

c a m b r i d g e

2001

City of Cambridge, Massachusetts

**Comprehensive Annual
Financial Report**

July 1, 2000 – June 30, 2001

CITY OF CAMBRIDGE, MASSACHUSETTS

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

For the Fiscal Year
July 1, 2000 through June 30, 2001

Robert W. Healy
City Manager

James P. Maloney, Jr.
Assistant City Manager for Fiscal Affairs
and
Treasurer/Collector

Prepared by:
Finance Department
City of Cambridge, Massachusetts

Front cover logo designed by Chris Wooster

CITY OF CAMBRIDGE, MASSACHUSETTS

Comprehensive Annual Financial Report

For the Year Ended June 30, 2001

Table of Contents

	Page
Introductory Section	
Letters of Transmittal	i
A Few Words About Cambridge	xii
Directory of Officials	xiii
Organizational Chart	xiv
Certificate of Achievement	xv
Financial Section	
Independent Auditors' Report	2 - 3
General Purpose Financial Statements:	
Combined Balance Sheet – All Fund Types, Account Groups and Discretely Presented Component Unit	6 - 7
Combined Statement of Revenues, Expenditures, and Changes in Fund Equity – All Governmental Fund Types and Expendable Trust Funds	8
Statement of Revenues and Expenditures – Budgetary Basis – General Fund – Budget and Actual	9
Combined Statement of Revenues, Expenses, and Changes in Retained Earnings/Fund Equity – All Proprietary Fund Types, Nonexpendable Trust Funds and Discretely Presented Component Unit	10
Statement of Changes in Plan Net Assets – Pension Trust Fund	11
Combined Statement of Cash Flows – All Proprietary Fund Types, Nonexpendable Trust Funds and Discretely Presented Component Unit	12
Notes to General Purpose Financial Statements	13 - 35
Required Supplementary Information	36 - 38
Supplementary Statements and Schedules:	
Schedule of Expenditures – Budgetary Basis – General Fund	39 - 47
Combining Financial Statements:	
Special Revenue Funds:	
Combining Balance Sheet	49
Combining Statement of Revenues, Expenditures, and Changes in Fund Equity	50

Table of Contents (continued)

	Page
Fiduciary Funds:	
Combining Balance Sheet	52
Combining Statement of Revenues, Expenses, and Changes in Fund Equity – Nonexpendable Trust Funds	53
Combining Statement of Cash Flows – Nonexpendable Trust Funds	54
Combining Statement of Revenues, Expenditures, and Changes in Fund Equity – Expendable Trust Funds	55
Combining Statement of Changes in Assets and Liabilities – Agency Funds	56 - 57
Description of Trust Funds	58 - 84
Schedule of Real Estate, Personal Property, and Motor Vehicle Excise Taxes	87 - 89
Schedule of Bonds and Notes Payable	90 - 91
Schedule of General Fixed Assets – by Function and Activity	92
Schedule of Changes in General Fixed Assets – by Function and Activity	93
 Statistical Section	
General Governmental Expenditures by Function – Budgetary Basis	96
General Governmental Expenditures by Function – General and Selected Special Revenue Funds – GAAP Basis	97
General Governmental Revenues by Source – Budgetary Basis	98
Property Tax Levies and Collections	99
Assessed Value and Equalized Valuation of Taxable Property	100
Property and Motor Vehicle Tax Rates	101
Ratio of Net General Bonded Debt to Assessed Valuation and Net Bonded Debt per Capital	102
Ratio of Annual Debt Service for General Bonded Debt to Total General Expenditures	103
Computation of Legal Debt Margin	104
Computation of Direct and Overlapping Debt	105
Property Value, Construction and Bank Deposits	106
Principal Taxpayers	107
Salaries of Principal Officials	108
Miscellaneous Statistics	109 - 110

Introductory Section



City of Cambridge

FINANCE DEPARTMENT

JAMES P. MALONEY, JR.
Assistant City Manager/Finance

December 18, 2001

Mr. Robert W. Healy
City Manager
City of Cambridge
Cambridge, Massachusetts 02139

Dear Mr. Healy:

The Comprehensive Annual Financial Report of the City of Cambridge, Massachusetts, for the Fiscal Year ended June 30, 2001 is presented for your review. The report was prepared by the City's Finance Department. The responsibility for the accuracy, completeness, and fairness of the data presented, including all disclosures, rests with the City. We believe that the data presented is accurate in all material respects; that it is presented in a manner designed to show fairly the financial position and results of operations of the City as measured by the financial activities of its various funds; and that all disclosures deemed necessary to enable the reader to gain the maximum understanding of the City's financial activity have been included.

The financial information in this report is presented in conformance with Generally Accepted Accounting Principles (GAAP).

Accounting System and Budgetary Control

Basis of Accounting

The accounting records of the City's general government operations, as reported in the General Fund, Special Revenue Funds, and Capital Projects Fund, are maintained on a modified accrual basis. Accordingly, revenues are recorded when measurable and available and expenditures are recorded when the services or goods are received and the liabilities are incurred. Expendable trust funds are accounted for similar to governmental funds. The accrual basis of accounting is followed by the proprietary fund types, nonexpendable trust funds and pension trust funds. Agency funds are custodial in nature and do not involve measurement of results of operations.

In developing and maintaining the City's accounting system, consideration is given to the adequacy of internal accounting control. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.



All internal control evaluations occur within the above framework. It is our belief that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary Control

The City uses encumbrance accounting in its governmental funds as a method of recording commitments under purchase orders and contracts. Encumbrance accounting, under which purchase orders, contracts, and other commitments for expenditure of funds are recorded to reserve that portion of the applicable appropriation, is employed in the Governmental Fund Types as a significant aspect of budgetary control.

Uncollateralized Deposits

The City of Cambridge does not require collateral for its certificates of deposit, money market accounts, checking or savings accounts when dealing with major banking institutions in the Boston area. However, City officials reserve the right to require collateral when it is in the best interest of the City.

The Reporting Entity

The general purpose financial statements present information on the City of Cambridge, Massachusetts (the primary government) and its component units as required by generally accepted accounting principles. Component units are included in the City's reporting entity because of the significance of their operational or financial relationships with the City. The inclusion of component units in the City's general purpose financial statements does not affect their legal standing.

The City has two component units which are the Cambridge Retirement System and the Cambridge Public Health Commission.

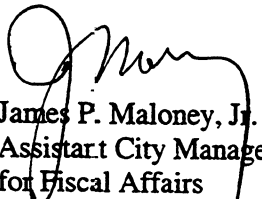
The financial statements of the Cambridge Retirement System are presented for the year ended December 31, 2000, which is its fiscal period for reporting to the Public Employee Retirement Administration Commission of the Commonwealth of Massachusetts.

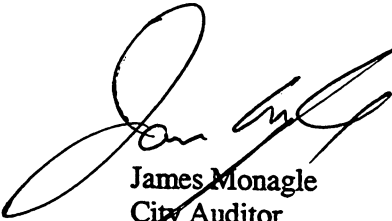
Acknowledgments

The City continues to show strong financial gains through responsible management of financial operations and through improved accounting and financial reporting practices. The financial decisions made during the past fiscal year will continue to pay dividends in the years to come.

In closing, we would like to thank all employees of the City's Finance Department for their dedicated work and support during the past fiscal year.

Respectfully submitted,


James P. Maloney, Jr.
Assistant City Manager
for Fiscal Affairs


James Monagle
City Auditor



CITY OF CAMBRIDGE • EXECUTIVE DEPARTMENT

Robert W. Healy, City Manager *Richard C. Rossi, Deputy City Manager*

December 18, 2001

The Honorable Members of the City Council:

I am pleased to submit the Comprehensive Annual Financial Report of the City of Cambridge, Massachusetts, for the fiscal year ended June 30, 2001. Each year the City's Finance Department prepares this report, which presents comprehensive financial and operating information about the City's activities during the preceding fiscal year. The Comprehensive Annual Financial Report is a detailed report that goes beyond the requirements of applicable statutes, regulations and generally accepted accounting principles in order to present all of the information necessary to meet the needs of many persons and groups with an interest in the financial affairs of the City of Cambridge.

The report is divided into three major sections:

1. The **Introductory Section**, including this letter, which provides an overview of the City's organizational structure, a summary of the financial condition of the City and an analysis of the City's general government operations.
2. The **Financial Section**, which contains the General Purpose Financial Statements and Combining Statements and Schedules. These statements and schedules provide both an overview of the City's entire financial operations and details for the significant individual funds.
3. The **Statistical Section**, which presents historical financial data, debt statistics and miscellaneous social and economic data about the City.

Fiscal 2001 in Review: Major Initiatives

During fiscal year 2001, the City used a combination of General Obligation bond proceeds and loans from the State Revolving Fund (SRF) to finance a large portion of the cost of the new water treatment plant and reconstruction of the City's sewer system. The City received a total of \$16,735,705 in loans from the SRF for sewer reconstruction with the State covering approximately 64% of the debt service on the loans and an additional \$12,640,580 loan for the construction of the water treatment plant with the state subsidizing approximately 37% of the debt service on this loan. Other significant financial achievements are as follows:

- On December 1, 2000, the City issued \$32,810,000 in General Obligation bonds to fund a wide range of projects including improvements to City Hall, school renovations, sewer reconstruction, open space improvements, and building renovations at a net interest cost of 4.47%.
- In conjunction with the above sale, the three major credit rating agencies confirmed the highest rating available to cities. Fitch IBCA, Inc. cited the City's strong local economy and historic resilience to economic downturns as the primary reasons for its high rating while Moody's Investors Service based its Aaa on "the City's substantial and growing high-end tax base, modest debt position, and historically strong financial operations." Standard & Poor's recognized "Cambridge's successful evolution into a high-technology services area" as a means of "reaping positive economic benefits."

- Fund equity in the General Fund increased from \$43,504,420 in fiscal year 2000 to \$46,551,659 in fiscal year 2001 despite the planned use of \$9.5 million to finance a wide range of capital projects as well as a portion of the operating budget. Fund equity as a percentage of revenues is 16.3% which is high by national standards and has been cited by the rating agencies as a major factor in the award of the highest credit rating to bonds issued by the City.
- The slight decrease in the collection rate for current year real and personal property taxes from its fiscal year 2000 level of 100.81% to 99.60% in fiscal year 2001 reflects the slight downturn in the local economy, which began in fiscal year 2001. The 99.60% is the result of current year collections of \$173,621,733 (net of current year refunds) being slightly less than the net tax levy (total commitment of \$178,602,116 minus the reserve set aside for abatements of \$4,290,541) of \$174,311,575. Although the collection rate decreased in fiscal year 2001, it is still very high by national standards and is expected to increase to its previous levels as economic conditions improve.
- In recognition of the City's financial achievements, the Government Finance Officers Association (GFOA) awarded the City its Certificate of Achievement for Excellence in Financial Reporting and the Distinguished Budget Presentation Award. In both cases, the City has received these awards from the GFOA every year for over a decade.

Financial Summary

The City continues to be in sound financial condition as demonstrated by the financial statements and schedules included in this report. Throughout the year, the City maintained a strong cash and investment position and once again did not issue any tax anticipation notes. The following information pertains to the revenues and expenditures of the General Fund. This data is included in the Statement of Revenues and Expenditures-Budgetary Basis-Budget and Actual, which presents financial information on the budgetary basis of accounting.

Revenues and other financing sources

Fiscal year 2001 actual revenues on a budgetary basis totaled \$284.9 million. This represents an increase of \$26.0 million or 10.0% from fiscal year 2000. Property taxes are the single largest revenue source, representing approximately 61.1% of General Fund revenues, net of abatements. Real and personal property tax revenues, net of abatements, increased by \$14.4 million, or 9.0%. Intergovernmental receipts comprise the City's next largest revenue source, representing 16.5% of General Fund revenues. These revenues increased 18.1% to \$47.0 million, due to increases in state aid. Sewer receipts decreased 0.7% to \$20.6 million during fiscal year 2001 because of a slightly lower collection rate.

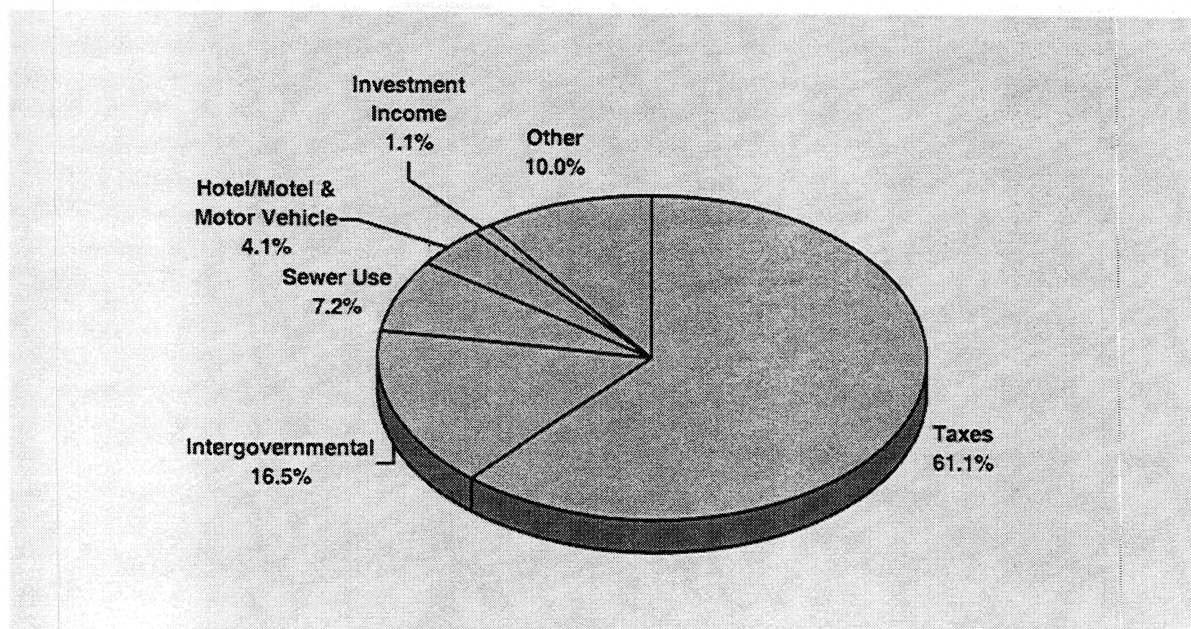
The slight increase of 1.2% in the Motor Vehicle Excise and slight decrease of 0.8% in the Hotel/Motel Excise reflect the slowdown in the local economy during fiscal year 2001. Both of these taxes are sensitive to changes in the local economy.

The 33.2% increase in investment income from \$2.4 million to \$3.2 million was due to higher interest rates earned on its cash and investment balances.

The following table and graph display the dollar amounts in thousands received from various sources of revenue for fiscal year 2001 and compares these amounts to those received in fiscal year 2000.

**Fiscal Year 2001 General Fund Revenues
Budgetary Basis
(Dollars in thousands)**

Revenue source	Amount	Percent	Increase (decrease) from fiscal year 2000	
			Amount	Percent
Taxes, net of abatements	\$ 174,194	61.1%	\$ 14,444	9.0%
Intergovernmental	47,023	16.5	7,202	18.1
Sewer use	20,563	7.2	(153)	(0.7)
Hotel/Motel & Motor Vehicle Excise	11,573	4.1	28	0.2
Investment income	3,203	1.1	798	33.2
Other	28,348	10.0	3,685	14.9
Total	284,904	100%	26,004	10.0%
Net transfers in (out)	(13,917)		(5,787)	
Total, net of transfers	\$ 270,987		\$ 20,217	



Expenditures

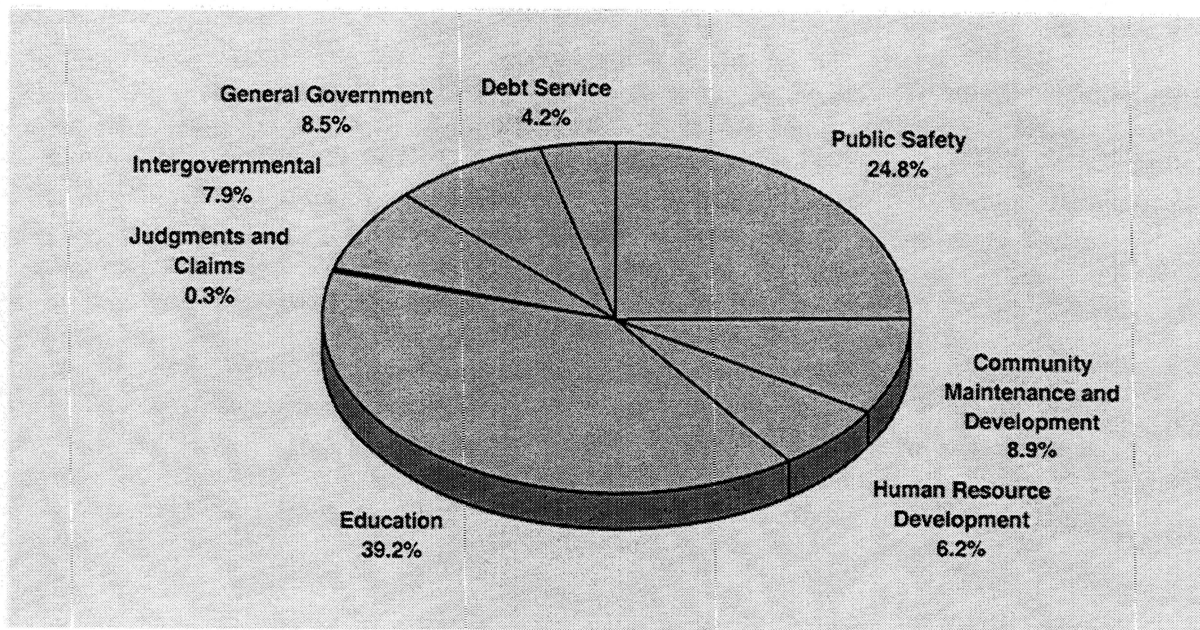
During fiscal year 2001, total expenditures increased on a budgetary basis by 2.8% from \$261.6 million to \$268.9 million.

General Government expenditures increased 11.6% to \$22.7 million due primarily to an additional allocation of health insurance costs to employee benefits. The 5.9% increase in Human Resource Development expenditures reflects a cost-of-living-allowance.

