Worker II	49,500
<b>Subtotal</b>	<b>189,500</b>

**328-Development**

Assistant City Manager	112,500
Economic Development Assistant	43,000
Subtotal	155,500

**130-Planning & Zoning**

Director of Planning	100,000
Planner	70,000
Planner Emeritus	46,667
Subtotal	216,667

**302-Building Safety Services**

Building Safety Specialist	66,000
Code Enforcement Officer II	52,000
Code Enforcement Officer I	45,000
Code Enforcement Officer I	45,000
Subtotal	208,000

**325-Housing Development**

Program Specialist	70,000
Housing Program Manager	90,000
Subtotal	160,000

**102- Marina**

Harbor Manager	79,000
Harbor Assistant	45,000
Harbor Assistant	45,000
Subtotal	169,000

**Table 6 B: Annual Salary by Position, Fiscal Year 2025**

<b>200-Police Administration</b>	
Chief of Police	108,000
Captain	90,000
Captain	88,000
Lieutenant	85,000
Lieutenant	85,000
Sergeant	83,614
First Sergeant	83,614
Executive Assistant (non-sworn)	60,000
Records Technician I (non-sworn)	45,000
Records Technician I (non-sworn)	44,000
<b>Subtotal</b>	<b>772,228</b>

<b>206-Police: Special Ops</b>	
Sergeant	78,800
Sergeant	76,000
Corporal	68,860
Corporal	68,860
Investigative Tech I (non-sworn)	46,500
Records Technician I (non-sworn)	40,000
Community Liason (non-sworn)	43,000
<b>Subtotal</b>	<b>422,020</b>

<b>201-Police: Patrol</b>	
Sergeant	76,000
Sergeant	76,000
Sergeant	76,000
Corporal	68,860
Corporal	69,775
Corporal	73,000
Corporal	74,863
Sergeant	75,000
Corporal	66,675
Patrol First Class	64,000
Patrol First Class	66,675
Patrol First Class	66,675
Patrol First Class	63,500
Patrol First Class	63,500
Patrol Officer	63,500
Patrol Officer	61,000
Patrol Officer	57,000
Patrol Officer	57,000
<b>Subtotal</b>	<b>1,912,723</b>

**Table 6 C: Annual Salary by Position from the  
Water Fund, Fiscal Year 2025 Budget**

<b>Utility Billing</b>	
Finance Manager	75,000
Supervisor - Billing & Payments	64,775
Accounting Clerk	46,500
Accounting Clerk	47,000
Accounting Clerk	45,000
Subtotal	<b>278,275</b>

<b>Maintenance</b>	
Utilities Manager	77,000
Pubic Services Superintendent	65,775
Public Services Foreman	54,000
Utility Tech I	45,000
Utility Tech I	43,000
Utility Tech I	45,000
Utility Tech II	49,000
Utility Tech I	43,000
Utility Tech II	57,500
Utility Tech II	54,000
Utility Tech II	52,000
Subtotal	<b>585,275</b>

**Table 7: Capital Improvement Program by Year, FY 2024 to FY 2029**

**General Fund**

<u>Project</u>	<u>Dept</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>	<u>Unfunded</u>
UPS System	IT	60,250						
Card Access System Upgrade	IT							80,000
Camera Subscription Replacement	IT		50,000	50,000	50,000			
Computer Software	IT							
Fiber and Website Header Package	IT							
Replace Flooring Downstairs at CPD	Police							70,000
HVAC Improvements at Public Safety Bldg.	Public Sves		150,000					1,250,000
New Roof of Empowerment Center	Public Sves		15,000					
Toolcat Implements	Public Sves	14,000						
Eight (8) LED Light Heads for Downtown	Public Sves		12,000					
Fence - Dept. of Public Services (DPS)	Public Sves							50,000
Fence - Race Street Parking Lot	Public Sves		29,000					
Traffic Electric Sign	Public Sves							33,000
Gym Equipment - Great Marsh	Public Sves							12,000
Lights - Macs Lane	Public Sves							780,000
Long Wharf Sidewalk & Erosion Repair	Public Sves	108,582	70,000	32,000				
Replacement of Engine Company	RFC		1,000,000				1,000,000	
Station Alerting	RFC							100,000
Fire Rescue Boat	RFC							600,000
Shoreline Resiliency/ Sea Level Rise Mitigation	Engineering	565,000	335,000	8,000,000	8,000,000			
Cedar Street Projects	Engineering	250,000	4,100,000					
Leonard Lane Sidewalk:	Engineering	500,000						
Road Resurfacing	Engineering	600,000	400,000	400,000	400,000	400,000	400,000	
Scanner/Plotter Replacement	Engineering			17,000				
<b>General Fund Total</b>		<b>2,037,582</b>	<b>6,161,000</b>	<b>8,499,000</b>	<b>8,450,000</b>	<b>400,000</b>	<b>1,400,000</b>	<b>2,895,000</b>

