

## Community Advisory Board on the Living Wage

September 27, 2011

Living Wage Advisory Board Meeting, September 22, 2011

Members present: David Slaney, Terrence Smith, Dan O'Neill, George Donahue, Nancy O'Brien

Members not present: Lisa Yanakakis

Also in attendance: Sheila Keady Rawson, Michael Gardner, Personnel Department, Jolyon Cowan and Jose Soares of DHSP, and representatives of The Margaret Fuller House and SCM Transportation

The meeting was called to order at 6:00 pm and the Agenda was approved. Members introduced themselves and welcomed the representatives from the Margaret Fuller House and SCM Transportation. Michael Gardner advised that he had retired from full time employment with the City and that Sheila Keady Rawson, would be taking over as the primary City liaison to the Board. The minutes from the last meeting were approved.

Terry Smith indicated he had not yet had the opportunity to draft a template of the kinds of data that the Board might request of waiver seekers in the future, which they could be supplied with in advance of making the presentation. He said he would do this work prior to the next meeting.

Presentation was made by Barbara Kibler, Executive Director of the Margaret Fuller Neighborhood House for a waiver for the salary of the food pantry manager. Ms. Kibler explained that this position is currently vacant. It had previously been filled by someone being paid the Living Wage, but in hiring a new person MFNH wanted to pay \$12.00 per hour. This was more in line with wages paid to other, long-term employees of MFNH (working in activities not paid for by City grant, and hence not subject to the Living Wage). More importantly, Ms. Kibler explained that the MFNH had lost over \$200,000 in funding in its overall budget and had run a deficit of \$25,000 in the most recent budget year. It was cutting positions and hours of remaining staff in order to meet these challenges. The City of Cambridge (DHSP-CDBG) grant of \$20,000 had not been cut for FY 2012. This grant is devoted to activities at the Food Pantry the MFNH runs. However, a federal grant (FEMA) for the purchase of food for the pantry had been cut in half, from \$10,000 to \$5,000. She feared losing another \$5,000 next year.

The MFNH wished to use the savings from reducing the Food Pantry Manager position hourly rate to buy more food to be distributed at the pantry, to partially make up for the federal grant loss. This change would save about \$4,000 that could be applied to food purchases.

Ms. Kibler explained that the MFNH had paid the Living Wage over the last eight years of the grant, and that it was seeking this waiver very reluctantly. It was taking the opportunity to restructure the position and reduce its responsibilities somewhat, shifting some things to another person. She said that the food pantry provides food to about 1000 people a month.

Joylon Cowan from DHSP explained that trending in CDBG funding was down, 16% over the last year, but that the Food Pantry grant had been level funded. He estimated a possible 15% further overall cut next year.

Members of the Board expressed frustration at being faced with the dilemma of the conflict between wages and food. Ms. Kibler shared the frustration and said she would be working to raise more money for the pantry. If she was successful she said she would apply the money to wages.

One Board member expressed skepticism that \$4,000 could not be found in a budget of \$500,000 and encouraged the MFNH to solicit contributions from local businesses.

The Committee decided to delay a vote on the waiver request until after hearing the SCM request as well.

Reed Cochran of SCM reported that since being before the Board last year, SCM has lost a \$100K contract, or 5% of their budget. They have also been buffeted by higher fuel costs over the last three months, as well as a spike in health insurance costs. Administrative staff has been cut and Ms. Cochran has taken a pay cut. Compliance with the Living Wage would cost the agency \$60,000; something they cannot afford. Somerville and Medford cut their support to SCM but Cambridge actually increased its support. About 700-800 Cambridge residents use the service, a demand that keeps growing.

The Board was advised that it was illegal for the City to supply gas to SCM at its price, an idea that had been raised in the past. Ms. Cochran said similar agencies in the area had closed or merged. SCM was a survivor so far. Ms. Cochran said she appreciated the technical assistance the agency receives from Cambridge. The agency was trying to diversify its income streams by, for example, marketing a Door 2 Door to the Arts program where those who can afford to pay market rates.

One Board member cited the difficulty of segregating the work under the Cambridge grant based on how transit routes are organized.

David Slaney moved approval of the waiver, seconded by Nancy O'Brien. It passed unanimously.

The Board then returned to the MFNH Waiver request. Dan O'Neill made the motion to approve the waiver with the expectation that the agency would make the extra effort to solicit more funds to raise money to find a way to pay the Living Wage. Nancy O'Brien

seconded the motion. One Board member asked about the agency's plans for other staff. Ms. Kibler said she was concerned about equity with other staff.. Mr. O'Neill suggested that Ms. Kibler come back to the next meeting to report on developments. She agreed. The motion passed unanimously.

Current City statistics of those earning the Living Wage (322), 83.8% working at the DHSP.

In Other business Dan O'Neill expressed frustration that the City Manager had not been informed of the need for the \$4,000 to cover the Living Wage gap at the MFNH. Michael Gardner explained the budget process for such grants, emphasizing their long time lines, (beginning in November of the prior year). He also advised the Board that the MFNH request had been filed about 10 days prior to the meeting and that it appeared to be an opportunistic filing—if the prior incumbent had not left the request would not have been made. He suggested there was no practical way to involve the City Manager in a review of the MFNH budget under such a scenario.

Mr. O'Neill suggested that the person who perhaps was critical to decision making in this circumstance was the department head at the DHSP. The Board requested that that person, Assistant City Manager Ellen Semonoff be invited to the next meeting.

Terence Smith said he would draft a template of the kinds of data that the Board might request of waiver seekers in the future, which they could be supplied with in advance of making the presentation.

Terence Smith said he would work with Sheila Keady Rawson to invite Assistant City Manager Ellen Semonoff to the next meeting, preferably in December, 2011. Once an actual date was set, Mr. Smith stated the Board would be notified

The meeting adjourned at approximately 7:38 pm.

Draft Minutes prepared by Michael Gardner for consideration by the Board.