As part of the agreement between the City and the Cambridge Public Health Commission (CPHC), the City will continue to subsidize the operations of the CPHC. The transfer from the City to the CPHC, \$7.6 million, is \$1.0 million less than in the previous fiscal year but the net effect is the same because the CPHC did not make the \$1.0 million payment in lieu of taxes that it had previously made to the City. This is shown as a transfer to a component unit in the Other Financing Sources (Uses) section of the Budgetary Basis statement.

Fiscal Year 2001 General Fund Expenditures Budgetary Basis (Dollars in thousands)

Expenditure function	Amount	Percent	Increase (decrease) from fiscal year 2000	
			Amount	Percent
General Government	\$ 22,741	8.5%	\$ 2,368	11.6%
Public Safety	66,713	24.8	(291)	(0.4)
Community Maintenance and Development	23,833	8.9	446	1.9
Human Resource Development	16,655	6.2	935	5.9
Education	105,522	39.2	4,489	4.4
Judgments and Claims	709	0.3	(162)	(18.6)
Intergovernmental	21,347	7.9	(334)	(1.5)
Debt Service	11,367	4.2	(133)	(1.2)
Grand total	\$ 268,887	100.0%	\$ 7,318	2.8%



General Fund Balances and Cash Position

The City ended fiscal year 2001 with a total General Fund fund balance of \$46,551,659, which represents 16.3% of General Fund revenues, a slight decrease from 16.4% in fiscal year 2000. Each year, a portion of fund balance is allocated to reserve accounts. A total of \$14,671,873 was transferred to reserve accounts in fiscal year 2001, leaving an unreserved fund balance of \$31,879,786. General Fund cash and short-term investments totaled \$78,235,106, while the balance of cash and short-term investments for all funds totaled \$165,618,341, which is a \$30,678,804, or 22.7% increase from fiscal year 2000 with the largest portion of this increase occurring in the General Fund. Because of aggressive cash management and timely issuance of tax bills, the City did not issue tax anticipation notes to assist with cash flow management during the fiscal year.

The following table presents the balance in the City's unreserved General Fund fund balance for fiscal years 1994 through 2001.

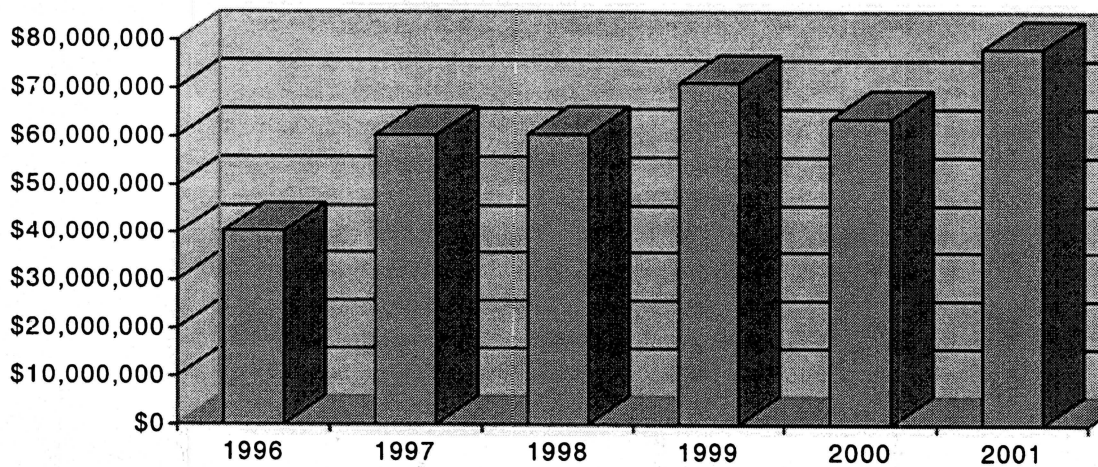
<u>Fiscal year</u>	<u>Unreserved general fund balance</u>
1994	\$ 15,634,070
1995	26,362,257
1996	26,079,677
1997	30,979,095
1998	34,958,456
1999	23,223,656
2000	25,154,076
2001	31,879,786

Cash Position

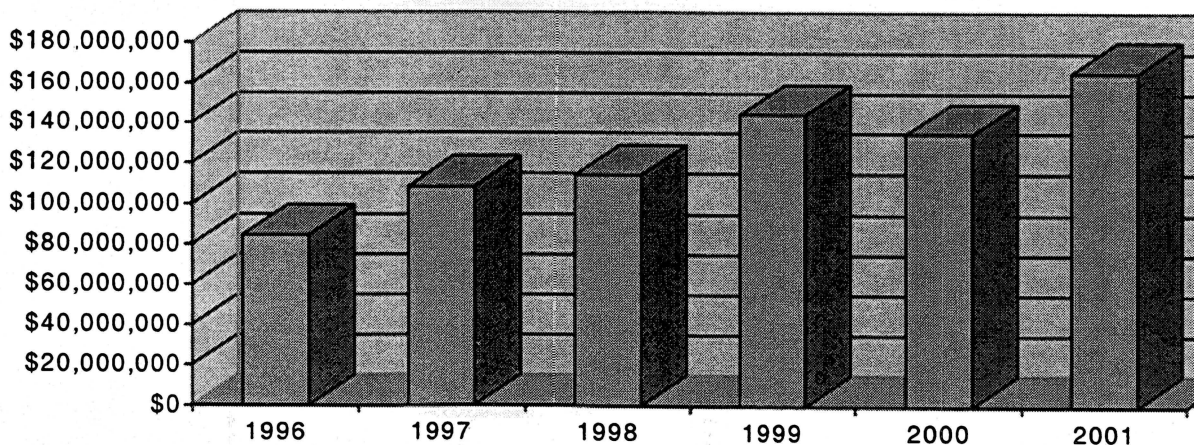
The table and charts displayed below present the changes in year-end General Fund cash and total cash for all funds for the past six fiscal years. The table and charts do not include cash for the Cambridge Public Health Commission, a component unit.

<u>Fiscal year</u>	<u>Year-end General Fund cash and short-term investments</u>	<u>Year-end all funds cash and short-term investments</u>
1996	\$ 40,436,647	\$ 84,569,214
1997	60,358,932	108,598,982
1998	60,512,140	114,159,051
1999	71,132,435	144,468,983
2000	63,837,512	134,939,537
2001	78,235,106	165,618,341

Year-End Cash Balance – General Fund



Year-End Cash Balance – All Funds



Capital Financing and Debt Management

In conjunction with the operating budget, the City annually prepares both a capital budget for the upcoming fiscal year and a five-year improvement plan that is used as a guide for capital expenditures in future years. The Capital Improvement Program for the five year-period from fiscal year 2002 through fiscal year 2006, which was approved by the City Council in May 2001, has an estimated cost of \$262,348,425. Financing for the fiscal year 2002 portion of the capital plan was appropriated with the adoption of the fiscal year 2002 operating budget in May 2001. Implementation of the program in the following four years, however, is contingent upon the City's continued strong financial position.

The City issues a majority of its debt with a ten-year or shorter repayment schedule, which requires higher debt service payments in the short-term, but results in sizable interest savings. In addition, since fiscal year 1985, the City has funded a portion of its Capital Improvement Program on a "pay-as-you-go" basis out of current revenues. Outstanding bonded debt as of June 30, 2001 totaled \$201,254,166.

Key Debt Ratios

Ratio	2001	2000	1999	1998	1997
Ratio of bonded debt to assessed value	1.6	1.4	1.4	1.4	1.1
Bonded debt per capita	\$ 1,986	1,535	1,413	1,132	792
Ratio of bonded debt per capita to per capita income	10.0	7.7	7.1	5.7	4.0
Ratio of debt service to total expenditures	9.8	8.9	8.6	7.6	9.0

Property Valuations

Based on valuations of all real and personal property as of January 1, 2000, the total value of all property in the City is \$12,703,137,530. Of that total, \$393,734,678 is attributable to new construction. The table below compares fiscal year 2001 property valuations and tax rates to fiscal year 2000 valuations and tax rates.

	Property valuations (in thousands)		Tax rates	
	FY 2001	FY 2000	FY 2001	FY 2000
Commercial/industrial	\$ 4,701,278	3,990,495	23.39	25.16
Personal property	293,000	274,785	23.39	25.16
Residential	<u>7,708,860</u>	<u>6,772,662</u>	9.21	9.64
Total value	\$ <u>12,703,138</u>	<u>11,037,942</u>		

Fiduciary and Reserve Funds

The City administers more than 70 trust funds (excluding the Retirement Trust Fund and the City's Stabilization Funds), the total fund balance of which was \$19,271,716 on June 30, 2001. All interest earned by these funds accrues to each trust. Funds from the trusts are used for a variety of purposes including awarding scholarships and prizes to Cambridge school children, providing entertainment for residents at the nursing home, purchasing books and materials for the public library, providing dental hygiene for school age

children, and rehabilitating affordable housing. The single largest trust fund is the Health Claims Trust, established by the City during fiscal year 1985 to act as a contingency against possible deficits in health insurance allotments due to higher than anticipated claims in a given year. The fund balance of this trust fund decreased from \$12,338,609 at June 30, 2000 to \$11,335,043 at June 30, 2001. The decrease was due to higher expenses to fund 2001 health care costs.

The City's Stabilization Fund had a balance of \$6,923,670 on June 30, 2001. This fund is a statutory reserve account. Interest earned by this fund accrues to this trust.

Pension Liability

As of January 1, 2000, the City's unfunded actuarial accrued liability is approximately \$52 million. In January, 1991, the City established a State approved funding schedule that will eliminate the City's unfunded actuarial liabilities by June 30, 2026.

Risk Management

The City of Cambridge is self-insured for any damage to its buildings from fire and natural disasters and for theft. The City currently has sufficient reserves in several funds to cover any unanticipated costs that may arise.

Health insurance is provided to employees and retirees through managed care health plans. The City offers a variety of health maintenance organization (HMO) options including Blue Cross/Blue Shield's Blue Choice and HMO Blue, Harvard Community Health Plan, Tufts Associated Health Plan, and US Healthcare. Both of the Blue Cross plans as well as the Tufts Associated Health Plan are paid on a claims basis while the Harvard Community Health Plan and US Healthcare are paid on a premium basis. All four plans require a 12% employee and retiree contribution with the remaining 88% covered by the City.

The City is self-insured in all other areas of risk including auto liability and workers' and unemployment compensation. The City's Law Department defends the City in most cases for legal claims, except those requiring specialized expertise, in which case the City will periodically retain outside counsel. Settlements for legal claims are paid from the City's Judgments and Claims account. The noncurrent portion of claims and judgments is reported in the general long-term obligations account group to the extent it is probable that a loss has been incurred and the amount can be reasonably estimated. The City's Personnel Department administers risk management.

Independent Audit

The City's financial records, books of accounts, and financial transactions are audited each year by an independent firm of certified public accountants. The City's annual audits since fiscal year 1979 have been performed by the independent public accounting firm of KPMG LLP. The independent auditors' report on the financial statements for the year ended June 30, 2001 is included herein. The independent auditors' report on compliance and on internal control over financial reporting in accordance with "Government Auditing Standards" has also been included herein.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Cambridge, Massachusetts, for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2000.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA.

Economic Condition

The City has continued to improve its strong financial condition despite a downturn in the local economy.

Although City unemployment increased from 1.7% as of June 30, 2000, to 2.6% on June 30, 2001, compared with 2.7% for the state and 4.9% for the United States, inflation continues at its slow pace while property values are increasing.

Future Outlook and Conclusion

While the City maintains its policy of controlled budget growth, it has also maintained its tradition of providing a high level of service to its residents and the local business community. In fact, the overall property tax levy increased at a moderate rate from the prior fiscal year. There continues to be many reasons to be optimistic about the fiscal future of Cambridge.

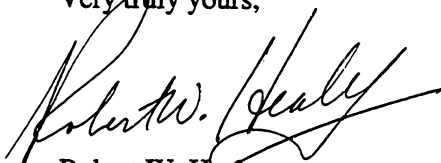
Although the local economy has felt the effects of the recession with the result being a decrease in the property tax collection rate and an increase in the unemployment and office vacancy rates, the City has historically been resilient to economic downturns. As mentioned in a previous section, both the cash position of all funds and the fund equity of the General Fund improved significantly during fiscal year 2001 despite negative factors associated with the local economy. These improvements are directly attributable to the strong financial management that is often cited by credit rating agencies as a primary factor in the high bond ratings that the City has been awarded.

The City will continue to look for ways to expand its non-property tax revenue, encourage expansion of the tax base and exercise restraint on expenditures. These factors will enable Cambridge to maintain its high level of municipal services and remain fiscally strong.

Acknowledgments

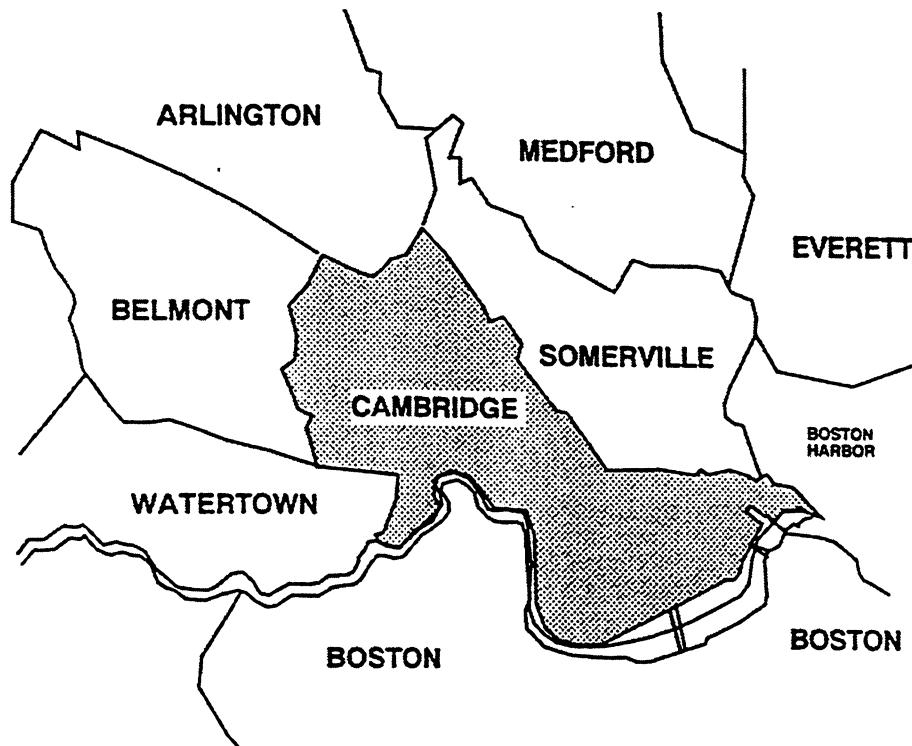
The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Finance Department. I would like to express my appreciation to all members of the Department who assisted and contributed to its preparation. I would also like to thank the members of the City Council for their concern and support in planning and constructing the financial operations of the City in a responsible and progressive manner. Finally, I would like to thank the City's delegation to the State Legislature, who have continually offered strong support on State fiscal matters that impact the City.

Very truly yours,

A handwritten signature in black ink, appearing to read "Robert W. Healy", with a stylized flourish at the end.

Robert W. Healy
City Manager

A Few Words About Cambridge



The City of Cambridge, Massachusetts is located in southeast Middlesex County across the Charles River from the City of Boston. The City is bordered by the Towns of Watertown and Belmont on the west, the Town of Arlington and the City of Somerville on the north, and occupies a land area of 6.26 square miles. The City's estimated population was 101,355 in 2001.

Cambridge, first settled in 1630 by a group from the Massachusetts Bay Company, was originally incorporated as a town in 1636 and became a city in 1846. The City has a Council-Manager form of government. The legislative and policy making body of the City is the nine-member City Council, whose members are elected at-large for two-year terms. The City Council elects a Mayor and Vice-Mayor from among its members with the Mayor also serving as Chair of the School Committee.

The City Manager is the chief administrative officer and carries out the policies of the City Council. With the assistance of a Deputy City Manager and three Assistant City Managers, the City Manager coordinates the functions of 41 municipal departments and is responsible for the delivery of services to residents. The City Manager is appointed by the City Council and serves at the pleasure of the Council. The present City Manager is employed under a contract which expires June 30, 2003.

The City Council also appoints members to certain boards and commissions as it deems necessary to assist in the operation of the City.

The School Committee is comprised of six elected members plus the Mayor, all of whom are elected for two-year terms. The School Superintendent is responsible for the day-to-day activities of the School Department and serves at the pleasure of the School Committee.