**Sewer Fund**

<u>Project</u>	<u>Dept</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>	<u>Unfunded</u>
Trenton St. Pump Station Rehab-\$4.1 M	Engineering	4,100,000						
West End Sewer Project	Engineering	3,800,000						
Equip Replacement at WWTP & Pump Stations	Engineering	385,000						
Headworks Improvements (WWTP)	Engineering		100,000					
Sewer Vac Truck:	Engineering			200,000				
Vac-Con Purchase & Refurbishment	Engineering	175,000	100,000					
Cambridge Creek Interceptor Sewer Rehab	Engineering		3,250,000					
Sewer Enhancement Project	Engineering			3,000,000				
Sewer Camera & Trailer	DPS	110,000		130,000				
Mini Excavator & Trailer	DPS	130,000						
Bay Street Area Sewer Upgrade	Engineering				1,000,000			
<b>Sewer Fund Total</b>		<b>8,700,000</b>	<b>3,450,000</b>	<b>3,330,000</b>	<b>1,000,000</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 7: Capital Improvement Program by Year, FY 2024 to FY 2029**

**Marina Fund**

<u>Project</u>	<u>Dept</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>	<u>Unfunded</u>
Wave Screen	Marina	430,000						
Lighting on Breakwater and Service Drive	Marina			300,000				
Sidewalk Repairs & Bio-Retention Area Modifications	Marina							70,000
Split HVAC System for Shed at Marina	Marina		15,000					
Replacement of Piers E, F & H	Marina	-	3,000,000					
P"C" Dock Conversion (floating)	Marina		250,000					
Dock "A" Reconfiguration	Marina	60,000						
Repair Work Around the Key	Marina							
Replace Roof on Bath House & Gazebo	Marina	22,500						
Marina Dredging	Marina			200,000	200,000			
<b>Marina Fund Total</b>		<b>512,500</b>	<b>3,265,000</b>	<b>500,000</b>	<b>200,000</b>	<b>-</b>	<b>-</b>	<b>70,000</b>

**Water Fund**

<u>Project</u>	<u>Dept</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>	<u>Unfunded</u>
Maintenance - Physical Plant	Water	237,500	225,000	230,000	230,000	230,000	230,000	
Maintenance - Mains	Water	50,000	50,000	50,000	50,000	50,000	50,000	
Maintenance - Services	Water	125,000	120,000	120,000	120,000	120,000	120,000	
New Main Installation	Water	80,000	60,000	50,000	50,000	50,000	50,000	
Maintenance - Meters & Installation	Water	150,000	100,000	100,000	100,000	100,000	100,000	
Booster Station Planning	Water		500,000					
Booster Station	Water			5,500,000				
De-Watering Pump	Water							
Vac-Con Replacement	Water		80,000					
Skid-Steer Loader w/ Attachments	Water		150,000					
Dump Truck	Water		90,000					
Well Redevelopment	Water		70,000	70,000	75,000			75,000
Asphalt Saw	Water		7,500					
Meter Reading Equipment	Water		25,000	25,000				
Backhoe Replacement w/ Attachments	Water		110,000					
Maintenance Building-Broahwn Ave.	Water		400,000					
Lawn Mower	Water		15,000					
Service Truck	Water		35,000	35,000	65,000			
Plate Tamp	Water			5,000				
Jumping Jack Tamp	Water			4,000				
Excavator Replacement	Water				125,000			
Magnetic Labor	Water				8,000			
Grant Level Tank-Glasgow St. Station	Water				750,000			
Small Dump Truck	Water							75,000
Meter Reader Truck	Water	50,400						
<b>Water Fund Total</b>		<b>692,900</b>	<b>2,037,500</b>	<b>6,189,000</b>	<b>1,573,000</b>	<b>550,000</b>	<b>550,000</b>	<b>150,000</b>