Fiscal Year 2001

Directory of Officials

City Council

Anthony D. Galluccio, Mayor

David P. Maher, Vice Mayor	Henrietta Davis
Kenneth E. Reeves	Michael A. Sullivan
James Braude	Timothy J. Toomey, Jr.
Kathleen Leahy Born	Marjorie C. Decker

School Committee

Anthony D. Galluccio, Chair

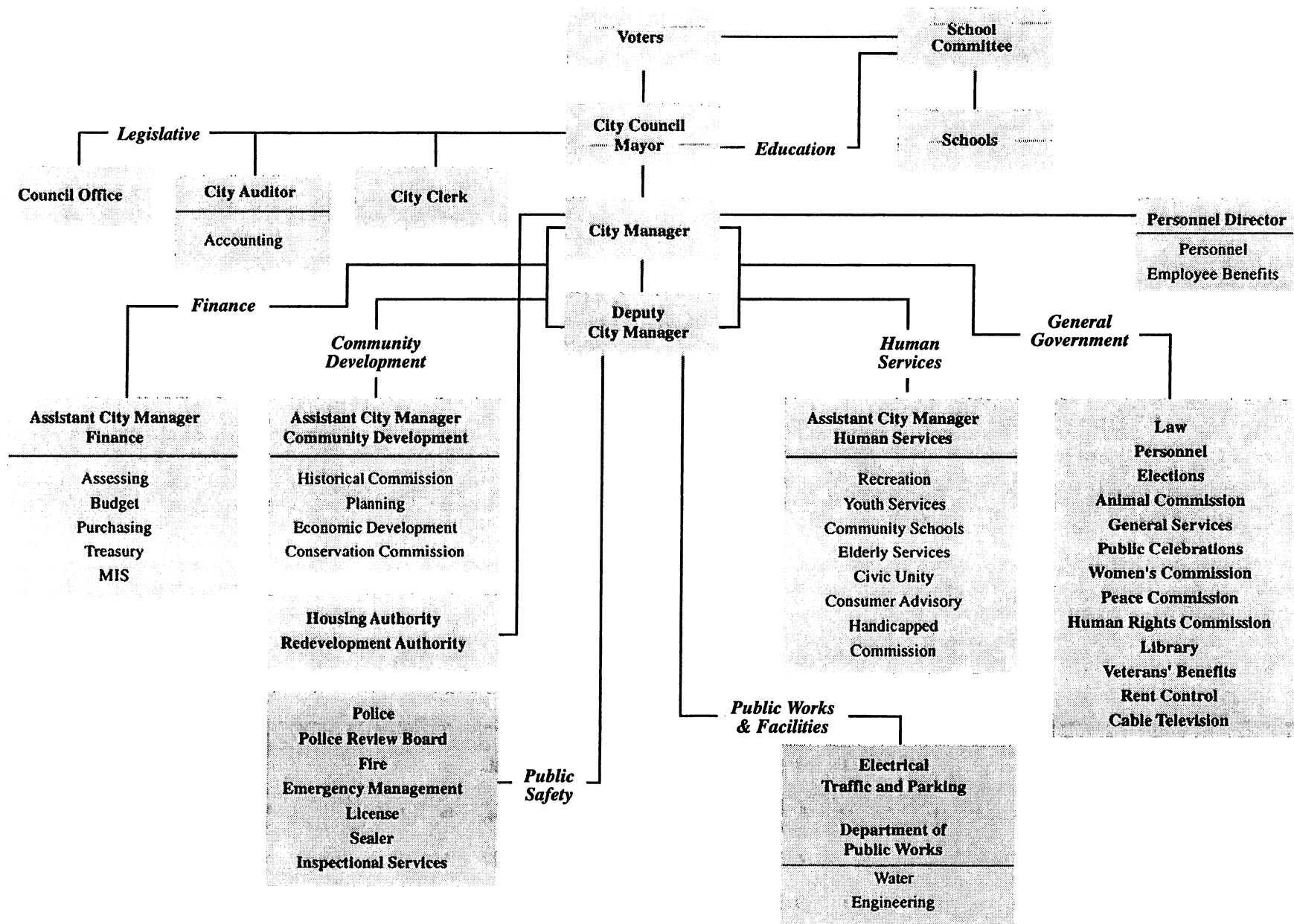
Susana M. Segat	Alice L. Turkel
Alfred B. Fantini	Nancy Walser
Joseph G. Grassi	E. Denise Simmons, Vice Chair

Principal Executive Officers

City Manager	Robert W. Healy
Deputy City Manager	Richard C. Rossi
Assistant City Manager for Fiscal Affairs and Treasurer/Collector	James P. Maloney, Jr.
Assistant City Manager for Community Development	Beth C. Rubinstein
Assistant City Manager for Human Services	Jill M. Herold
City Auditor	James Monagle
City Solicitor	Russell B. Higley
City Clerk	D. Margaret Drury

Organizational Chart

City of Cambridge, Massachusetts



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of
Cambridge, Massachusetts

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2000

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Timothy D. Brown
President

Jeffrey L. Esler
Executive Director

(This page intentionally left blank.)

Financial Section

Independent Auditors' Report

The City's general purpose financial statements are audited each fiscal year by an independent public accounting firm. The audits are conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

The auditors' report on the City's general purpose financial statements is contained in this section.



99 High Street
Boston, MA 02110-2371

Telephone 617 988 1000
Fax 617 988 0800

Independent Auditors' Report

The Honorable Mayor and City Council
City of Cambridge, Massachusetts:

We have audited the general purpose financial statements for the City of Cambridge, Massachusetts (the City), as of and for the year ended June 30, 2001, as listed in the accompanying table of contents. These general purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Cambridge, Massachusetts, at June 30, 2001, and the results of its operations and cash flows of its proprietary fund types, nonexpendable trust funds and discretely presented component unit, for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a separate report dated December 18, 2001, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The schedule of historical pension information on pages 37 and 38 is not a required part of the general purpose financial statements, but is supplementary information required by the Governmental Accounting Standards Board, and we did not audit and do not express an opinion on such information. We have applied to the schedule of historical pension information certain limited procedures prescribed by professional standards, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the schedules.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements of the City of Cambridge, Massachusetts, taken as a whole. The combining, individual fund, and individual account group financial statements and schedules listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

We did not audit the introductory and statistical sections as listed in the table of contents and therefore express no opinion thereon.

KPMG LLP

December 18, 2001

(This page intentionally left blank.)

General Purpose Financial Statements

These general purpose financial statements provide a broad financial overview for users requiring less detailed information than is presented in the individual statements of each separate fund and account group.

CITY OF CAMBRIDGE, MASSACHUSETTS

Combined Balance Sheet - All Fund Types, Account Groups, and Discretely Presented Component Unit

June 30, 2001

Assets and Other Debits	Governmental fund types			Proprietary fund types		Fiduciary fund types	Account groups		Total (memorandum only) primary government	Component Unit CPHC	Total (memorandum only) reporting entity
	General	Special revenue	Capital projects	Enterprise	Internal service	Trust and agency	General fixed assets	General long-term obligations			
Cash and investments (note 5)	\$ 78,235,106	14,167,420	2,780,580	9,086,083	803,428	515,862,630	—	—	620,935,247	36,394,335	657,329,582
Restricted cash and investments (note 5)	—	—	—	—	—	—	—	—	—	70,316,819	70,316,819
Receivables:											
Property taxes (note 3)	5,403,720	—	—	—	—	—	—	—	5,403,720	—	5,403,720
Tax titles and possessions	4,322,324	—	—	—	—	—	—	—	4,322,324	—	4,322,324
Motor vehicle excise	2,787,847	—	—	—	—	—	—	—	2,787,847	—	2,787,847
Other	1,694,381	116,095	—	—	—	13,744,192	—	—	15,554,668	30,716,448	46,271,116
Accounts receivable	—	1,000,000	—	5,028,477	—	3,382,056	—	—	9,410,533	—	9,410,533
Allowance for uncollectible receivables	—	—	—	(502,846)	—	—	—	—	(502,846)	—	(502,846)
Due from other funds (note 8)	—	111,738	2,718,462	—	—	79,997	—	—	2,910,197	—	2,910,197
Due from other governments	—	1,010,094	9,655,799	—	—	—	—	—	10,665,893	—	10,665,893
Due from component unit (note 7)	25,650,000	—	—	—	—	—	—	—	25,650,000	—	25,650,000
Fixed assets (net, where applicable, of accumulated depreciation) (note 6)	—	—	—	136,656,650	—	—	418,727,634	—	555,384,284	165,640,182	721,024,466
Other assets	—	—	—	—	—	4,129,444	—	—	4,129,444	11,956,017	16,085,461
Amount to be provided for retirement of general long-term obligations (note 7)	—	—	—	—	—	—	—	153,177,115	153,177,115	—	153,177,115
Total assets and other debits	\$ 118,093,378	16,405,347	15,154,841	150,268,364	803,428	537,198,319	418,727,634	153,177,115	1,409,828,426	315,023,801	1,724,852,227

CITY OF CAMBRIDGE, MASSACHUSETTS

Combined Balance Sheet - All Fund Types, Account Groups, and Discretely Presented Component Unit

June 30, 2001

	Governmental fund types			Proprietary fund types		Fiduciary fund types	Account groups		Total (memorandum only) primary government	Component Unit CPHC	Total (memorandum only) reporting entity
	General	Special revenue	Capital projects	Enterprise	Internal service	Trust and agency	General fixed assets	General long-term obligations			
Liabilities, Equity (Deficit) and Other Credits											
Liabilities:											
Warrants payable	\$ —	155,834	—	—	—	—	—	—	155,834	21,750,727	21,906,561
Accrued liabilities:											
Tax abatement refunds	16,578,406	—	—	—	—	—	—	—	16,578,406	—	16,578,406
Compensated absences (note 7)	—	—	—	304,804	—	—	—	16,706,647	17,011,451	14,463,486	31,474,937
Accrued payroll	10,206,157	97,793	—	49,816	—	—	—	—	10,353,766	—	10,353,766
Claims (notes 7 and 12)	—	—	—	—	—	—	—	3,157,895	3,157,895	—	3,157,895
Other	6,344,086	1,406,084	2,947,605	—	—	11,984,590	—	—	22,682,365	—	22,682,365
Guarantee deposits and amounts due to other taxing authorities	—	—	—	—	—	2,992,213	—	—	2,992,213	—	2,992,213
Due to third parties	—	—	—	—	—	—	—	—	—	65,025,430	65,025,430
Due to other funds (note 8)	—	1,838,235	—	991,965	—	79,997	—	—	2,910,197	—	2,910,197
Due to primary government (note 7)	—	—	—	—	—	—	—	—	—	25,650,000	25,650,000
Deferred revenue	38,413,070	—	—	—	—	—	—	—	38,413,070	27,043,849	65,456,919
Capital lease obligations	—	—	—	—	—	—	—	—	—	3,219,650	3,219,650
General obligation bonds and notes payable (note 7)	—	—	—	71,484,980	—	2,000,000	—	133,312,573	206,797,553	—	206,797,553
Total liabilities	71,541,719	3,497,946	2,947,605	72,831,565	—	17,056,800	—	153,177,115	321,052,750	157,153,142	478,205,892
Equity and other credits:											
Investments in general fixed assets (note 6)	—	—	—	—	—	—	418,727,634	—	418,727,634	—	418,727,634
Retained earnings	—	—	—	77,436,799	803,428	—	—	—	78,240,227	157,870,659	236,110,886
Fund balance (deficit):											
Reserved for encumbrances	9,121,873	3,001,739	35,383,685	—	—	—	—	—	47,507,297	—	47,507,297
Reserved for employees' pension benefits (note 9)	—	—	—	—	—	491,880,126	—	—	491,880,126	—	491,880,126
Reserved for specific purposes (note 8)	5,550,000	4,088,913	—	—	—	28,261,393	—	—	37,900,306	—	37,900,306
Unreserved (note 5)	31,879,786	5,816,749	(23,176,449)	—	—	—	—	—	14,520,086	—	14,520,086
Total equity and other credits	46,551,659	12,907,401	12,207,236	77,436,799	803,428	520,141,519	418,727,634	—	1,088,775,676	157,870,659	1,246,646,335
Commitments and contingencies (note 12)											
Total liabilities, equity and other credits	\$ 118,093,378	16,405,347	15,154,841	150,268,364	803,428	537,198,319	418,727,634	153,177,115	1,409,828,426	315,023,801	1,724,852,227

See accompanying notes to general purpose financial statements.

CITY OF CAMBRIDGE, MASSACHUSETTS

Combined Statement of Revenues, Expenditures and Changes in Fund Equity All Governmental Fund Types and Expendable Trust Funds

Year ended June 30, 2001

	Governmental fund types			Fiduciary fund type	Total
	General	Special revenue	Capital projects	Expendable trust	(memorandum only)
Revenues:					
Property taxes	\$ 174,681,244	—	—	—	174,681,244
Payments in lieu of tax receipts	4,807,067	—	—	—	4,807,067
Hotel/motel excise tax	5,651,401	—	—	—	5,651,401
Intergovernmental	47,022,550	22,470,060	21,479	—	69,514,089
Private grants	—	123,656	—	—	123,656
Sewer use	20,563,466	—	—	—	20,563,466
Motor vehicle excise	5,921,137	—	—	—	5,921,137
Investment income	3,208,418	1,792,419	244,765	1,567,687	6,813,289
Other	23,498,390	12,903,674	31,955	2,733,029	39,167,048
Total revenues	285,353,673	37,289,809	298,199	4,300,716	327,242,397
Expenditures:					
Current:					
General government	22,544,458	70,431	—	—	22,614,889
Public safety	66,775,542	750,604	—	—	67,526,146
Community maintenance and development	24,591,714	2,798,544	—	—	27,390,258
Human resource development	15,970,240	4,227,558	—	—	20,197,798
Education	105,323,655	10,758,881	—	—	116,082,536
Fuel assistance	—	1,307,857	—	—	1,307,857
Judgments and claims	708,847	—	—	—	708,847
State assessments	21,106,942	—	—	—	21,106,942
Other	—	—	—	4,458,780	4,458,780
Capital outlay	—	—	45,562,817	—	45,562,817
Debt service:					
Principal retirement	7,689,430	—	—	—	7,689,430
Interest	3,679,415	—	—	—	3,679,415
Total expenditures	268,390,243	19,913,875	45,562,817	4,458,780	338,325,715
Excess (deficiency) of revenues over expenditures	16,963,430	17,375,934	(45,264,618)	(158,064)	(11,083,318)
Other financing sources (uses):					
Operating transfers from other funds (note 11)	17,214,580	—	27,464,822	4,610,861	49,290,263
Operating transfers to other funds (note 11)	(23,533,771)	(14,804,361)	(5,600,000)	(4,864,935)	(48,803,067)
Transfers from component unit (note 11)	—	—	—	—	—
Transfers to component unit (note 11)	(7,597,000)	—	—	—	(7,597,000)
Proceeds from long-term debt (note 7)	—	—	49,545,705	—	49,545,705
Total other financing sources (uses)	(13,916,191)	(14,804,361)	71,410,527	(254,074)	42,435,901
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	3,047,239	2,571,573	26,145,909	(412,138)	31,352,583
Fund equity (deficit) at beginning of year	43,504,420	10,335,828	(13,938,673)	27,095,294	66,996,869
Fund equity at end of year	\$ 46,551,659	12,907,401	12,207,236	26,683,156	98,349,452

See accompanying notes to general purpose financial statements.

CITY OF CAMBRIDGE, MASSACHUSETTS

Statement of Revenues and Expenditures - Budgetary Basis General Fund - Budget and Actual

Year ended June 30, 2001
(with comparative actual amounts for 2000)

	2001 budget	2001 actual	Variance favorable (unfavorable)	2000 actual
Revenues:				
Property taxes	\$ 178,484,966	178,484,966	—	164,020,845
Provisions for tax abatements and adjustments	(4,290,541)	(4,290,541)	—	(4,270,845)
Payments in lieu of tax receipts	3,100,000	4,807,067	1,707,067	3,692,279
Hotel/motel excise tax	4,777,000	5,651,401	874,401	5,696,567
Intergovernmental	39,324,074	47,022,550	7,698,476	39,820,586
Sewer use	21,149,835	20,563,466	(586,369)	20,716,194
Motor vehicle excise	4,673,344	5,921,137	1,247,793	5,848,595
Investment income	2,200,000	3,203,449	1,003,449	2,404,805
Other	25,682,818	23,540,323	(2,142,495)	20,970,743
Total revenues	<u>275,101,496</u>	<u>284,903,818</u>	<u>9,802,322</u>	<u>258,899,769</u>
Expenditures:				
Current:				
General government	23,183,182	22,740,626	442,556	20,373,446
Public safety	67,165,900	66,713,078	452,822	67,003,685
Community maintenance and development	24,275,101	23,832,988	442,113	23,387,335
Human resource development	16,964,511	16,655,361	309,150	15,720,011
Education	106,522,841	105,521,654	1,001,187	101,032,870
Judgments and claims	709,700	708,847	853	871,269
State assessments	22,107,280	21,347,484	759,796	21,680,636
Debt service:				
Principal retirement	7,791,410	7,689,430	101,980	8,231,201
Interest	3,712,725	3,677,257	35,468	3,268,537
Total expenditures	<u>272,432,650</u>	<u>268,886,725</u>	<u>3,545,925</u>	<u>261,568,990</u>
Excess (deficiency) of revenues over expenditures	<u>2,668,846</u>	<u>16,017,093</u>	<u>13,348,247</u>	<u>(2,669,221)</u>
Other financing sources (uses):				
Transfers in (out):				
Special revenue funds	14,169,114	11,973,310	(2,195,804)	11,689,500
Capital projects funds	(23,533,771)	(23,533,771)	—	(14,925,500)
Trust funds	4,864,400	4,864,400	—	2,167,205
Enterprise fund	—	376,870	376,870	535,870
From component unit	—	—	—	1,000,000
To component unit	(7,598,000)	(7,598,000)	—	(8,597,000)
Total other financing sources (uses)	<u>(12,098,257)</u>	<u>(13,917,191)</u>	<u>(1,818,934)</u>	<u>(8,129,925)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(9,429,411)</u>	<u>\$ 2,099,902</u>	<u>11,529,313</u>	<u>(10,799,146)</u>
Other budget items:				
Free cash appropriations	9,449,990			
Prior year deficits raised	(20,579)			
Total other budget items	<u>9,429,411</u>			
Net budget	<u>\$ —</u>			

See accompanying notes to general purpose financial statements.

CITY OF CAMBRIDGE, MASSACHUSETTS

Combined Statement of Revenues, Expenses and Changes in Retained Earnings/Fund Equity All Proprietary Fund Types, Nonexpendable Trust Funds and Discretely Presented Component Unit

Year ended June 30, 2001

	Proprietary fund types		Fiduciary fund type	Total (memorandum only)	Component unit	Total (memorandum only)
	Enterprise	Internal service	Non- expendable trust	primary government	CPHC	reporting entity
Operating revenues:						
Charges for services	\$ 13,257,857	42,740	—	13,300,597	224,590,124	237,890,721
Donations	—	—	20,310	20,310	—	20,310
Investment income	—	—	85,128	85,128	—	85,128
Other	721,193	—	—	721,193	69,614,820	70,336,013
Total operating revenues	13,979,050	42,740	105,438	14,127,228	294,204,944	308,332,172
Operating expenses:						
Administration	1,874,356	—	—	1,874,356	3,398,424	5,272,780
Finance	—	—	—	—	21,239,340	21,239,340
Service and support programs	3,219,169	39,566	—	3,258,735	188,537,040	191,795,775
General services	40,442	—	—	40,442	38,167,160	38,207,602
Depreciation	1,721,938	—	—	1,721,938	11,923,295	13,645,233
Provision for bad debts	—	—	—	—	35,490,316	35,490,316
Other	—	—	—	—	2,575,613	2,575,613
Total operating expenses	6,855,905	39,566	—	6,895,471	301,331,188	308,226,659
Operating income (loss)	7,123,145	3,174	105,438	7,231,757	(7,126,244)	105,513
Nonoperating revenues and expenses:						
Interest income	34,643	—	—	34,643	8,129,074	8,163,717
Interest expense	(3,078,639)	—	—	(3,078,639)	(1,380,756)	(4,459,395)
Income (loss) before transfers	4,079,149	3,174	105,438	4,187,761	(377,926)	3,809,835
Operating transfers from other funds (note 11)	—	—	535	535	—	535
Operating transfers to other funds (note 11)	(376,870)	—	(110,861)	(487,731)	—	(487,731)
Transfers from the primary government (note 11)	—	—	—	—	7,597,000	7,597,000
Income (loss) before capital contributions	3,702,279	3,174	(4,888)	3,700,565	7,219,074	10,919,639
Capital contributions	—	—	—	—	8,258,500	8,258,500
Net income	3,702,279	3,174	(4,888)	3,700,565	15,477,574	19,178,139
Retained earnings/fund equity:						
Beginning of year	73,734,520	800,254	1,583,125	76,117,899	142,393,085	218,510,984
End of year	\$ 77,436,799	803,428	1,578,237	79,818,464	157,870,659	237,689,123

See accompanying notes to general purpose financial statements.