**Total (All Funds)**

<b>11,942,982</b>	<b>14,913,500</b>	<b>18,518,000</b>	<b>11,223,000</b>	<b>950,000</b>	<b>1,950,000</b>	<b>3,115,000</b>
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**Table 8a - Pending Grants (Submitted and Waiting to Hear Funding Decision)**

Project Name	Grant Request Amount	Funder	Date Submitted	Funded
<b>Engineering</b>				
Resilient America (FY24)	\$ 100,000	Maryland Energy Administration	3/15/2024	Pending
Cedar Street Project	\$ 4,250,924	DOT - RAISE	2/24/2024	Pending
CDS Sewer Rehab	\$ 3,000,000	Senators Congressionally Directed Spending	3/24/2024	Pending
Mill Street- Nature Way	\$ 183,000	DNR	8/31/2023	Pending
*Cambridge Creek Interceptor Sewer Rehab	\$ 3,158,000	MDE	1/30/2024	Pending
Transformational Habitat for Living Shoreline (West End)	\$5,400,000	NOAA	11/15/2023	Pending
Cambridge Resiliency/Flood Mitigation	\$850,000	National Fish and Wildlife Foundation	4/10/2024	Pending
Green Infrastructure - Washington	\$180,000	Chesapeake Bay Trust	3/9/2024	Pending
1025 Washington Street Rooftop Solar	\$ 106,600	MEA	3/1/2024	Pending
Green Infrastructure	\$ 970,000	National Fish and Wildlife Foundation	4/3/2024	Pending
<b>Housing</b>				
Land Bank Feasability Study	\$ 17,500	DHCD	4/15/2024	Pending
<b>Special Projects/Other</b>				
Cambridge Fire and Rescue Replacement Truck	\$ 1,000,000	Senators Congressionally Directed Spending	3/24/2024	Pending
Old City Hall	\$ 100,000	MHAA Capital FY25	3/24/2024	Pending
Old City Hall	\$ 150,000	MHT-Capital 2024	3/24/2024	Pending
Old City Hall	\$ 175,000	Bond Bill 2024	1/1/2024	Pending
Arts & Entertainment District	\$ 15,000	MSAC (MD State Arts Council)	3/25/2024	Pending
<b>Total</b>	<b>\$ 19,656,024</b>			

**Table 8b - Awarded Grants**

<b>Project Name</b>	<b>Grant Request Amount</b>	<b>Funder</b>
<b>Engineering</b>		
Cambridge Resiliency/Food Mitigation - Design	\$ 1,700,000	FEMA
Cambridge Resiliency/Flood Mitigation - Construction	\$ 16,000,000	FEMA
444-448 Race Street Development Project II	\$ 500,000	DHCD - Community Legacy
Community Development	\$650,000	FEMA
Safe Streets for All (SS4A)	\$ 320,000	DOT
<b>Housing</b>		
Pine Street Neighborhood Market	\$ 25,000	DHCD - Community Legacy
Healthy Homes	\$1,900,000	HUD
<b>Special Projects/Other</b>		
Historic City Hall	\$175,000	2024 Bond Bill
Historic City Hall	\$ 100,000	MHT-Capital Grant 2023
Historic City Hall	\$ 200,000	Leg. Bond Bill 2023
Arts & Entertainment District	\$ 17,846	Maryland State Arts Council
Arts & Entertainment District	\$ 10,000	Maryland State Arts Council
<b>Total</b>	<b>\$ 21,597,846</b>	

**Table 10. ARPA - Committed versus Expenditures**

Description	Funding	Committed	Expenditures	Planned FY2025	Remaining
<b>Release #1</b>	6,039,641				
<b>Release #2</b>	6,044,161				
Tower Fire Truck		1,563,701	1,563,701		-
Harriet Tubman Base		50,000	50,000		-
Police Retention		344,769	344,769		-
Non-Profits		1,153,356	1,153,356		-
Fire Truck Repair		98,849	98,849		-
Community Policing		175,287	160,932		14,355
Public Works Equipment		500,000	373,676		126,324
Health and Wellness Incentives		84,863	84,863		-
Cambridge Harbor		500,000	326,252		173,748
Cannery Way Project		287,743	87,743		200,000
Pandemic Pay		157,571	157,571		0
Road Resurfacing		906,418	306,418	600,000	-
Technology		70,269	70,269		-
Public Facilities		50,184	50,184		-
Housing Demolition		46,962	46,962		-
Cannery Park		412,257	-		412,257
Public Safety Video Monitoring		82,244	82,244		-
Traffic Calming		64,212	64,212		-
Shot Spotter		24,750	24,750		-
Homeowner Housing Preservation		705,000	364,109		340,891
Economic Development		566,504	416,504		150,000
Sustainability		396,663	187,438	209,225	-
Community Youth		274,581	21,615	52,000	200,966
Ennels Youth Program		375,419	75,419	75,000	225,000
Land Bank Authority of Cambridge		1,000,000	1,000,000		-
Equipment and Technology		383,929	205,679	178,250	-
Downtown Streetscape and Gateways		200,000	68,500		131,500
Comp time and Vacation Buy Back		299,688	245,106	54,582	-
Revenue Replacement, 2022-2024		1,200,000	900,000	300,000	-
Long Wharf Sidewalk & Erosion - Phase I		108,582	-	108,582	-
<b>ARPA Balance</b>	<b>12,083,802</b>	<b>12,083,802</b>	<b>8,531,122</b>	<b>1,577,639</b>	<b>1,975,041</b>

**RESOLUTION NO. 23-06**

**A RESOLUTION ESTABLISHING POLICY GOALS FOR  
THE COMMISSIONERS OF CAMBRIDGE FOR 2023**

**RECITALS**

**WHEREAS**, the Mayor and Commissioners of Cambridge met on February 4, 2023 to discuss challenges and opportunities facing the Cambridge community and to set goals for the Commissioners of Cambridge for the upcoming year; and

**WHEREAS**, it is essential for effective local government that policy makers set clear, measurable goals which are advanced in systematic fashion; and

**WHEREAS**, the Commissioners of Cambridge wish to memorialize the top five goals developed during the February, 2023 goal setting session to guide the priorities of the city manager and entire City of Cambridge municipal organization.

**WHEREAS**, it is agreed and understood by all that these are the top goals though other obligations and priorities will also be addressed throughout the year.

**NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS OF CAMBRIDGE**, the following are hereby established is the top policy goals for the City of Cambridge,

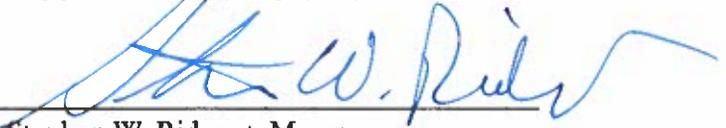
1. Be inclusive, consistent, and fair retaining, assisting, and attracting businesses with consistently applied rules and processes; and
2. Improve the City of Cambridge's organizational efficiencies and effectiveness; and
3. Create a more beautiful City with better and healthier housing, improved gateways, a vibrant downtown, and a sense of pride within the City staff and our community as a whole; and
4. Engage Cambridge's youth and foster meaningful work for our young adults; and
5. Develop improved infrastructure, long term projects, and capital plans, including the preservation and restoration of the old City Hall structure at 307 Gay Street by 2026.

**AND BE IT FURTHER RESOLVED** that this Resolution shall take effect immediately upon adoption.

ATTEST:

  
\_\_\_\_\_  
Thomas M. Carroll, City Manager

THE COMMISSIONERS OF CAMBRIDGE

By:   
\_\_\_\_\_  
Stephen W. Rideout, Mayor

**Adopted the 13th day of March 2023  
Effective the 13th day of March, 2023**

**RESOLUTION NO. 23-08**

**A RESOLUTION ESTABLISHING AN  
ANNUAL UNDESIGNATED FUND  
BALANCE RESERVE POLICY FOR  
THE CITY OF CAMBRIDGE**

**WHEREAS**, the City of Cambridge provides essential public services to the residents and visitors within the Cambridge corporate limits; and

**WHEREAS**, these essential public services include police, fire protection, road maintenance, traffic control, parks, recreation, code enforcement, sanitation, stormwater, tax collection, zoning, property maintenance, engineering, and more; and

**WHEREAS**, the Government Finance Officers Association recommends general purpose local governments such as the City of Cambridge maintain a "rainy-day reserve" in the General Fund equal to no less than one-sixth of the annual General Fund operating revenue; and

**WHEREAS**, the Commissioners of Cambridge wish to establish a formal policy to guide the annual process by which it shall evaluate its fulfillment of the Government Finance Officers Association best practices for the maintenance of a "rainy-day reserve".