CITY OF CAMBRIDGE, MASSACHUSETTS

Statement of Changes in Plan Net Assets - Pension Trust Fund

Year ended June 30, 2001

Additions:

Contributions:

Employer	\$ 21,668,643
Employee	<u>12,775,662</u>

Total contributions	<u>34,444,305</u>
---------------------	-------------------

Investment income:

Net appreciation in the fair value of investments	16,518,712
Investment income	14,206,977
Less: management fees	<u>(2,158,526)</u>

Net investment income	<u>28,567,163</u>
-----------------------	-------------------

Intergovernmental	<u>1,899,116</u>
-------------------	------------------

Total additions	<u>64,910,584</u>
-----------------	-------------------

Deductions:

Benefits	28,798,120
Refunds of contributions	2,535,383
Administrative expenses	<u>585,980</u>

Total deductions	<u>31,919,483</u>
------------------	-------------------

Net increase	32,991,101
--------------	------------

Net assets held in trust for pension benefits:

Beginning of year	<u>458,889,025</u>
-------------------	--------------------

End of year	<u>\$ 491,880,126</u>
-------------	-----------------------

See accompanying notes to general purpose financial statements.

CITY OF CAMBRIDGE, MASSACHUSETTS

Combined Statement of Cash Flows All Proprietary Fund Types, Nonexpendable Trust Funds and Discretely Presented Component Unit

Year ended June 30, 2001

	Proprietary fund types		Fiduciary fund types	Total (memorandum only) primary government	Component unit CPHC	Total (memorandum only) reporting entity
	Enterprise	Internal service	Non- expendable trust			
Cash flows from operating activities:						
Operating income (loss)	\$ 7,123,145	3,174	105,438	7,231,757	(7,126,244)	105,513
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:						
Reclassification of investment income	—	—	(85,128)	(85,128)	—	(85,128)
Depreciation	1,721,938	—	—	1,721,938	11,923,295	13,645,233
Provision for bad debts	—	—	—	—	35,490,316	35,490,316
Change in assets and liabilities:						
Accounts receivable	49,560	—	—	49,560	(41,144,877)	(41,095,317)
Inventories and other current assets	—	—	—	—	(2,994,674)	(2,994,674)
Interfund receivables	67,210,570	—	(359)	67,210,211	—	67,210,211
Warrants payable	—	—	—	—	—	—
Accrued liabilities	107,557	—	—	107,557	8,667,853	8,775,410
Interfund payables	(58,391,140)	—	(981)	(58,392,121)	—	(58,392,121)
Deferred revenue	—	—	—	—	64,507	64,507
Net cash provided by operating activities	17,821,630	3,174	18,970	17,843,774	4,880,176	22,723,950
Cash flows from noncapital financing activities:						
Transfers - in	—	—	535	535	7,597,000	7,597,535
Transfers - out	(376,870)	—	(110,861)	(487,731)	—	(487,731)
Net cash (used) provided by non-capital financing activities	(376,870)	—	(110,326)	(487,196)	7,597,000	7,109,804
Cash flows from capital and related financing activities:						
Acquisition of capital assets	(22,560,011)	—	—	(22,560,011)	(54,762,017)	(77,322,028)
Proceeds from bonds	12,640,580	—	—	12,640,580	—	12,640,580
Principal paid on bonds	(5,068,170)	—	—	(5,068,170)	(2,027,200)	(7,095,370)
Interest paid on bonds	(3,078,639)	—	—	(3,078,639)	(1,380,756)	(4,459,395)
Capital contributions	—	—	—	—	8,258,500	8,258,500
Net cash (used) provided by capital and related financing activities	(18,066,240)	—	—	(18,066,240)	(49,911,473)	(67,977,713)
Cash flows from investing activities:						
Interest income	34,643	—	—	34,643	8,129,074	8,163,717
Investment income	—	—	85,128	85,128	—	85,128
Net cash provided by investing activities	34,643	—	85,128	119,771	8,129,074	8,248,845
Net increase in cash and cash equivalents	(586,837)	3,174	(6,228)	(589,891)	(29,305,223)	(29,895,114)
Cash and cash equivalents at beginning of year	9,672,920	800,254	1,578,966	12,052,140	65,699,558	77,751,698
Cash and cash equivalents at end of year	\$ 9,086,083	803,428	1,572,738	11,462,249	36,394,335	47,856,584
Reconciliation to combined balance sheet:						
Cash and cash equivalents - Above			\$ 1,572,738			
Cash and cash equivalents - Pension Trust Fund			31,896,818			
Cash and cash equivalents - Expendable Trust Fund			24,083,955			
Cash and cash equivalents - Agency Fund			2,992,213			
Total cash and cash equivalents			60,545,724			
Investments			455,316,906			
Total cash and investments			\$515,862,630			

See accompanying notes to general purpose financial statements.

Notes To General Purpose Financial Statements

This section explains the accounting principles used in the preparation of the general purpose financial statements, explains definitions of various terms used in the report, provides detailed breakdowns of certain figures used in the report, and explains how the financial statements prepared under the Budgetary Basis of accounting relate to those prepared under Generally Accepted Accounting Principles as applicable to governmental units.

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

Note	Page
1. The Financial Reporting Entity	15
2. Summary of Significant Accounting Policies	16
3. Property Taxes	21
4. Budgetary Basis of Accounting	21
5. Cash and Investments	23
6. Fixed Assets	25
7. Long-Term Debt	26
8. Individual Fund Receivables, Payables, Fund Balances Reserved for Specific Purposes	31
9. Retirement Plan	32
10. Other Post-Employment Benefit Disclosures	34
11. Operating Transfers	34
12. Risk Management	35

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 2001

(1) The Financial Reporting Entity

(a) *Primary Government*

Settled in 1630 by a group from the Massachusetts Bay Company, the City of Cambridge was incorporated as a town in 1636 and became a city in 1846. Since 1940, the City has operated under a Council Manager form of government. The legislative body of the City is the City Council, consisting of nine members elected at large every two years; the Mayor and Vice-Mayor are elected by the Council from among its members for a two-year term. Executive authority resides with the City Manager, who is appointed by the Council and is responsible for the delivery of services to City residents.

The Mayor also serves as Chair of the School Committee. The School Committee, whose members are elected, have full authority for operations of the school system and appoint a superintendent to administer the system's day-to-day operations.

The accompanying general purpose financial statements present the City of Cambridge and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationships with the City.

(b) *Blended Component Unit*

The following component unit has been presented as a blended component unit (included in the primary government) because the component unit provides services almost exclusively to the primary government.

The Cambridge Retirement System (the System) is a defined benefit contributory retirement system created under state statute. It is administered by a Retirement Board comprised of five members: the City Auditor who serves as *ex officio*; two individuals elected by participants in the System; a fourth member appointed by the City Manager and a fifth member chosen by the other members of the Board. The System provides pension benefits to retired City, Cambridge Housing Authority, and certain retired Cambridge Public Health Commission employees. Although legally separate, the System provides services entirely or almost entirely to the City and thus has been reported as if it were part of the primary government; a method of inclusion known as blending. The System does not issue stand-alone financial statements.

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 2001

(c) *Discretely Presented Component Unit*

This component unit is reported in a separate column to emphasize that it is legally separate from the City but is included because the City is financially accountable for and is able to impose its will on the organization. Unless otherwise indicated, the notes to the general purpose financial statements pertain only to the primary government because certain disclosures of the component unit are not significant relative to the total component unit and to the primary government. A description of the component unit, criteria for inclusion and their relationship with the City are as follows:

The Cambridge Public Health Commission (CPHC) is a body politic and corporate and public instrumentality of the Commonwealth established by Chapter 147 of the Acts of 1996. CPHC is governed by a nineteen-member board, all of whom are appointed by the City Manager. CPHC is responsible for the implementation of public health programs in the City.

CPHC is reported in a separate column to emphasize that it is legally separate from the City but is included in the general purpose financial statements because the City is able to impose its will on the organization. In addition, the notes to the general purpose financial statements pertain only to the primary government, unless otherwise indicated.

Complete financial statements for the CPHC for its fiscal year ended June 30, 2001 are available from its offices on 65 Beacon Street, Somerville, Massachusetts 02143.

(d) *Related Organization*

The Manager is responsible for appointing four of five board members to the Cambridge Housing Authority, subject to confirmation by the Council. However, the City's accountability for this organization does not extend beyond making these appointments.

(2) *Summary of Significant Accounting Policies*

The accounting policies of the City of Cambridge, Massachusetts, conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant policies followed by the City:

(a) *Basis of Presentation*

The City has elected to present the discretely presented component unit using the single-column method. The operations of the discretely presented component unit have been reported in the financial statements to reflect the predominant basis of accounting used by CPHC.

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 2001

The operations of the City and its blended component unit are recorded in the following fund types and account groups:

Governmental Fund Types

Governmental funds are used to account for the City's expendable financial resources and related liabilities (except those accounted for in proprietary funds and nonexpendable trust funds). The measurement focus is based upon the determination of changes in financial position and the flow of current financial resources. The following are the City's governmental fund types:

- **General Fund** – The general fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.
- **Special Revenue Funds** – Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.
- **Capital Project Funds** – Capital project funds are used to account for the financial resources and expenditures for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Proprietary Fund Types

Proprietary funds are used to account for the City's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is based upon determination of net income and capital maintenance. The following are the City's proprietary fund types:

- **Enterprise Fund** – This fund is used to account for City Water operations (1) that are financed and operated in a manner similar to private business enterprises where the intent is that the costs (expenses, including depreciation) of providing services to the public be financed or recovered primarily through user charges; and (2) where a periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.
- **Internal Service Fund** – This fund is used to account for the financing of services provided by one department to other departments of the City, on a cost-reimbursement basis.

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 2001

Fiduciary Fund Types

- **Trust and Agency Funds** – Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent. Trust funds include expendable trust funds, nonexpendable trust funds and pension trust funds. Nonexpendable trust funds and pension trust funds are reported in a manner similar to proprietary funds (i.e., flow of economic resources measurement focus and accrual basis of accounting). Expendable trust funds are reported in a manner similar to governmental funds (i.e., flow of financial resources measurement focus and modified accrual basis of accounting). Agency funds are custodial in nature and follow the modified accrual basis of accounting but are not concerned with the measurement of results of operations.

Account Groups

Account groups are a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the governmental funds because they do not affect net expendable available financial resources. The following are the City's account groups:

- **General Fixed Assets Account Group** – This account group is used to account for all fixed assets of the City, other than those accounted for in proprietary funds.
- **General Long-term Obligations Account Group** – This account group is used to account for all long-term obligations of the City, except those accounted for in proprietary funds.

(b) Basis of Accounting

The modified accrual basis of accounting is followed by governmental funds, expendable trust funds, and agency funds.

Under the modified accrual basis of accounting, revenues are recorded when they become measurable and available to pay liabilities of the current period. Revenues not considered available are recorded as deferred revenues.

The City applies the susceptible to accrual criteria to property taxes and intergovernmental revenues. In applying the susceptible to accrual concept to property taxes and intergovernmental revenues, there are essentially two types of revenues. In one, resources must be expended on the specific purpose or project before any amounts will be reimbursed to the City; therefore, revenues are recognized based upon the expenditures incurred. In the other, resources are virtually unrestricted and are usually revocable by the grantor only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met. Property taxes are recognized as revenue in the year for which taxes have been levied, provided they are collected within 60 days after year-end.

Investment earnings are recorded as earned. Other revenues are recorded when received in cash because these amounts are generally not measurable until actually received.

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 2001

Expenditures are recorded when the liability is incurred except for (1) interest on general long-term obligations, which is recorded when due, and (2) the noncurrent portion of compensated absences, and self-insured claims, which are recorded in the general long-term obligations account group.

The accrual basis of accounting is used by proprietary funds, nonexpendable trust funds, and pension trust funds. Revenues are recognized when earned and expenses are recognized when goods or services have been received or a liability has been incurred.

The City and its component units have elected to apply to its proprietary funds and nonexpendable trust funds accounting standards applicable to the private sector issued on or before November 30, 1989, unless those standards conflict with or contradict pronouncements of the Governmental Accounting Standards Board.

During fiscal year 2001, the City adopted GASB Statement No. 33, *Accounting and Reporting for Nonexchange Transactions*. This Statement had no material effect on fiscal year 2001.

(c) *Encumbrances and Continuing Appropriations*

The City uses encumbrance accounting in its governmental funds as a method of recording commitments under purchase orders and contracts. Encumbrance accounting, under which purchase orders, contracts and other commitments for expenditure of funds are recorded to reserve that portion of the applicable appropriation, is employed in the General Fund as a significant aspect of budgetary control.

Unencumbered appropriations which are carried over to the ensuing fiscal year are reported as "continuing appropriations" and all other appropriations lapse at year-end. Continuing appropriations represent amounts appropriated for specific programs or projects which were not completed by the end of the fiscal year.

Encumbrances and continuing appropriations are reported as reservations of fund balances in the accompanying combined balance sheet because they do not constitute expenditures or liabilities. Encumbrances and continuing appropriations are combined with expenditures for budgetary comparison purposes.

(d) *Cash Equivalents*

For purposes of the combined statement of cash flows, the proprietary fund type, nonexpendable trust funds and CPHC consider all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

(e) *Basis of Investment Valuation*

Investments are presented in the accompanying general purpose financial statements at fair value. Where applicable, fair values are based on quotations from national securities exchanges.

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 2001

(f) General Fixed Assets

General fixed assets have been acquired for general governmental purposes. Assets purchased are recorded as expenditures in the governmental funds and capitalized at cost in the general fixed assets account group. Purchased fixed assets are valued at cost where historical records are available and at estimated historical cost where no historical records exist, except for infrastructure which is not capitalized. Donated fixed assets are valued at their estimated fair market value at the time received.

The sources of funds used to acquire fixed assets were impractical to obtain; therefore, the sources of fixed assets are not presented.

No depreciation has been provided on general fixed assets, nor has interest been capitalized because it is not material.

(g) Compensated Absences

Employees are granted vacation and sick leave in varying amounts. Upon retirement, termination or death, eligible employees are compensated for unused vacation and sick leave (subject to certain limitations) at specified payment rates established by contract, regulation or policy. The cost of compensated absences for employees of proprietary funds is recorded as earned. For other funds, the noncurrent portion of the liability for compensated absences is reported in the general long-term obligations account group.

The liabilities for accrued sick leave are determined based on the number of allowable days accumulated at June 30, 2001 (vesting method).

(h) Property, Plant and Equipment

Property, plant and equipment owned by the proprietary funds is stated at historical cost or estimated fair market value at the time received. Net interest costs are capitalized on projects during the construction period. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Buildings	25-50 years
Improvements other than buildings	10-20 years
Equipment	5-30 years

(i) Use of Estimates

The preparation of general purpose financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 2001

(j) *Restricted Cash and Investments*

Restricted cash and investments consists of assets set aside by the Board of Trustees of CPHC for future capital improvements, including funded depreciation, over which the Board retains control and may at its discretion subsequently use for other purposes.

(k) *Total Columns - Memorandum Only*

Total columns on the general purpose financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or cash flows in conformity with generally accepted accounting principles. Such data are not comparable to a consolidation since interfund and other eliminations have not been made.

(3) *Property Taxes*

Real and personal property taxes are based on values assessed as of each January 1 and are normally due on the subsequent November 1 and May 1. By law, all taxable property in the Commonwealth must be assessed at 100% of fair cash value. Taxes due and unpaid after the respective due dates are subject to interest and penalties. The City has an ultimate right to foreclose on property for which taxes have not been paid. A tax lien is issued on the property when more than one year's tax is overdue. Property taxes levied are recorded as receivables in the fiscal year of the levy. Property tax revenues are recorded in accordance with the modified accrual basis of accounting described in Note 2.

A statewide tax limitation statute known as "Proposition 2-1/2" limits the property tax levy to an amount equal to 2-1/2% of the value of all taxable property in the City. A secondary limitation is that no levy in a fiscal year may exceed the preceding year's allowable tax levy by more than 2-1/2%, plus taxes levied on certain property newly added to the tax rolls. Certain Proposition 2-1/2 taxing limitations can be overridden by a City-wide referendum vote.

(4) *Budgetary Basis of Accounting*

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

- (1) Salaries and wages,
- (2) Other ordinary maintenance,
- (3) Travel and training, and
- (4) Extraordinary expenditures.

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 2001

Proposed expenditure appropriations for all departments and operations of the City, except that of public schools, are prepared under the direction of the City Manager. School Department appropriations are acted upon directly by the School Committee up to the level of certain prior-year school appropriations. The City Manager may recommend additional sums for school purposes. In addition, the City Manager may submit to the City Council such supplementary appropriation orders as are deemed necessary. The City Manager may amend appropriations within the above-mentioned categories for a department without seeking City Council approval.

The City Council may reduce or reject any item in budgets submitted by the City Manager but may not increase or add items without the recommendation of the City Manager. Supplemental appropriations for the year ended June 30, 2001, after the setting of the tax rate, were \$2,359,608 and are reflected in the budgetary basis financial statements.