**NOW, THEREFORE, BE IT RESOLVED** by the Commissioners of Cambridge, That:

**SECTION I.** The Commissioners of Cambridge shall, as a part of its annual budget process, provide in its General Fund's undesignated fund balance no less than one-sixth of the combined most recently completed fiscal year's revenue for the General Fund.

**SECTION II.** This is in addition to any other financial reserves that may be required by other resolutions adopted of Commissioners of Cambridge.

**SECTION III.** The Commissioners of Cambridge may deviate from this policy by adopting a resolution stating it intends to deviate from this policy and providing a reason or reasons why this is in the City's best interest to do so. A deviation from this financial policy shall be for one fiscal year only.

**SECTION IV.** This Resolution shall be in force and effect from the earliest time provided by law.

**AND BE IT FURTHER RESOLVED** that this Resolution shall take effect immediately upon adoption.

ATTEST:

THE COMMISSIONERS OF CAMBRIDGE

  
\_\_\_\_\_

By:   
\_\_\_\_\_

Thomas M. Carroll, City Manager

Stephen W. Rideout, Mayor

**Adopted the 10<sup>th</sup> day of April, 2023**

**Effective the First day of July, 2023**

**RESOLUTION NO. 23-09**

**A RESOLUTION ESTABLISHING  
GENERAL FUND DEBT RESERVE  
POLICY FOR  
THE CITY OF CAMBRIDGE**

**WHEREAS**, the City of Cambridge has issued a variety of debt obligations to pay for various public improvements, including general obligation bonds to be repaid from the City of Cambridge's General Fund; and

**WHEREAS**, public finance theory is clear that municipal debt is an acceptable and even desirable method of financing public improvements because debt spreads the costs of public improvements out over years, thus enabling current and future taxpayers who benefit from the public improvements to share in the costs of paying for said improvements; and

**WHEREAS**, the Commissioners of Cambridge have adopted a formal policy to provide for a "rainy-day reserve" following the best practices established by the Government Finance Officers Association which recommends a rainy-day reserve equal to no less than one-sixth of the annual General Fund operating revenue; and

**WHEREAS**, the Commissioners of Cambridge wish to establish a formal policy by which debt reserves shall be set aside annually to provide additional financial security on top of the rainy-day fund recommended by the Government Finance Officers Association which will enhance the ability of the City of Cambridge to respond to another pandemic, epidemic, recession, depression, or natural disaster.

**NOW, THEREFORE, BE IT RESOLVED** by the Commissioners of Cambridge, that:

**SECTION I.** The Commissioners of Cambridge shall, as a part of its annual budget process, provide a debt reserve equal to the highest annual debt obligation of each general obligation bond to be repaid by the City's General Fund, including principle and interest.

**SECTION II.** In the event that the highest future year debt payment is in the immediately upcoming fiscal year and thus to be paid with the upcoming budget year's annual appropriation, the City Manager shall utilize the next highest year's annual debt payment for purposes of calculating the appropriate reserve.

**SECTION III.** The City Manager is hereby directed to establish a reserve account in the General Fund which shall receive appropriations annually equal to the debt reserve established by this policy.

**AND BE IT FURTHER RESOLVED** that this Resolution shall take effect immediately upon adoption.

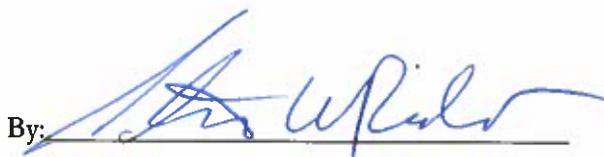
ATTEST:

THE COMMISSIONERS OF CAMBRIDGE



Thomas M. Carroll, City Manager

By:



Stephen W. Rideout, Mayor

**Adopted the 10<sup>th</sup> day of April, 2023**

**Effective the First day of July, 2023**

**RESOLUTION NO. 23-10**

**A RESOLUTION DECLARING A FISCAL POLICY TO SET ASIDE ONE PERCENT OF THE CITY OF CAMBRIDGE CAPITAL PROJECT EXPENDITURES ANNUALLY FOR ART IN PUBLIC PLACES**

**RECITALS**

**WHEREAS**, Cambridge has had a formally designated Arts and Entertainment District for more than 20 years and as a community has made significant investment in public art, culture, performing arts, and heritage; and

**WHEREAS**, the Commissioners of Cambridge recognizes the significant role of art in public places in the cultural enrichment of the residents, the enhancement of Cambridge's identity and character, and the aesthetic quality of its physical environment; and

**WHEREAS**, public art enriches publicly owned places, and ranges from outdoor sculpture to functional elements that are representative of what our residents value; and

**WHEREAS**, public art contributes a sense of ownership and community pride for residents as it has been proven through research that there is a positive correlation between arts participation and civic competence. When residents are engaged with public art, they are more likely to be involved in activities such as voting, volunteering, and using civic resources like libraries; and

**WHEREAS**, The City of Cambridge set aside \$18,900 in Fiscal Year 2023 into a special reserve account for the establishment of public art; and

**WHEREAS**, The City of Cambridge wishes to provide ongoing funding for public art by placing additional funds into this special reserve account equal to 1% of Cambridge's annual Capital Improvement Program, a practice common in many of the most progressive communities in the United States.

**NOW, THEREFORE, BE IT RESOLVED** by the Commissioners of Cambridge, That:

**SECTION I.**

The City of Cambridge shall set aside one percent of all capital improvement projects costs annually for the commission of public art works and artists' services in the construction of public works.

- A. This program shall be known as the "Cambridge One Percent for the Art Program" for the purpose of expanding access to art and fostering the appreciation for art with emphasis on Cambridge's identity, cultural heritage, and civic engagement.
- B. Public Art is defined as, any art accessible to the public installed in or performed on the City-owned publicly used facilities, including parks or incorporated into the design of such facilities.

- C. Artwork means and includes all forms of the visual arts conceived in any medium, material or combination thereof, commissioned or purchased by Cambridge, including those received as gifts to the City of Cambridge.

**SECTION II.**

The City Manager is hereby directed to establish a reserve account in the Special Projects Fund which shall receive funds annually equal to one percent of the City's capital improvement program and to implement program guidelines necessary to account for and expend the "One Percent for the Art Program".

**SECTION II.**

The Commissioners of Cambridge may deviate from this policy when deemed appropriate out of financial necessity by adopting a resolution stating it intends to deviate from this policy and providing the reason or reasons why this is in the City's best interest to do so. A deviation from this financial policy shall be for one fiscal year only.

**AND BE IT FURTHER RESOLVED** that this Resolution shall take effect immediately upon adoption.

ATTEST:

THE COMMISSIONERS OF CAMBRIDGE



Thomas M. Carroll, City Manager

By:



Stephen W. Rideout, Mayor

**Adopted the 10<sup>th</sup> day of April, 2023**

**Effective the First day of July, 2023**



## COUNCIL AGENDA REPORT

**To:** City of Cambridge Department Head Team  
**From:** Tom Carroll, City Manager *Tom M. Carroll*  
**Date:** February 16, 2024  
**Subject:** Revised Fiscal Year 2025 Budget and CIP Schedule, Budget Guidance

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Please find below the updated schedule for preparing the FY 25 Budget and CIP.

- February 5** City Council Goal Setting Session.
- March 8** Budget & CIP Requests due to acting Finance Director, City Manager by close of business.
- March 25** Tax rate determination by commissioners. We may be starting legislation to set the tax rate as this no longer needs to be a two step process.
- March, April** Department meetings with City Manager, acting Finance Director, Stafford Fellow.
- April 19** Draft FY 25 Budget and CIP delivered to council posted on the City's website by close of business.
- April 22** Budget Overview Presentation to Commissioners at regular council meeting
- May 6** First Work Session on Draft Budget (5 to 6 p.m.)  
First Reading of Budget Ordinance, Tax Rate Ordinance
- May 13** Second Work Session (if desired by Commissioners)
- May 27** Second or Third Work Session (if desired by Commissioners)  
Second Readings, Public Hearings
- June 10** Backup Budget Adoption Date (if needed)

### **Additional Budget Guidance**

It is my view Council should see everything that each department requested, even if it ultimately does not make its way into the draft budget. So, please write your materials as if for Council. These will be public-facing materials.