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

The City's General Fund budget is prepared on a basis other than generally accepted accounting principles (GAAP basis). The "actual" results column in the Statement of Revenues and Expenditures - Budgetary Basis - General Fund, is presented on a "budgetary basis" to provide a meaningful comparison of actual results with the budget. The major differences between the budget and GAAP basis are that:

- (a) Revenues are recorded when cash is received except for real estate and personal property taxes, which are recorded as revenue when levied (budget), as opposed to when susceptible to accrual (GAAP).
- (b) Encumbrances and continuing appropriations are recorded as the equivalent of expenditures (budget), as opposed to a reservation of fund balance (GAAP).

A summary of the differences between the results of operations presented on a budgetary basis and those presented in accordance with GAAP is as follows:

	<u>Revenue</u>	<u>Expenditures</u>	<u>Other financing (uses)</u>
As reported on a budgetary basis	\$ 284,903,818	268,886,725	(13,917,191)
Adjustments:			
To record revenue and other financing sources on a modified accrual basis of accounting	449,855	—	1,000
To adjust for encumbrances and continuing appropriations	—	(496,482)	—
As reported on a GAAP basis	<u>\$ 285,353,673</u>	<u>268,390,243</u>	<u>(13,916,191)</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 2001

(5) Cash and Investments

State and local statutes place certain limitations on the nature of deposits and investments available to the City. Deposits (including demand deposits, term deposits and certificates of deposit) in any one financial institution may not exceed certain levels without collateralization by the financial institutions involved. Investments can also be made in securities issued by or unconditionally guaranteed by the U.S. Government or Agencies that have a maturity of less than one year from the date of purchase, repurchase agreements guaranteed by such securities with maturity dates of no more than 90 days from the date of purchase. Other allowable investments include units purchased in the Massachusetts Municipal Depository Trust (MMDT). The Treasurer of the Commonwealth of Massachusetts oversees the financial management of the MMDT, a local investment pool for cities, towns and other state and other local agencies within the Commonwealth. The City's fair value of its investment in the MMDT represents their value of the pool's shares.

In addition, the Cambridge Retirement System has additional investment powers, most notably the ability to invest in common stocks, corporate bonds and other specified investments.

(a) Deposits

The following summary presents the amount of City deposits which are fully insured or collateralized with securities held by the City or its agent in the City's name (Category 1), those deposits which are collateralized with securities held by the pledging financial institution's trust department or agent in the City's name (Category 2), and those deposits which are not collateralized (Category 3) at June 30, 2001.

Primary Government	Bank balances Category			Total bank balance	Carrying amount
	1	2	3		
Total cash deposits	\$ 640,271	—	37,606,042	38,246,313	32,464,597
Discretely Presented Component Unit (CPHC)	Bank balances Category			Total bank balance	Carrying amount
	1	2	3		
Total cash deposits	\$ 100,000	—	7,020,666	7,120,666	232,308

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 2001

(b) Investments

The City categorizes investments according to the level of risk assumed by the City. Category 1 includes investments that are insured, registered or held by the City's agent in the City's name. Category 2 includes uninsured and unregistered investments held by the counterparty's trust department or agent of the City in the City's name. Category 3 includes uninsured and unregistered investments held by the counterparty, its trust department or its agent, but not in the City's name. Investments in MMDT and pooled funds, are not categorized.

Primary Government	Category			Not categorized	Fair value
	1	2	3		
Pooled funds	\$ —	—	—	182,346,554	182,346,554
MMDT	—	—	—	101,638,838	101,638,838
Common stocks	—	134,081,690	—	—	134,081,690
Corporate bonds	—	102,097,195	—	—	102,097,195
U.S. Treasury notes	—	16,005,915	—	—	16,005,915
U.S. Government Agencies	—	52,300,458	—	—	52,300,458
	<u>\$ —</u>	<u>304,485,258</u>	<u>—</u>	<u>283,985,392</u>	<u>588,470,650</u>

Of the investments reflected in the preceding table, investments of the Cambridge Retirement System constitute 83% of the amount of the Primary Government.

Discretely Presented Company Unit (CPHC)	Category			Not categorized	Fair value
	1	2	3		
MMDT	\$ —	—	—	39,941,300	39,941,300
U.S. Treasury notes	—	17,222,681	—	—	17,222,681
Commercial paper	—	40,065,761	—	—	40,065,761
Corporate and foreign bonds	—	9,249,104	—	—	9,249,104
	<u>\$ —</u>	<u>66,537,546</u>	<u>—</u>	<u>39,941,300</u>	<u>106,478,846</u>

The composition of the City's bank-recorded deposits and investments fluctuates depending primarily on the timing of real estate tax receipts, proceeds from borrowings, collection of state and federal aid, and capital outlays throughout the year.

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 2001

(6) Fixed Assets

A summary of general fixed assets activity in the general fixed assets account group for the year ended June 30, 2001 follows:

	Balance June 30, 2000	Additions	Disposals	Balance June 30, 2001
Land	\$ 171,877,100	—	—	171,877,100
Buildings	135,453,966	1,265,514	—	136,719,480
Improvements other than buildings	11,693,854	29,491,220	—	41,185,074
Equipment	34,886,519	4,811,832	67,715	39,630,636
Construction in progress	24,988,218	4,327,126	—	29,315,344
	<u>\$ 378,899,657</u>	<u>39,895,692</u>	<u>67,715</u>	<u>418,727,634</u>

A summary of proprietary fund type property, plant and equipment at June 30, 2001 follows:

	Enterprise	Internal service
Land	\$ 39,219,717	—
Buildings	2,691,221	—
Improvements other than buildings	17,420,252	—
Equipment	9,229,094	171,181
Construction in progress	73,610,392	—
	<u>(5,514,026)</u>	<u>(171,181)</u>
Less accumulated depreciation	<u>\$ 136,656,650</u>	<u>—</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 2001

Construction in progress at June 30, 2001 is comprised of the following:

	<u>Project authorization</u>	<u>Expended</u>	<u>Committed</u>
General fixed assets:			
City Hall renovations	\$ 5,750,000	4,392,660	1,357,340
Geographic Information System	1,500,000	1,232,828	267,172
Fitzgerald School	21,336,484	17,783,077	3,553,407
Police department renovations	668,257	370,488	297,769
Fire department renovations	2,948,501	514,804	2,433,697
War memorial renovations	16,002,554	292,647	15,709,907
Financial information system	2,954,209	2,790,906	163,303
Coffon building renovations	1,292,719	1,244,107	48,612
CRLS roof	3,700,000	137,291	3,562,709
Library renovations	812,518	279,918	532,600
Traffic and parking renovations	500,000	75,764	424,236
Teen youth centers	480,000	49,610	430,390
City Hall annex renovations	8,295,000	151,244	8,143,756
	<u>\$ 66,240,242</u>	<u>29,315,344</u>	<u>36,924,898</u>
Water fund:			
Water treatment plant	\$ 79,820,000	73,610,392	6,209,608

Discretely Presented Component Unit (CPHC)

Property, plant and equipment at June 30, 2001 is comprised of the following:

Land and improvements	\$ 8,634,907
Buildings and improvements	127,124,428
Major movable equipment	50,555,965
Fixed equipment	43,130,174
Construction in progress	29,510,168
	<u>258,955,642</u>
Less accumulated depreciation	(93,315,460)
	<u>\$ 165,640,182</u>

(7) Long-Term Debt

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are backed by the full faith and credit of the City. Bonds reported in the proprietary funds are expected to be paid from proprietary fund revenues. Bonds reported in the general long-term obligations account group are expected to be paid from general fund revenues. CPHC has assumed responsibility for paying to the City an amount equal to current debt service on all outstanding general obligation bonds of the City issued for public health and hospital purposes. These general obligation bonds amounted to \$25,650,000 at June 30, 2001.

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 2001

The following is a summary of the composition of general long-term obligations outstanding at June 30, 2000 and 2001:

Description and repayment terms	Date of issue	Original issue	Maturity date	Interest rates	Outstanding June 30, 2000	Additions	Retirements	Outstanding June 30, 2001
General purpose, serial maturities through December 1, 2010	6/15/92 to 12/1/00	\$ 27,916,000	12/1/2010	4.0% to 6.0%	\$ 12,646,000	5,500,000	2,626,000	15,520,000
Urban redevelopment, serial maturities through December 1, 2010	6/15/92 to 12/1/00	19,585,000	12/1/2010	3.75% to 5.9%	4,070,000	6,400,000	930,000	9,540,000
Schools, serial maturities through December 1, 2010	2/1/94 to 12/1/00	55,977,000	12/1/2010	3.75% to 5.9%	37,007,000	5,305,000	5,320,000	36,992,000
Sewer, serial maturities through December 1, 2010	2/1/94 to 12/1/00	49,227,030	12/1/2010	2.35% to 6.13%	11,917,237	32,340,705	2,190,756	42,067,186
Hospital, serial maturities through February 1, 2018	2/1/98	30,000,000	2/1/2018	4.50%	27,000,000	—	1,500,000	25,500,000
Neville Manor, serial maturities through June 15, 2002	6/15/1992	1,500,000	6/15/2002	4.3% to 5.3%	300,000	—	150,000	150,000
Section 108 HUD notes payable, serial maturities through August 15, 2014	2/1/95	1,000,000	8/15/2014	7.71% to 9.03%	980,000	—	45,000	935,000
School equipment notes, serial maturities through June 15, 2008	6/15/1998	<u>3,343,453</u>	6/15/2008	6.85%	<u>2,883,048</u>	<u>—</u>	<u>274,661</u>	<u>2,608,387</u>
Total bonds and notes payable		\$ <u>188,548,483</u>			96,803,285	49,545,705	13,036,417	133,312,573
Accrued compensated absences					8,675,296	8,031,351	—	16,706,647
Accrued claims					<u>6,083,355</u>	<u>2,631,003</u>	<u>5,556,463</u>	<u>3,157,895</u>
Total general long-term obligations					\$ <u>111,561,936</u>	<u>60,208,059</u>	<u>18,592,880</u>	<u>153,177,115</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 2001

The following is a summary of general obligation bonds and notes payable of the City for the year ended June 30, 2001:

	<u>Governmental funds</u>	<u>Enterprise fund</u>	<u>Fiduciary fund</u>	<u>Total</u>
Bonds and notes payable at June 30, 2000	\$ 96,803,285	63,912,570	2,000,000	162,715,855
Debt retired: Serial bonds	(13,036,417)	(5,068,170)	—	(18,104,587)
Additional debt	<u>49,545,705</u>	<u>12,640,580</u>	<u>—</u>	<u>62,186,285</u>
Bonds and notes payable at June 30, 2001	\$ <u>133,312,573</u>	<u>71,484,980</u>	<u>2,000,000</u>	<u>206,797,553</u>

Principal retirement of governmental funds has been reflected in the general purpose financial statements as debt service expenditures of \$7,689,430 and education expenditures of \$5,346,987 totaling \$13,036,417 of principal costs.

The annual requirements to amortize all general long-term obligation bonds outstanding as of June 30, 2001, are as follows:

Year ending June 30:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2002	\$ 17,142,352	5,913,359	23,055,711
2003	16,579,067	5,111,863	21,690,930
2004	16,289,220	4,332,314	20,621,534
2005	14,523,079	3,564,526	18,087,605
2006	11,494,690	2,932,777	14,427,467
Thereafter	<u>53,740,778</u>	<u>9,313,095</u>	<u>63,053,873</u>
	\$ <u>129,769,186</u>	<u>31,167,934</u>	<u>158,317,120</u>

The annual requirements to amortize all notes payable outstanding as of June 30, 2001, are as follows:

Year ending June 30:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2002	\$ 403,726	281,628	685,354
2003	734,138	239,389	937,527
2004	345,926	199,882	545,808
2005	202,902	175,707	378,609
2006	176,375	112,913	289,288
Thereafter	<u>3,680,320</u>	<u>739,750</u>	<u>4,420,070</u>
	\$ <u>5,543,387</u>	<u>1,749,269</u>	<u>7,292,656</u>

The various bond indentures contain significant limitations and restrictions on annual debt service requirements, maintenance and flow of monies through various restricted accounts, and minimum revenue bond coverages. The City is in compliance with all such significant limitations and restrictions.

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 2001

The City enters into loan agreements with the Massachusetts Water Pollution Abatement Trust ("MWPAT") to provide funding for Sewer Separation and Drinking Water Projects. According to the loan agreements, the City will be subsidized on a periodic basis for debt and interest costs. The City received \$2,299,977 in subsidies during 2001. Loan payments commenced on February 1, 1994 and end on August 1, 2010, with interest rates ranging from 2.35% to 6.125%.

The City is subject to a dual level general debt limit; the normal debt limit and the double debt limit. Such limits are equal to 2-1/2% and 5%, respectively, of the valuation of taxable property in the City as last equalized by the Commonwealth's Department of Revenue. Debt may be authorized up to the normal debt limit without state approval. Authorizations under the double debt limit, however, require the approval of the Commonwealth's Emergency Finance Board. Additionally, there are many categories of general obligation debt which are exempt from the debt limit but are subject to other limitations.

As of June 30, 2001, the City may issue approximately \$90,009,000 additional general obligation debt under the normal debt limit. The City has approximately \$114,020,000 of debt exempt from the debt limit.

Authorized and unissued debt at June 30, 2001, is as follows:

City Hall and City Hall Annex Renovations	\$ 9,530,000
New Library Land Acquisition/Construction	31,785,495
Sewer Separation Projects	6,212,247
Section 108 Biotechnology	3,500,000
Fiber Optic Network Infrastructure	355,000
Reconnection of Sanitary Services	860,943
Cherry Street/South Massachusetts Avenue Sewer Project	1,215,000
Network Infrastructure Project	315,000
Inflow/Infiltration Project	4,074,370
Cambridgeport Sewer Project	1,380,000
Manhole & Illicit Connection Removal Project	467,303
Floatables and BMP Control Project	319,543
Fresh Pond Sewer Separation Project	14,621,495
Improvements to War Memorial	16,000,000
Renovations to Taylor Square Fire Station	2,100,000
Renovations to Miscellaneous City Buildings	2,240,000
Harvard Square Enhancement Project	500,000
Lafayette Square/Mass. Ave. Reconstruction	500,000
Cambridge Street Improvements	11,105,000
Donnelly Field/Area 4 Improvements	750,000
Site Acquisition/West Cambridge Youth Center	1,000,000
CRLS Field House Renovations/Roof Replacement	3,700,000
Construction of New Water Treatment Plant	5,546,850
Traffic Calming and Design Construction	750,000
Improvements to Russell Field	3,850,000
Design Phase/Harvard Square Sewer Project	1,000,000
New Street Pump Station and Flood Remediation	2,400,000
Payson Park and Stony Brook Conduits	1,000,000
Sewer Reconstruction (Alewife Brook)	500,000
Agassiz Sewer Separation	7,050,000
Common Manhole Removal	5,155,000
	\$ 139,783,246

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 2001

At June 30, 2001, the City had grants receivable from the School Building Assistance Bureau ("SBAB") of \$24,663,039 to defray principal and interest costs related to \$43,865,529 of school bonds outstanding. Grants are subject to annual appropriation by the State legislature. The amount of the grants is based on estimated construction costs of school projects which may be revised upon audit by the SBAB. During 2001, the City received \$4,852,113 of such assistance. Assuming satisfactory audit results and annual appropriations by the State legislature, \$4,913,623 will be received in 2002, \$4,913,623 in 2003 and the balance will be received in subsequent years.

Enterprise Fund serial bond issues outstanding at June 30, 2001 for the Water Fund were \$71,484,980. The interest rates ranged from 3.75% to 5.9%. Outstanding debt matures in subsequent fiscal years as follows:

Year ending June 30:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2002	\$ 5,258,371	3,293,185	8,551,556
2003	5,312,314	3,056,608	8,368,922
2004	5,369,782	2,815,508	8,185,290
2005	5,373,814	2,571,083	7,944,897
2006	5,247,332	2,328,910	7,576,242
Thereafter	<u>44,923,367</u>	<u>12,319,382</u>	<u>57,242,749</u>
	<u>\$ 71,484,980</u>	<u>26,384,676</u>	<u>97,869,656</u>

In April 2000, the City entered into a loan agreement with the President and Fellows of Harvard College. The loan provides funding to further the development of affordable housing within the City. The note carries interest at 2% per year for a period of twenty years with principal payments beginning in 2010. Interest costs will be \$40,000 annually. At June 30, 2001, the principal amount outstanding is \$2,000,000.

The Massachusetts Water Resources Authority ("MWRA") assesses the City a net cost of service, including debt service requirements, in accordance with various formulas. The following summary sets forth the unaudited amount of long-term debt of the MWRA, as well as the City's share of the debt at June 30, 2001 and the City's 2001 assessment:

	<u>Long-term debt outstanding (unaudited)</u>	<u>The City's estimated share</u>	<u>The City's estimated indirect debt</u>	<u>2001 assessment including debt service</u>
MWRA	\$ <u>4,461,318,000</u>	<u>4.68%</u>	\$ <u>208,789,682</u>	\$ <u>14,139,115</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 2001

(8) Individual Fund Receivables, Payables and Fund Balances Reserved for Specific Purposes

Individual balances of amounts due from and to other funds at June 30, 2001 are as follows:

	<u>Due from other funds</u>	<u>Due to other funds</u>
Special Revenue Funds:		
CDBG grants	\$ 111,738	1,838,235
Capital Projects Fund	2,718,462	—
Enterprise Fund	—	991,965
Trust funds:		
Nonexpendable:		
School funds	220	—
Other funds	315	—
School stabilization funds	78,462	—
Expendable:		
School funds	—	220
Other funds	—	315
School stabilization funds	—	78,462
	<u>\$ 2,910,197</u>	<u>2,910,197</u>

Fund balances are reserved for the following purposes as of June 30, 2001:

General Fund:	
Fiscal 2002 Appropriations	\$ 1,800,000
Renovations to Various Public Works Facilities	300,000
Renovations to Coffon Building	133,000
Cambridgeport Infrastructure Improvements	250,000
Cambridgeport Roadway Improvements	65,000
Grand Junction Rail Corridor Feasibility Study	50,000
Traffic Calming	650,000
Facade Improvement Project	200,000
Restoration of City Portrait Collection	15,000
Restorations at Old Burying Ground	50,000
Removal of Architectural Barriers	50,000
Renovations to Agassiz/Alden School Playground	400,000
Renovations to Maple Avenue Park	300,000
Park Preventative Maintenance Program	175,000
Park and Cemetery Tree Pruning	125,000
Replacement of Lights at Rindge Field	100,000
Replacement of Major Play Structures	150,000
Renovations to King School	375,000
CRLS Design Renovations	150,000
Replacement of School Buses	212,000
	<u>\$ 5,550,000</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 2001

Special Revenue Funds:

Parking funds	\$ <u>4,088,913</u>
---------------	---------------------

Trust funds:

Retirement system	491,880,126
City stabilization	6,923,670
School stabilization	2,066,007
Health claims	11,335,043
Housing	5,019,632
Cemetery perpetual care	1,716,640
School	374,691
Library	224,683
Other trust funds	<u>601,027</u>

\$ 520,141,519

(9) Retirement Plan

(a) Plan Description

The City contributes to the Cambridge Retirement System (System), a cost-sharing, multi-employer public employee retirement system that acts as the investment and administrative agent for the City, CPHC, Cambridge Housing Authority, and the Cambridge Redevelopment Authority. The system provides retirement, disability, and death benefits to plan members and beneficiaries. The System is a member of the Massachusetts Contributory System which is governed by Chapter 32 of the Massachusetts General Laws (MGL).