### *Modified Zero-Based Budget*

We should all assume that next year's operating budget for your respective areas of operations will be the same as the current fiscal year. When you are reviewing your various line items, feel free to move funds from one line item to another (preferred) or if you need slightly more funding in a

particular line item you can increase it by up to say \$5,000. It is perfectly reasonable to add some extra resources to a few line items to make up for inflation, having more personnel on your team which increases everything from uniforms to office supplies to fuel, etc. We will review any line-item adjustments you propose in March as we sit to go through the entire draft budget together.

Personnel expenses are something we will discuss in our various March meetings too. So do not make any adjustments to personnel expenses in your respective line items. This is because I am still trying to get my arms around our personnel costs and allocations. As you may remember, we did not make any adjustments to the Wages and Classifications Table for FY 24, but we will this upcoming fiscal year. This means even an employee at the top or bottom of a wage scale will likely have some increase in salary effective July 1. Other employees somewhere between the floor and ceiling will also have an adjustment, but these adjustments might vary by classification based on a review Ina, Perry, Cameron and I will be performing. Moreover, employees not at the top of their salary ceiling may be eligible for an increase on our emerging performance evaluation system. In other words, there are many moving parts, and I want to keep this centralized with Perry, Ina, Cameron and me. We will go over the salary line items and personnel expenses with you in our budget meetings, but again, please do not adjust these in your operating budgets for FY 25.

If you are requesting another position—which every department head not named Bucky has done—I want a memo articulating the costs, the benefits, and justifications for the proposed position. Again, these will be shared with council and will be public facing; I think everyone should know what we think we need even if our revenues do not allow us to fill these roles. Please know my emphasis on any new positions in the upcoming fiscal year will be in Public Services and Police serving the public, though we will be examining public information and community outreach.

#### *Capital Improvement Program*

In most cases, our capital plan for FY 25 should already have been discussed. But anything that is new or needs to be considered in FY 25 needs to be discussed in a CIP memo from your department. Each specific project should be discussed, justified, and describe funding sources or needs.

#### *To-Do Budget Checklist*

So you will be providing the following documents in the near future:

1. Updated budget spreadsheets by COB on March 8<sup>th</sup>.
2. A budget narrative, which will look a lot like the one I am attaching as a mock up.
3. A memo justifying personnel increases or new positions, if any.
4. A memo justifying CIPs proposed for FY 25 or new to the CIP schedule, if any.
5. Sometime in late March or early April, each department will provide a set of recommended performance measures, and as much as possible, provide actual data.

**ORDINANCE NO. 1235**

**FISCAL YEAR 2025 TAX RATES**

**AN ORDINANCE OF THE COMMISSIONERS OF CAMBRIDGE, MARYLAND TO ESTABLISH THE ANNUAL TAX LEVY FOR REAL AND PERSONAL PROPERTY FOR FISCAL YEAR 2025 BEGINNING JULY 1, 2024, AND ENDING JUNE 30, 2025.**

**WHEREAS**, pursuant to Md. Code Ann., Tax-Prop. § 6-303(a)(1) and § 3-25 of the Charter of the City of Cambridge, the Commissioners of Cambridge shall annually before the last day of June set the tax rate for the next taxable year on all assessments of property subject to real and personal property tax and levy such sums as they may deem sufficient to meet and pay the running expenses of the City of Cambridge (the “City”); and

**WHEREAS**, on March 25, 2024, the Commissioners of Cambridge held a public hearing on the proposed tax levy for real and personal property for Fiscal Year (“FY”) 2025, notice of which was published on March 8, 2024, and March 15, 2024, in the Star Democrat, and on March 13, 2024 and March 20, 2024, in the Dorchester Banner, newspapers of general circulation in the City, and posted on the City’s website and Facebook page; and

**WHEREAS**, the Commissioners of Cambridge, after due and careful consideration, including consideration of the public comments received during the March 25, 2024, public hearing and all written comments submitted, have determined that a tax levy of \$0.8096 for each one hundred dollars (\$100.00) of assessed valuation of real property and a tax levy of \$1.69 for each one hundred dollars (\$100.00) of assessed valuation of personal property in the City for FY 2025 commencing on July 1, 2024, and ending on June 30, 2025, is fair, just, and fiscally responsible; and

**WHEREAS**, the proposed tax levies for real and personal property set forth herein are unchanged from the FY 2024 rates.

**NOW, THEREFORE, BE IT ENACTED AND ORDAINED BY THE COMMISSIONERS OF CAMBRIDGE** that the real property tax levy be, and the same hereby is, set at \$0.8096 for each one hundred dollars (\$100.00) of assessed valuation of real property in the City of Cambridge, and said tax rate is hereby imposed on all assessable real property for the fiscal year commencing July 1, 2024, and ending June 30, 2025.