(b) Membership

Membership in the System consisted of the following at January 1, 2000, the date of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	1,629
Terminated plan members entitled to but not receiving benefits	392
Active plan members	<u>3,655</u>
Total membership	<u>5,676</u>
Total number of participating employers	<u>4</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 2001

(c) *Contributions*

Plan members are required to contribute to the System, in varying amounts depending on their employment date. Active members must contribute between 5% and 9% of their regular gross compensation depending on the date upon which their membership began. Members hired after December 31, 1978 must contribute an additional 2% of regular compensation in excess of \$30,000. Participating employers are required to pay into the System, their share of the remaining system-wide actuarially determined contribution costs. The Commonwealth reimburses the City for a portion of the benefit payments for cost-of-living increases accrued prior to July 1, 1997. These contributions to the System for the years ended June 30, 2001, 2000 and 1999 were \$1,899,116, \$1,948,873, and \$907,513, respectively. The contributions of plan members and the participating employers are governed by Chapter 32 of the MGL. The City's and the CPHC's contributions to the System for the years ended June 30, 2001, 2000, and 1999 were \$14,443,522, \$14,528,796, and \$16,957,822, and \$7,117,982, \$6,755,213, and \$3,737,865, respectively, which equaled their required contributions for each year.

(d) *Legally Required Reserve Accounts*

The balances in the System's legally required reserves (on the statutory basis of accounting) at December 31, 2000 are as follows:

Description	Amount	Purpose
Annuity Saving Fund	\$ 113,658,610	Active members' contribution balance
Annuity Reserve Fund	29,325,262	Retired members' contribution account
Military Service Credit	4,168	Members' contribution account while on military leave
Pension Reserve Fund	280,166,897	Amounts appropriated to fund future retirement benefits
Pension Fund	<u>68,725,189</u>	Remaining net assets
	<u>\$ 491,880,126</u>	

All reserve accounts are funded at levels required by State statute.

(e) *Investment Concentration*

There were no investments (other than those issued or guaranteed by the U.S. Government) in any one organization that represented 5% or more of plan net assets.

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 2001

(10) Other Post-Employment Benefit Disclosures

All retired employees eligible for pension benefits, as well as teachers covered under the Commonwealth of Massachusetts Teachers' Retirement System ("TRS"), receive certain post-retirement benefits including major health and life insurance under Chapter 32B of the MGL. The City funds 90% of health insurance premiums, with the remaining 10% paid by the retiree. The City also funds 75% of life insurance premiums, with the remaining 25% paid by the retiree. Approximately 2000 retired employees were covered at June 30, 2001. The City's cost of these post-retirement benefits for fiscal 2001 was \$7,934,403, which is funded and accounted for on a pay-as-you-go basis.

(11) Operating Transfers

Operating transfers constitute the transfer of resources from the fund that receives the resources to the fund that utilizes them. Operating transfers in (out) during the year were as follows:

	General	Special revenue	Capital projects	Enterprise	Trust funds	
					Expendable	Nonexpendable
Parking Receipts	\$ 11,973,310	(12,373,310)	400,000	—	—	—
Capital Improvements	(23,533,771)	—	3,533,771	—	—	—
Water Capital	—	—	—	—	—	—
Water Overhead	376,870	—	—	(376,870)	(3,860,000)	—
Health Claims Trust	3,860,000	—	—	—	—	—
Cemetery Perpetual Care	45,000	—	—	—	(45,000)	—
Housing Trust	—	—	(4,500,000)	—	4,500,000	—
School Stabilization	959,400	—	—	—	(959,400)	—
Community Development Block Grant	—	(2,431,051)	2,431,051	—	—	—
Miscellaneous Trust Funds	—	—	—	—	110,326	(110,326)
	<u>\$ (6,319,191)</u>	<u>(14,804,361)</u>	<u>21,864,822</u>	<u>(376,870)</u>	<u>(254,074)</u>	<u>(110,326)</u>

For fiscal year 2001, the City Council appropriated \$7,598,000 and CPHC was paid \$7,597,000.

As outlined in note 7, the City issued \$30,000,000 of general obligation bonds on behalf of CPHC during fiscal year 1998 and transferred the proceeds to CPHC. Consistent with the contractual agreement between the City and CPHC, the City will be reimbursed by CPHC for future principal and interest payments associated with debt issued on CPHC's behalf. Accordingly, a receivable from CPHC and deferred revenue for \$25,650,000, the remaining future principal and interest payments, has been reflected at June 30, 2001.

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 2001

(12) Risk Management

The City is exposed to various risks of loss related to general liability, property and casualty, workers' compensation, unemployment and employee health insurance claims.

Police Department vehicles are insured through an outside agency and all other vehicle damage and loss is self-insured. The City is self-insured for other general liability; however, Chapter 258 of the MGL limits the liability to a maximum of \$100,000 per claim in all matters except actions relating to federal/civil rights, eminent domain and breach of contract. The City is also self-insured for workers' compensation and unemployment claims.

The City has medical plans with Tufts, Harvard-Pilgrim and Blue Cross/Blue Shield under which it makes actual claims payments. The medical plan providers act as claim processors and a transfer of risk does not occur. Approximately 90% of the City's employees participate in the self insured plan with the remainder electing preferred provider plans that are premium based.

Employees contribute approximately 12% of the cost of healthcare with the remainder paid by the City. These costs are accounted for in the general fund. The contribution rate for retirees is 1% for those who enroll in indemnity plans and 10% for those who enroll in HMO-type plans. While the City does not carry stop-loss insurance, it has set aside \$11,414,505 in a trust fund for this purpose.

Liabilities for claims incurred but not paid or reported are recorded in the general long-term obligations account group.

Changes in the self insurance liability for the years ended June 30, 2001 and 2000 are as follows:

	General long-term obligations account group	
	2001	2000
Accrued claims, beginning of year	\$ 6,083,355	5,885,745
Incurred claims	2,631,003	1,470,999
Less: Payments of claims attributable to events of both current and prior fiscal years	(5,556,463)	(1,273,389)
Accrued claims, end of year	\$ 3,157,895	6,083,355

There are numerous cases pending in courts throughout the Commonwealth where the City of Cambridge is a defendant. In addition, the City has been named as a defendant in a legal action with a general contractor of the Haggerty School. In regards to this action the City has filed counterclaims against several subcontractors. Legal counsel is unable to determine the likelihood of an unfavorable decision, if any. In the opinion of the City Solicitor, none of the pending litigation is likely to result, either individually or in the aggregate, in final judgments against the City that would materially affect its financial position.

REQUIRED SUPPLEMENTARY INFORMATION

The following schedule presents required supplementary information on historical trend information for the Cambridge Retirement System. The Cambridge Retirement System information is presented in accordance with the requirements of Statement Nos. 25 and 27 of the *Governmental Accounting Standards Board*.

CITY OF CAMBRIDGE, MASSACHUSETTS

Required Supplementary Information

June 30, 2001
(Dollars in thousands)
(Unaudited)

Schedules of Funding Progress

<u>Actuarial valuation date</u>	<u>Actuarial value of assets A</u>	<u>Actuarial Accrued Liability (AAL) B</u>	<u>Unfunded AAL (UAAL) B-A</u>	<u>Funded ratio A/B</u>	<u>Covered payroll C</u>	<u>UAAL as a percentage of covered payroll ((B-A)/C)</u>
1/1/00	\$ 458,889	\$ 510,973	\$ 52,084	89.81%	\$ 140,489	37.07%
1/1/98	342,788	436,216	93,428	78.58%	132,440	70.54%
1/1/96	233,883	341,531	107,648	68.48%	114,387	94.11%
1/1/94	182,632	323,644	141,012	56.43%	109,775	128.46%
1/1/93	158,595	279,715	121,120	56.70%	99,063	122.27%
1/1/91	118,507	251,035	132,528	47.21%	83,460	158.79%

Information prior to 1/1/91 is not available.

Schedule of Contributions from Employers

<u>Year ended December 31:</u>	<u>Annual required contribution</u>	<u>Percentage contributed</u>
2000	\$ 21,669	100%
1999	21,284	100%
1998	20,696	100%
1997	21,288	100%
1996	21,216	100%
1995	20,669	100%

CITY OF CAMBRIDGE, MASSACHUSETTS

Required Supplementary Information

June 30, 2001
(Dollars in thousands)
(Unaudited)

Notes to Schedules

Additional information as of the latest actuarial valuation follows:

Valuation date	1/1/00
Actuarial cost method	Entry Age Normal Actuarial Cost
Amortization method	Approximate level percent of payroll-open
Remaining amortization period	Varied based upon Active or Retired status 10 yrs. Retirees/Early 26 yrs. Active members
Asset valuation method	Market Value
Actuarial assumptions:	
Investment rate of return	8.5%
Projected salary increases	5.5%
Cost-of-living adjustments	3.0%

SUPPLEMENTARY STATEMENTS AND SCHEDULES

The following section provides detailed information on the General, Special Revenue, Enterprise, and Trust and Agency Funds included in the general purpose financial statements. Information on real, personal, and excise tax collections, and schedules of the long-term debt obligations and general fixed assets of the City is also provided in this section.

CITY OF CAMBRIDGE, MASSACHUSETTS

General Fund

Schedule of Expenditures - Budgetary Basis

Year ended June 30, 2001

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
General Government:			
Mayor:			
Salaries and wages	\$ 289,335	289,332	3
Other ordinary maintenance	90,440	89,550	890
Travel and training	14,500	13,535	965
Total Mayor	<u>394,275</u>	<u>392,417</u>	<u>1,858</u>
City Manager:			
Salaries and wages	926,195	919,305	6,890
Other ordinary maintenance	350,510	346,950	3,560
Travel and training	32,465	30,509	1,956
Total City Manager	<u>1,309,170</u>	<u>1,296,764</u>	<u>12,406</u>
City Council:			
Salaries and wages	742,995	742,949	46
Other ordinary maintenance	46,900	46,849	51
Travel and training	33,000	28,517	4,483
Total City Council	<u>822,895</u>	<u>818,315</u>	<u>4,580</u>
City Clerk:			
Salaries and wages	572,590	538,759	33,831
Other ordinary maintenance	77,230	73,746	3,484
Travel and training	750	180	570
Total City Clerk	<u>650,570</u>	<u>612,685</u>	<u>37,885</u>
Law:			
Salaries and wages	905,080	896,423	8,657
Other ordinary maintenance	571,225	570,377	848
Travel and training	10,625	9,000	1,625
Total Law	<u>1,486,930</u>	<u>1,475,800</u>	<u>11,130</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

General Fund

Schedule of Expenditures - Budgetary Basis

Year ended June 30, 2001

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
Finance:			
Salaries and wages	\$ 4,748,235	4,742,191	6,044
Other ordinary maintenance	2,131,415	2,119,581	11,834
Travel and training	181,850	169,203	12,647
Extraordinary expenditures	2,800	2,800	—
Total Finance	<u>7,064,300</u>	<u>7,033,775</u>	<u>30,525</u>
Employment Benefits:			
Salaries and wages	8,535,847	8,332,959	202,888
Other ordinary maintenance	570,000	485,055	84,945
Total Employment Benefits	<u>9,105,847</u>	<u>8,818,014</u>	<u>287,833</u>
General Services:			
Salaries and wages	321,750	298,141	23,609
Other ordinary maintenance	574,930	571,484	3,446
Total General Services	<u>896,680</u>	<u>869,625</u>	<u>27,055</u>
Election Commission:			
Salaries and wages	445,430	445,087	343
Other ordinary maintenance	179,330	177,096	2,234
Travel and training	2,270	438	1,832
Total Election Commission	<u>627,030</u>	<u>622,621</u>	<u>4,409</u>
Public Celebrations:			
Salaries and wages	317,725	308,695	9,030
Other ordinary maintenance	302,370	301,376	994
Travel and training	1,125	988	137
Total Public Celebrations	<u>621,220</u>	<u>611,059</u>	<u>10,161</u>
Reserve:			
Other ordinary maintenance	12,895	—	12,895
Total Reserve	<u>12,895</u>	<u>—</u>	<u>12,895</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

General Fund

Schedule of Expenditures - Budgetary Basis

Year ended June 30, 2001

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
Animal Commission:			
Salaries and wages	\$ 177,765	177,732	33
Other ordinary maintenance	13,515	11,729	1,786
Travel and training	90	90	—
	<u>191,370</u>	<u>189,551</u>	<u>1,819</u>
Total Animal Commission			
	<u>23,183,182</u>	<u>22,740,626</u>	<u>442,556</u>
Public Safety:			
Fire:			
Salaries and wages	24,350,945	24,310,954	39,991
Other ordinary maintenance	558,340	553,210	5,130
Travel and training	331,750	323,768	7,982
Extraordinary expenditures	65,000	67,917	(2,917)
	<u>25,306,035</u>	<u>25,255,849</u>	<u>50,186</u>
Total Fire			
Police:			
Salaries and wages	25,877,720	25,741,302	136,418
Other ordinary maintenance	763,240	703,943	59,297
Travel and training	261,500	238,673	22,827
Extraordinary expenditures	370,475	322,506	47,969
	<u>27,272,935</u>	<u>27,006,424</u>	<u>266,511</u>
Total Police			
Traffic and Parking:			
Salaries and wages	4,055,000	4,052,060	2,940
Other ordinary maintenance	2,723,140	2,642,466	80,674
Travel and training	19,400	16,170	3,230
Extraordinary expenditures	25,000	24,297	703
	<u>6,822,540</u>	<u>6,734,993</u>	<u>87,547</u>
Total Traffic and Parking			

CITY OF CAMBRIDGE, MASSACHUSETTS

General Fund

Schedule of Expenditures - Budgetary Basis

Year ended June 30, 2001

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
Police Review and Advisory Board:			
Salaries and wages	\$ 58,635	58,589	46
Other ordinary maintenance	8,220	8,220	—
Travel and training	3,000	3,000	—
Total Police Review and Advisory Board	<u>69,855</u>	<u>69,809</u>	<u>46</u>
Inspectional Services:			
Salaries and wages	1,808,570	1,808,562	8
Other ordinary maintenance	96,100	95,559	541
Travel and training	45,375	44,615	760
Total Inspectional Services	<u>1,950,045</u>	<u>1,948,736</u>	<u>1,309</u>
License:			
Salaries and wages	563,270	563,264	6
Other ordinary maintenance	106,890	102,272	4,618
Travel and training	8,800	8,508	292
Total License	<u>678,960</u>	<u>674,044</u>	<u>4,916</u>
Weights and Measures:			
Salaries and wages	76,490	76,464	26
Other ordinary maintenance	5,780	5,293	487
Travel and training	1,745	1,498	247
Extraordinary Expense	46,000	45,042	958
Total Weights and Measures	<u>130,015</u>	<u>128,297</u>	<u>1,718</u>
Electrical:			
Salaries and wages	810,955	805,237	5,718
Other ordinary maintenance	1,354,580	1,336,776	17,804
Travel and training	1,670	1,334	336
Total Electrical	<u>2,167,205</u>	<u>2,143,347</u>	<u>23,858</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

General Fund

Schedule of Expenditures - Budgetary Basis

Year ended June 30, 2001

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
Emergency Management:			
Salaries and wages	\$ 91,065	91,063	2
Other ordinary maintenance	13,635	13,526	109
Travel and training	100	—	100
Total Emergency Management	<u>104,800</u>	<u>104,589</u>	<u>211</u>
Emergency Communications:			
Salaries and wages	2,477,650	2,467,661	9,989
Other ordinary maintenance	166,010	161,787	4,223
Travel and training	15,850	15,787	63
Extraordinary expenditures	4,000	1,755	2,245
Total Emergency Communications	<u>2,663,510</u>	<u>2,646,990</u>	<u>16,520</u>
Total Public Safety	<u>67,165,900</u>	<u>66,713,078</u>	<u>452,822</u>
Community Maintenance and Development:			
Public Works:			
Salaries and wages	11,720,190	11,702,080	18,110
Other ordinary maintenance	7,213,675	7,190,299	23,376
Travel and training	265,825	265,112	713
Extraordinary expenditures	194,500	194,500	—
Total Public Works	<u>19,394,190</u>	<u>19,351,991</u>	<u>42,199</u>
Community Development:			
Salaries and wages	3,250,875	2,917,161	333,714
Other ordinary maintenance	688,160	677,473	10,687
Travel and training	35,200	34,833	367
Extraordinary expenditures	19,221	1,852	17,369
Total Community Development	<u>3,993,456</u>	<u>3,631,319</u>	<u>362,137</u>
Historical Commission:			
Salaries and wages	319,920	319,916	4
Other ordinary maintenance	37,380	37,269	111
Travel and training	800	450	350
Total Historical Commission	<u>358,100</u>	<u>357,635</u>	<u>465</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

General Fund

Schedule of Expenditures - Budgetary Basis

Year ended June 30, 2001

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
Conservation Commission:			
Salaries and wages	\$ 64,575	57,985	6,590
Other ordinary maintenance	1,865	973	892
Travel and training	525	335	190
Total Conservation Commission	<u>66,965</u>	<u>59,293</u>	<u>7,672</u>
Peace Commission:			
Salaries and wages	55,945	55,906	39
Other ordinary maintenance	11,280	10,686	594
Travel & Training	500	405	95
Total Peace Commission	<u>67,725</u>	<u>66,997</u>	<u>728</u>
Cable Television:			
Salaries and wages	324,615	301,692	22,923
Other ordinary maintenance	59,200	55,093	4,107
Travel and training	3,450	2,808	642
Extraordinary Expense	7,400	6,160	1,240
Total Cable Television	<u>394,665</u>	<u>365,753</u>	<u>28,912</u>
Total Community Maintenance and Development	<u>24,275,101</u>	<u>23,832,988</u>	<u>442,113</u>
Human Resource Development:			
Library:			
Salaries and wages	3,478,995	3,478,085	910
Other ordinary maintenance	762,870	747,776	15,094
Travel and training	21,650	19,258	2,392
Total Library	<u>4,263,515</u>	<u>4,245,119</u>	<u>18,396</u>
Human Services:			
Salaries and wages	9,223,788	9,051,827	171,961
Other ordinary maintenance	2,692,899	2,605,969	86,930
Travel and training	71,244	56,705	14,539
Extraordinary expenditures	85,000	80,445	4,555
Total Human Services	<u>12,072,931</u>	<u>11,794,946</u>	<u>277,985</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

General Fund

Schedule of Expenditures - Budgetary Basis

Year ended June 30, 2001

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
Women's Commission:			
Salaries and wages	\$ 123,085	123,051	34
Other ordinary maintenance	10,735	10,036	699
Travel and training	125	125	—
Total Women's Commission	<u>133,945</u>	<u>133,212</u>	<u>733</u>
Human Rights Commission:			
Salaries and wages	132,105	131,292	813
Other ordinary maintenance	3,805	2,819	986
Travel and training	950	885	65
Total Human Rights Commission	<u>136,860</u>	<u>134,996</u>	<u>1,864</u>
Veterans Benefits:			
Salaries and wages	182,160	172,367	9,793
Other ordinary maintenance	172,230	171,851	379
Travel and training	2,870	2,870	—
Total Veterans Benefits	<u>357,260</u>	<u>347,088</u>	<u>10,172</u>
Total Human Resource Development	<u>16,964,511</u>	<u>16,655,361</u>	<u>309,150</u>
Education:			
Salaries and wages	77,675,073	77,594,381	80,692
Other ordinary maintenance	19,956,215	19,152,283	803,932
Travel and training	494,746	449,398	45,348
Extraordinary expenditures	1,183,332	1,159,651	23,681
Debt:			
Principal payments	5,330,394	5,320,000	10,394
Interest payments	1,883,081	1,845,941	37,140
Total Education	<u>106,522,841</u>	<u>105,521,654</u>	<u>1,001,187</u>
Judgements and Claims:			
Travel and training	709,700	708,847	853
Total Judgements and Claims	<u>709,700</u>	<u>708,847</u>	<u>853</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

General Fund

Schedule of Expenditures - Budgetary Basis

Year ended June 30, 2001

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
Debt Retirement:			
Principal payments	\$ 7,791,410	7,689,430	101,980
Interest payments	<u>3,712,725</u>	<u>3,677,257</u>	<u>35,468</u>
Total Debt Retirement	<u>11,504,135</u>	<u>11,366,687</u>	<u>137,448</u>
State assessments:			
MBTA Assessment	6,950,170	6,783,876	166,294
MWRA Assessment	14,353,925	14,174,824	179,101
Other State Assessments	<u>803,185</u>	<u>388,784</u>	<u>414,401</u>
Total Intergovernmental	<u>22,107,280</u>	<u>21,347,484</u>	<u>759,796</u>
Total General Fund	<u>\$ 272,432,650</u>	<u>268,886,725</u>	<u>3,545,925</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

Supplementary Statements and Schedules

June 30, 2001

SPECIAL REVENUE FUNDS

Community Development Block Grant

Revenues from the Community Development Block Grant Program are recorded in this fund. A transfer of revenues is made at the end of the fiscal year to the Capital Projects Funds to cover Block Grant-related expenditures in these funds during the fiscal year. All operating expenditures are recorded within this Fund.

School Grants

This fund accounts for both the receipt and expenditure of funds received from numerous federal and state agencies to support a wide range of elementary and secondary school programs.

Fuel Assistance

This fund is used to account for revenues and expenditures for a federal program designed to provide low-income families with assistance in purchasing fuel supplies.

Parking Fund

Receipts from the Parking Fund, which consist primarily of meter collections, parking fines, and miscellaneous revenues, are recorded in this fund and support a wide range of City programs in accordance with Chapter 844 of the Massachusetts General Laws. In a similar manner to the Block Grant Funds, an amount equal to that which is appropriated to the General and Capital Projects Funds, is transferred to those funds at the end of the fiscal year.

Other Grants

Funds from a wide range of federal and state grants provide additional support to several City programs, including the Arts Council, Historical Commission, and Library. Both the receipt and expenditure of these funds are accounted for in this fund.

CITY OF CAMBRIDGE, MASSACHUSETTS

Combining Balance Sheet

Special Revenue Funds

June 30, 2001

Assets	Community development block grant	School grants	Fuel assistance	Parking fund	Other grants	Total
Cash and short-term investments	\$ —	5,050,767	230,929	4,792,543	4,093,181	14,167,420
Accounts receivable	—	—	546	—	115,549	116,095
Accounts receivable-developer	1,000,000	—	—	—	—	1,000,000
Due from other funds	111,738	—	—	—	—	111,738
Due from other governments	904,431	105,663	—	—	—	1,010,094
Total assets	\$ 2,016,169	5,156,430	231,475	4,792,543	4,208,730	16,405,347
Liabilities and Fund Equity						
Warrants payable	\$ 155,834	—	—	—	—	155,834
Accrued payroll	16,447	—	—	51,507	29,839	97,793
Accrued liabilities - other	5,653	617,919	—	452,046	330,466	1,406,084
Due to other funds	1,838,235	—	—	—	—	1,838,235
Total liabilities	2,016,169	617,919	—	503,553	360,305	3,497,946
Fund equity (deficit):						
Reserved for encumbrances	200,077	1,112,568	—	—	1,689,094	3,001,739
Reserved for specific purposes	(200,077)	—	—	4,288,990	—	4,088,913
Unreserved	—	3,425,943	231,475	—	2,159,331	5,816,749
Total fund equity	—	4,538,511	231,475	4,288,990	3,848,425	12,907,401
Total liabilities and fund equity	\$ 2,016,169	5,156,430	231,475	4,792,543	4,208,730	16,405,347

CITY OF CAMBRIDGE, MASSACHUSETTS

Combining Statement of Revenues, Expenditures, and Changes in Fund Equity

Special Revenue Funds

Year ended June 30, 2001

	Community development block grant	School grants	Fuel assistance	Parking fund	Other grants	Total
Revenues:						
Intergovernmental	\$ 3,879,641	10,154,932	774,798	—	7,660,689	22,470,060
Private grants	—	—	—	—	123,656	123,656
Investment income	—	1,291,865	13,434	456,775	30,345	1,792,419
Other:						
Permits	—	—	—	312,216	—	312,216
Fines	—	—	—	7,288,425	—	7,288,425
Charges for services	—	—	—	5,159,277	—	5,159,277
Miscellaneous	44,466	—	—	96,790	2,500	143,756
Total revenues	<u>3,924,107</u>	<u>11,446,797</u>	<u>788,232</u>	<u>13,313,483</u>	<u>7,817,190</u>	<u>37,289,809</u>
Expenditures:						
General government	—	—	—	—	70,431	70,431
Public safety	—	—	—	—	750,604	750,604
Education	—	10,758,881	—	—	—	10,758,881
Fuel assistance	—	—	1,307,857	—	—	1,307,857
Community maintenance and development	881,206	—	—	503,553	1,413,785	2,798,544
Human services	611,850	—	—	—	3,615,708	4,227,558
Total expenditures	<u>1,493,056</u>	<u>10,758,881</u>	<u>1,307,857</u>	<u>503,553</u>	<u>5,850,528</u>	<u>19,913,875</u>
Excess (deficiency) of revenues over expenditures	<u>2,431,051</u>	<u>687,916</u>	<u>(519,625)</u>	<u>12,809,930</u>	<u>1,966,662</u>	<u>17,375,934</u>
Other financing sources (uses):						
Operating transfers to other funds	(2,431,051)	—	—	(12,373,310)	—	(14,804,361)
Excess of revenues over expenditures and transfers	<u>—</u>	<u>687,916</u>	<u>(519,625)</u>	<u>436,620</u>	<u>1,966,662</u>	<u>2,571,573</u>
Fund equity at beginning of year	<u>—</u>	<u>3,850,595</u>	<u>751,100</u>	<u>3,852,370</u>	<u>1,881,763</u>	<u>10,335,828</u>
Fund equity at end of year	<u>\$ —</u>	<u>4,538,511</u>	<u>231,475</u>	<u>4,288,990</u>	<u>3,848,425</u>	<u>12,907,401</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

Supplementary Statements and Schedules

June 30, 2001

FIDUCIARY FUNDS

The City's Fiduciary Funds are used to account for the assets received and disbursed by the City acting in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. These include expendable trust funds, nonexpendable trust funds, pension trust funds, and agency funds.

The Trust Funds, which are described later in this section of the report, are segregated into five categories: School Trust Funds, Neville Manor Nursing Home Trust Funds, Library Trust Funds, Cemetery and Other Funds. The last sentence of each Trust Fund narrative lists the expendable balances which represent the income/interest portion of the Trust. In general, the City has a policy to limit expenditures from the Trusts to the total accumulated income/interest amount so that the principal of the Trusts is protected.

CITY OF CAMBRIDGE, MASSACHUSETTS

Combining Balance Sheet

Fiduciary Funds

June 30, 2001

Assets	Pension Trust Fund	Nonexpendable trust funds					Expendable trust funds										Total
	Retirement Trust Fund	School funds	Neville Manor funds	Library funds	Cemetery funds	Other funds	School funds	Neville funds	Library funds	Cemetery funds	Health Claim Trust Fund	City Stabilization Trust Fund	School Stabilization Trust Funds	Housing Fund	Other funds	Agency Fund	
Cash and short-term investments	\$ 31,896,818	37,814	—	49,651	1,424,373	60,900	336,877	—	170,068	292,267	11,414,505	6,923,670	1,986,545	2,419,896	540,127	2,992,213	60,545,724
Other investments	455,312,006	—	—	4,900	—	—	—	—	—	—	—	—	—	—	—	—	455,316,906
Due from brokers for securities sold	13,744,192	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	13,744,192
Accounts receivable - developer	—	—	—	—	—	—	—	—	—	—	—	—	—	3,382,056	—	—	3,382,056
Due from other funds	—	220	—	—	—	315	—	—	—	—	—	—	79,462	—	—	—	79,997
Other assets	2,629,380	—	—	64	—	—	—	—	—	—	—	—	—	1,500,000	—	—	4,129,444
Total assets	\$ 503,582,396	38,034	—	54,615	1,424,373	61,215	336,877	—	170,068	292,267	11,414,505	6,923,670	2,066,007	7,301,952	540,127	2,992,213	537,198,319
Liabilities and Fund Equity																	
Guarantee deposits	\$ —	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2,992,213	2,992,213
Due to brokers for securities purchased	11,702,270	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	11,702,270
Accrued liabilities - other	—	—	—	—	—	—	—	—	—	—	—	—	—	282,320	—	—	282,320
Note payable	—	—	—	—	—	—	—	—	—	—	—	—	—	2,000,000	—	—	2,000,000
Due to other funds	—	—	—	—	—	—	220	—	—	—	79,462	—	—	—	315	—	79,997
Total liabilities	11,702,270	—	—	—	—	—	220	—	—	—	79,462	—	—	2,282,320	315	2,992,213	17,056,800
Fund equity:																	
Reserved for employee benefits	491,880,126	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	491,880,126
Reserved for specific purposes	—	38,034	—	54,615	1,424,373	61,215	336,657	—	170,068	292,267	11,335,043	6,923,670	2,066,007	5,019,632	539,812	—	28,261,393
Total fund equity	491,880,126	38,034	—	54,615	1,424,373	61,215	336,657	—	170,068	292,267	11,335,043	6,923,670	2,066,007	5,019,632	539,812	—	520,141,519
Total liabilities and fund equity	\$ 503,582,396	38,034	—	54,615	1,424,373	61,215	336,877	—	170,068	292,267	11,414,505	6,923,670	2,066,007	7,301,952	540,127	2,992,213	537,198,319

CITY OF CAMBRIDGE, MASSACHUSETTS

Combining Statement of Revenues, Expenses and Changes in Fund Equity

Nonexpendable Trust Funds

Year ended June 30, 2001

	Nonexpendable trust funds					Total
	School funds	Neville Manor funds	Library funds	Cemetery funds	Other funds	
Revenues:						
Donations	\$ —	—	—	20,310	—	20,310
Investment income	2,416	—	3,164	75,636	3,912	85,128
Total operating income	2,416	—	3,164	95,946	3,912	105,438
Operating transfers from other funds	220	—	—	—	315	535
Operating transfers to other funds	(2,416)	(25,733)	(3,164)	(75,636)	(3,912)	(110,861)
Net income (loss)	220	(25,733)	—	20,310	315	(4,888)
Fund equity:						
Beginning of year	37,814	25,733	54,615	1,404,063	60,900	1,583,125
End of year	\$ 38,034	—	54,615	1,424,373	61,215	1,578,237

CITY OF CAMBRIDGE, MASSACHUSETTS

Combining Statement of Cash Flows

Nonexpendable Trust Funds

Year ended June 30, 2001

	<u>School funds</u>	<u>Neville Manor funds</u>	<u>Library funds</u>	<u>Cemetery funds</u>	<u>Other funds</u>	<u>Total</u>
Cash flows from operating activities:						
Operating income	\$ 2,416	—	3,164	95,946	3,912	105,438
Adjustments to reconcile operating income to net cash provided (used) by operating activities:						
Reclassification of investment income	(2,416)	—	(3,164)	(75,636)	(3,912)	(85,128)
Increase in due from other funds	(44)	—	—	—	(315)	(359)
Decrease in due to other funds	(200)	(137)	(328)	—	(316)	(981)
Net cash provided (used) by operating activities	<u>(244)</u>	<u>(137)</u>	<u>(328)</u>	<u>20,310</u>	<u>(631)</u>	<u>18,970</u>
Cash flows from noncapital financing activities:						
Operating transfers - in	220	—	—	—	315	535
Operating transfers - out	<u>(2,416)</u>	<u>(25,733)</u>	<u>(3,164)</u>	<u>(75,636)</u>	<u>(3,912)</u>	<u>(110,861)</u>
Net cash used for noncapital financing activities	<u>(2,196)</u>	<u>(25,733)</u>	<u>(3,164)</u>	<u>(75,636)</u>	<u>(3,597)</u>	<u>(110,326)</u>
Cash flows from investing activities:						
Investment income	<u>2,416</u>	<u>—</u>	<u>3,164</u>	<u>75,636</u>	<u>3,912</u>	<u>85,128</u>
Net cash provided by investing activities	<u>2,416</u>	<u>—</u>	<u>3,164</u>	<u>75,636</u>	<u>3,912</u>	<u>85,128</u>
Net (decrease) increase in cash and cash equivalents	(24)	(25,870)	(328)	20,310	(316)	(6,228)
Cash and cash equivalents at beginning of year	<u>37,838</u>	<u>25,870</u>	<u>49,979</u>	<u>1,404,063</u>	<u>61,216</u>	<u>1,578,966</u>
Cash and cash equivalents at end of year	<u>\$ 37,814</u>	<u>—</u>	<u>49,651</u>	<u>1,424,373</u>	<u>60,900</u>	<u>1,572,738</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

Combining Statement of Revenues, Expenditures and Changes in Fund Equity

Expendable Trust Funds

Year ended June 30, 2001

	<u>School funds</u>	<u>Neville Manor funds</u>	<u>Library funds</u>	<u>Cemetery Fund</u>	<u>Health Claims Trust Fund</u>	<u>City Stabilization Trust Fund</u>	<u>School Stabilization Trust Funds</u>	<u>Housing Fund</u>	<u>Other funds</u>	<u>Total</u>
Revenues:										
Investment income	\$ 16,267	—	7,802	4,539	764,126	321,042	74,795	346,992	32,124	1,567,687
Donations	82,747	—	81,054	—	—	—	—	28,812	55,162	247,775
Employee deductions	—	—	—	—	2,092,308	—	—	—	—	2,092,308
Other	—	—	—	—	—	—	—	392,946	—	392,946
Total revenues	<u>99,014</u>	<u>—</u>	<u>88,856</u>	<u>4,539</u>	<u>2,856,434</u>	<u>321,042</u>	<u>74,795</u>	<u>768,750</u>	<u>87,286</u>	<u>4,300,716</u>
Expenditures:										
Other	38,525	83,307	73,155	—	—	—	—	3,910,054	—	4,105,041
Payroll services	—	—	—	—	—	—	—	260,171	93,568	353,739
Total expenditures	<u>38,525</u>	<u>83,307</u>	<u>73,155</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>4,170,225</u>	<u>93,568</u>	<u>4,458,780</u>
Excess (deficiency) of revenues over expenditures	60,489	(83,307)	15,701	4,539	2,856,434	321,042	74,795	(3,401,475)	(6,282)	(158,064)
Transfers:										
Operating transfers from other funds	2,416	25,733	3,164	75,636	—	—	—	4,500,000	3,912	4,610,861
Operating transfers to other funds	(220)	—	—	(45,000)	(3,860,000)	—	(959,400)	—	(315)	(4,864,935)
Excess (deficiency) of revenues over expenditures and transfers	62,685	(57,574)	18,865	35,175	(1,003,566)	321,042	(884,605)	1,098,525	(2,685)	(412,138)
Fund equity at beginning of year	<u>273,972</u>	<u>57,574</u>	<u>151,203</u>	<u>257,092</u>	<u>12,338,609</u>	<u>6,602,628</u>	<u>2,950,612</u>	<u>3,921,107</u>	<u>542,497</u>	<u>27,095,294</u>
Fund equity at end of year	<u>\$ 336,657</u>	<u>—</u>	<u>170,068</u>	<u>292,267</u>	<u>11,335,043</u>	<u>6,923,670</u>	<u>2,066,007</u>	<u>5,019,632</u>	<u>539,812</u>	<u>26,683,156</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