**AND BE IT FURTHER ENACTED AND ORDAINED BY THE COMMISSIONERS OF CAMBRIDGE** that the personal property tax levy be, and the same hereby is, set at \$1.69 for each one hundred dollars (\$100.00) of assessed valuation of personal property in the City of Cambridge, and said tax rate is hereby imposed on all assessable personal property for the fiscal year commencing July 1, 2024, and ending June 30, 2025.

**AND BE IT FURTHER ENACTED AND ORDAINED BY THE COMMISSIONERS OF CAMBRIDGE** that all fees, charges, and levies adopted by this Ordinance shall remain in effect unless changed at a future date by subsequent Ordinance by the

Commissioners of Cambridge and the same shall be collected pursuant to all applicable provisions of the Charter of the City of Cambridge and State law.

**AND BE IT FURTHER ENACTED AND ORDAINED BY THE COMMISSIONERS OF CAMBRIDGE** that this Ordinance shall take effect July 1, 2024.

ATTEST:

THE COMMISSIONERS OF CAMBRIDGE

  
Thomas M. Carroll, City Manager

 (SEAL)  
Stephen W. Rideout, Mayor

**Introduced the 18<sup>th</sup> day of March, 2024**  
**Passed the 25<sup>th</sup> day of March, 2024**  
**Effective the 1<sup>st</sup> day of July, 2024**

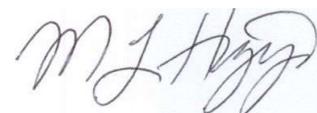
## 2024 Constant Yield Tax Rate Certification

Taxing authority: **Cambridge  
 in Dorchester County**

1	1-Jul-2023	Gross assessable real property base	\$	975,855,577
2	1-Jul-2023	Homestead Tax Credit	-	12,314,726
3	1-Jul-2023	Net assessable real property base		963,540,851
4	1-Jul-2023	Actual local tax rate (per \$100)	x	0.8096
5	1-Jul-2023	Potential revenue	\$	7,800,827
6	1-Jul-2024	Estimated assessable base	\$	1,069,524,490
7	1-Jan-2024	Half year new construction	-	20,597,120
8	1-Jul-2024	Estimated full year new construction*	-	7,500,000
9	1-Jul-2024	Estimated abatements and deletions**	-	27,721,025
10	1-Jul-2024	Net assessable real property base	\$	1,013,706,345

11	1-Jul-2023	Potential revenue	\$	7,800,827
12	1-Jul-2024	Net assessable real property base	÷	1,013,706,345
13	1-Jul-2024	<b>Constant yield tax rate</b>	\$	<b>0.7695</b>

Certified by



Director

\* Includes one-quarter year new construction where applicable.  
 \*\*Actual + estimated as of July 1, 2024, including Homestead Tax Credit.  
 Form CYTR #1

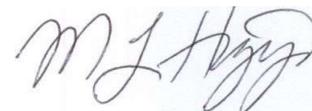
## 2023 Constant Yield Tax Rate Certification

Taxing authority: **Cambridge  
 in Dorchester County**

1	1-Jul-2022	Gross assessable real property base	\$	884,064,033
2	1-Jul-2022	Homestead Tax Credit	-	4,085,873
3	1-Jul-2022	Net assessable real property base		879,978,160
4	1-Jul-2022	Actual local tax rate (per \$100)	x	0.8096
5	1-Jul-2022	Potential revenue	\$	7,124,303
6	1-Jul-2023	Estimated assessable base	\$	967,544,534
7	1-Jan-2023	Half year new construction	-	47,377,070
8	1-Jul-2023	Estimated full year new construction*	-	7,000,000
9	1-Jul-2023	Estimated abatements and deletions**	-	20,247,299
10	1-Jul-2023	Net assessable real property base	\$	892,920,165

11	1-Jul-2022	Potential revenue	\$	7,124,303
12	1-Jul-2023	Net assessable real property base	÷	892,920,165
13	1-Jul-2023	<b>Constant yield tax rate</b>	\$	<b>0.7979</b>

Certified by



Director

\* Includes one-quarter year new construction where applicable.

\*\*Actual + estimated as of July 1, 2023, including Homestead Tax Credit.