Combining Statement of Changes in Assets and Liabilities - Agency Funds

Year ended June 30, 2001

Assets	Balance at June 30, 2000	Additions	Deductions	Balance at June 30, 2001
Contract Bids	\$ 89,025	1,050	350	89,725
Plans	2,065	—	—	2,065
Tree Removals	485	—	—	485
Driveways	203,687	48,252	—	251,939
Street Openings	265,581	52,870	28,632	289,819
Sidewalk Openings	150	—	—	150
In Lieu of Bond	70,945	—	—	70,945
License Commission	10,149	—	—	10,149
Cambridge Police Detail	(159,728)	3,456,593	4,000,789	(703,924)
Cambridge Fire Detail	56,592	523,829	335,391	245,030
Dog Licenses	14,212	—	—	14,212
Sporting Licenses	3,419	355	—	3,774
Dog Officer	570	—	4,125	(3,555)
Constable Fees	16,192	8,096	—	24,288
Meal Tax Agency	36,619	—	—	36,619
Senior Cab	4,279	—	—	4,279
Water Service Renewal	17,422	—	—	17,422
Undistributed Interest	3,808	—	—	3,808
Purchase of Trees	38,498	4,807	—	43,305
Accident & life Insurance	146,640	22,449	—	169,089
Medicare	2,804	—	—	2,804
Car Seat Program	1,539	—	—	1,539
Deferred Compensation	1,410	—	—	1,410
Legal Fees	49,815	7,750	—	57,565
Retirement Office Payroll	(22,299)	395,383	—	373,084
New Eng and Life	530,289	—	—	530,289
Continental Casualty	8,269	—	—	8,269
Teacher Insurance Reimbursement	4,940	—	—	4,940
Teachers Retirement	650,854	85,883	—	736,737
Excise Registry Fees	13,857	—	—	13,857
3 Bidglow Contingency Fund	42,875	—	1,059	41,816
Retroactive Wages	6	—	—	6
Land Court Fees	46,719	2,942	—	49,661
Choke Program	1,182	—	—	1,182
Payroll Checks	67,594	—	—	67,594
Retirement Checks	14,693	—	—	14,693
Unclaimed Checks	234,063	—	—	234,063
Stop Payments	23,138	—	—	23,138
Sewer Abatement Appraisal Fee	10,492	3	—	10,495
Twelve Mt. Auburn	7,684	—	—	7,684
Blue Cross	6,112	—	—	6,112
Hackney Applications	5,386	—	—	5,386
Purchase of Bike Racks	5,138	—	—	5,138
Recycling Bins	(284)	29	—	(255)
Levangie J.P. Construction Co.	1,681	—	—	1,681
Forty-Three Mt. Auburn Rents	2,899	—	—	2,899
Police: Recovered Cash	(61)	—	—	(61)
Police: Found Cash	6,068	—	1,953	4,115
Firearms Recordkeeping Fund	6,798	1,225	7,123	900
Cambport Roadways Plan Fund	38	—	—	38
Tenant - 199 Prospect St.	10,219	—	—	10,219
Estate of George W. Boyce	54,591	—	—	54,591
Kendall Sq. Fire Station	150,000	—	—	150,000
Computers for Kids	—	1,000	—	1,000
Total	\$ 2,759,119	4,612,516	4,379,422	2,992,213

CITY OF CAMBRIDGE, MASSACHUSETTS
Combining Statement of Changes in Assets and Liabilities - Agency Funds
Year ended June 30, 2001

Liabilities	Balance at June 30, 2000	Additions	Deductions	Balance at June 30, 2001
Guarantee deposits and amounts due other:				
Contract Bids	\$ 89,025	1,050	350	89,725
Plans	2,065	—	—	2,065
Tree Removals	485	—	—	485
Driveways	203,687	48,252	—	251,939
Street Openings	265,581	52,870	28,632	289,819
Sidewalk Openings	150	—	—	150
In Lieu of Bond	70,945	—	—	70,945
License Commission	10,149	—	—	10,149
Cambridge Police Detail	(159,728)	3,456,593	4,000,789	(703,924)
Cambridge Fire Detail	56,592	523,829	335,391	245,030
Dog Licenses	14,212	—	—	14,212
Sporting Licenses	3,419	355	—	3,774
Dog Officer	570	—	4,125	(3,555)
Constable Fees	16,192	8,096	—	24,288
Meal Tax Agency	36,619	—	—	36,619
Senior Cab	4,279	—	—	4,279
Water Service Renewal	17,422	—	—	17,422
Undistributed Interest	3,808	—	—	3,808
Purchase of Trees	38,498	4,807	—	43,305
Accident & life Insurance	146,640	22,449	—	169,089
Medicare	2,804	—	—	2,804
Car Seat Program	1,539	—	—	1,539
Deferred Compensation	1,410	—	—	1,410
Legal Fees	49,815	7,750	—	57,565
Retirement Office Payroll	(22,299)	395,383	—	373,084
New England Life	530,289	—	—	530,289
Continental Casualty	8,269	—	—	8,269
Teacher Insurance Reimbursement	4,940	—	—	4,940
Teachers Retirement	650,854	85,883	—	736,737
Excise Registry Fees	13,857	—	—	13,857
3 Bidglow Contingency Fund	42,875	—	1,059	41,816
Retroactive Wages	6	—	—	6
Land Court Fees	46,719	2,942	—	49,661
Choke Program	1,182	—	—	1,182
Payroll Checks	67,594	—	—	67,594
Retirement Checks	14,693	—	—	14,693
Unclaimed Checks	234,063	—	—	234,063
Stop Payments	23,138	—	—	23,138
Sewer Abatement Appraisal Fee	10,492	3	—	10,495
Twelve Mt. Auburn	7,684	—	—	7,684
Blue Cross	6,112	—	—	6,112
Hackney Applications	5,386	—	—	5,386
Purchase of Bike Racks	5,138	—	—	5,138
Recycling Bins	(284)	29	—	(255)
Levangie/J.P. Construction Co.	1,681	—	—	1,681
Forty-three Mt. Auburn Rents	2,899	—	—	2,899
Police: Recovered Cash	(61)	—	—	(61)
Police: Found Cash	6,068	—	1,953	4,115
Firearms Recordkeeping Cash	6,798	1,225	7,123	900
Cambport Roadways Plan Fund	38	—	—	38
Tenant - 199 Prospect St.	10,219	—	—	10,219
Estate of George W. Boyce	54,591	—	—	54,591
Kendall Sq. Fire Station	150,000	—	—	150,000
Computers for Kids	—	1,000	—	1,000
Total	\$ 2,759,119	4,612,516	4,379,422	2,992,213

CITY OF CAMBRIDGE, MASSACHUSETTS

DESCRIPTION OF TRUST FUNDS

School Trust Funds

Mary A. Blessington Scholarship Fund

This trust fund, established in 1993 for \$2,000, is to be used to fund a scholarship to the student with the highest academic achievement at the Fletcher School. The one award will be taken from interest only, not to exceed \$100. As of June 30, 2001, the expendable balance was \$969.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 2,805	\$ 164	\$ —	\$ 2,969

Dr. B. Elizabeth R. Boyce Scholarship Fund

On February 27, 1998, the City received 500 shares of GTE stock from the estate of George W. Boyce to establish a scholarship fund in the memory of Dr. B. Elizabeth R. Boyce for graduates of the City's public school system. The fund is directed towards college students in social studies. No funds were expended in FY01. As of June 30, 2001, the expendable balance was \$37,777.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 34,759	\$ 3,018	\$ —	\$ 37,777

Robert Calef Children's Trust Fund

In 1987, the City Council accepted \$6,290 to establish the Robert Calef Children's Trust Fund. The initial funding was derived from a roast of Oliver S. Brown, retiring Deputy Superintendent. The purpose of the trust is to provide books for children in kindergarten through grade three including non-graded pupils of comparable age in the Cambridge Public Schools. The funds are spent under the direction of a board of six trustees composed of six primary teachers of the Cambridge Public School system, three designated by the Superintendent of Schools and three by the President of the Cambridge Teachers' Association. Expenditures may be made from principal and interest, except that the balance shall not fall below \$2,000. As of June 30, 2001, the expendable balance was \$10,050.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 11,383	\$ 667	\$ —	\$ 12,050

CITY OF CAMBRIDGE, MASSACHUSETTS

DESCRIPTION OF TRUST FUNDS

School Trust Funds

Cambridge Public School Fund

In February of 1986, the City accepted a \$10,000 gift from the Amelia Peabody Foundation to establish the Cambridge Public School Trust. This initial gift was to provide for the expansion of computer capabilities at the Graham and Parks Alternative Public School, so that students with limited English speaking ability could be effectively served. Generally, this trust was established to accept special gifts for the Cambridge School Department for specific purposes, with all future gifts being formally accepted by the City Council before expenditures can occur. No funds were expended in FY01. As of June 30, 2001, the expendable balance was \$10,304.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 9,724	\$ 580	\$ —	\$ 10,304

John Wesley Freese Fund

At the time of his death in 1910, John Wesley Freese willed the sum of \$100 to the Houghton School. Of this amount only \$89.36 was actually received. The school was subsequently closed and demolished; the trust now provides funds for the purchase of books or works of art for any school. Only 75% of the income can be expended with the balance reverting to the principal fund balance. As of June 30, 2001, the expendable balance was \$1,111.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 1,326	\$ 78	\$ —	\$ 1,404

Georgia Hardy Spelling Contest

This fund was a gift from Georgia Hardy in 1937. The fund is to be expended for a book, which is to be awarded as a prize to the winner of a spelling contest to be conducted annually among the students of the senior class of Cambridge Rindge and Latin High School. The purpose of the trust is to promote interest in the correct spelling of words of the English language. No prize was awarded in FY01. As of June 30, 2001, the expendable balance was \$1,492.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 1,409	\$ 83	\$ —	\$ 1,492

CITY OF CAMBRIDGE, MASSACHUSETTS

DESCRIPTION OF TRUST FUNDS

School Trust Funds

Charity of Edward Hopkins Fund

This “charity” represents the oldest continuous scholarship in the United States, dating back to 1675. At that time Edward Hopkins, the Royal Governor of Connecticut, bequeathed the sum of 500 pounds for the “encouragement in those foreign plantations for the breeding of hopeful youths both at the grammar school and college levels for the public service of the country in future times.” Due to political considerations, the intent of the trust was never carried out. On March 7, 1710, Head Keeper Harcourt decreed that the 500 pounds, with interest from June 10, 1700 to March 7, 1710, should be used to purchase land in New England under the name of the Corporation for the Propagation of the Gospel. The revenue from the land was to be used for the benefit of the college and grammar school at Cambridge in New England. The trustees and the City have agreed to expend 1/4 of the net income for classical instruction and scholarship prizes at the Cambridge Rindge and Latin High School. As of June 30, 2001, the expendable balance was \$991.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 937	\$ 54	\$ —	\$ 991

J. Maxwell Joseph Memorial Writing Center Award Trust Fund

The J. Maxwell Joseph Memorial Writing Center Award Trust Fund was established in 1989 to commemorate J. Maxwell Joseph, a 1988 graduate of Cambridge Rindge and Latin High School (“CRLS”) who died on August 26, 1988. The purpose of the Trust is to provide an annual Writing Center Award at CRLS. The award may not exceed \$1,000 which, beginning in 1998, may be adjusted for inflation but cannot exceed interest earnings. The excess income in any one year may be retained to supplement subsequent years’ awards when necessary. The CRLS Writing Center provides students with the opportunity to develop writing skills. This award will be granted to the graduating senior who makes the best use of the Writing Center. As of June 30, 2001, the expendable balance was \$4,524.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 24,848	\$ 1,457	\$ —	\$ 26,305

CITY OF CAMBRIDGE, MASSACHUSETTS

DESCRIPTION OF TRUST FUNDS

School Trust Funds

Edward L. Kingman Scholarship Fund

The sum of \$1,700 was donated to Cambridge in 1931 to form the Edward L. Kingman Scholarship. This scholarship fund was established to award a prize during the first year of college to the student who graduated from Cambridge Rindge and Latin High School with the highest grade and who attends college the next year. As of June 30, 2001, the expendable balance was \$7,728.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 8,906	\$ 522	\$ —	\$ 9,428

Longfellow School Fund

The Longfellow School Fund is of unknown origin. It is held in trust for the students of the Longfellow School. No funds were expended in FY01. As of June 30, 2001, the expendable balance was \$3,737.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 3,529	\$ 208	\$ —	\$ 3,737

Thomas McCann Fund

In 1998, the McCann Company established a fund to reimburse teachers who participate in training workshops on minorities and poverty. Part of this money is applied to the purchase of social studies materials. No funds were expended in FY01. As of June 30, 2001, the expendable balance was \$2,287.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 2,161	\$ 126	\$ —	\$ 2,287

CITY OF CAMBRIDGE, MASSACHUSETTS

DESCRIPTION OF TRUST FUNDS

School Trust Funds

Charles E. Merrill Fund

On October 2, 1982, the City Council accepted a gift of \$25,000 from the Charles E. Merrill Trust. This amount is to be used for the support of the special expenses of the Cambridge Alternative Public School. No funds were expended for the Alternative School in FY01. As of June 30, 2001, the expendable balance was \$680.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 642	\$ 38	\$ —	\$ 680

Pasquale and Mary Reale Trust Fund

This trust in the amount of \$4,000 was established in 1992 by the Cambridge Veterans Organization to honor the Memory of Pasquale Reale and his wife Mary. The purpose of the trust is to provide funds for an annual music award to a graduating senior. No awards were made during FY01. As of June 30, 2001, the expendable balance was \$474.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 4,227	\$ 247	\$ —	\$ 4,474

Scholarship Trust Fund

Begun in 1993, this trust provides scholarship aid to residents of the City of Cambridge based on financial need, character, scholastic record, community involvement and extracurricular school activities. Any resident accepted to pursue education beyond the secondary level is eligible to apply. During FY01, \$82,145 was donated to the Fund. As of June 30, 2001, the expendable balance was \$252,356.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 197,325	\$ 93,731	\$ 38,700	\$ 252,356

CITY OF CAMBRIDGE, MASSACHUSETTS

DESCRIPTION OF TRUST FUNDS

School Trust Funds

School Textbook Trust Fund

This trust fund was established during fiscal year 1991 to provide funds for the purchase of textbooks. No textbooks were purchased during FY01. As of June 30, 2001, the expendable balance was \$15.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 14	\$ 1	\$ —	\$ 15

Edward J. Shea Memorial Fund

In June of 1965, the City Council accepted the Edward J. Shea Memorial Fund. The annual income from the principal of \$300 is to be awarded to a member of the graduating class of the Cambridge Rindge and Latin High School “who has shown himself to be cognizant of the obligation of a good citizen; law abiding; a diligent student; respectful to faculty and interested in his associates.” The winner is to be chosen by the Headmaster and two members of the faculty. No award was made in FY01. As of June 30, 2001, the expendable balance was \$1,032.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 1,259	\$ 73	\$ —	\$ 1,332

Webster H. Thierry Historic Prize Fund

This fund was established through a \$300 donation by Adelaide R. Thierry in 1925. A book is purchased as a prize to the pupil judged by the Headmaster of Cambridge Rindge and Latin High School to have done the best work in the most advanced American History and Government course during the current year. Out of the income, each year \$1 is to be added to the principal balance of the Fund. Also any income not used in the current year is returned to become part of the principal fund balance. As of June 30, 2001, the expendable balance was \$388.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 3,701	\$ 394	\$ —	\$ 4,095

CITY OF CAMBRIDGE, MASSACHUSETTS

DESCRIPTION OF TRUST FUNDS

School Trust Funds

Henry Wise Book Prize Trust Fund

This fund was established during 1991 by the Cambridge Police Association in memory of Henry Wise, who served as legal counsel to the Association for many years. This fund provides annual book prizes to graduating seniors from Cambridge Rindge and Latin High School who demonstrate exemplary community or school service. No prizes were awarded during FY01. As of June 30, 2001, the expendable balance was \$742.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 2,830	\$ 167	\$ —	\$ 2,997

CITY OF CAMBRIDGE, MASSACHUSETTS

DESCRIPTION OF TRUST FUNDS

Neville Manor Nursing Home Trust Funds

Anna D. Behlen Fund

Under the terms of Anna D. Behlen's will, accepted by the City Council on March 11, 1984, the Neville Manor Nursing Home was the recipient of a gift of \$1,800, whose interest is to be used for the enjoyment and recreation of the residents of Neville Manor. A total of \$1,362 in funds was expended in FY01.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 1,362	\$ —	\$ 1,362	\$ —

Anna Burke Fund

In 1981, the City Council accepted \$2,500 as a partial distribution of the estate of Anna Burke. The final distribution amounted to \$5,029. The purpose of the fund is to benefit the residents of Neville Manor and act as a memorial to Mrs. Burke's late husband, Frederick H. Burke, a former City Clerk and City employee for over 50 years. A total of \$9,497 in funds was expended in FY01.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 9,497	\$ —	\$ 9,497	\$ —

Reverend Patrick H. Callahan Fund

A gift of \$2,000 was willed to the City by Reverend Patrick H. Callahan, Pastor of St. Peter's Church. The interest of the trust is to be spent for a "feast day" on December 18th for the residents of the Neville Manor. A total of \$9,626 in funds was expended in FY01.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 9,626	\$ —	\$ 9,626	\$ —

CITY OF CAMBRIDGE, MASSACHUSETTS

DESCRIPTION OF TRUST FUNDS

Neville Manor Nursing Home Trust Funds

John W. Hodge Fund

Under the terms of the will of John W. Hodge, Neville Manor received the sum of \$1,500 to serve as the principal of the John W. Hodge Fund. The income from this fund is to be used to provide a Christmas of "good cheer" for the residents. A total of \$4,163 in funds was expended in FY01.

	<u>FY 2001 opening balance</u>		<u>FY 2001 income</u>		<u>FY 2001 expenditures</u>		<u>FY 2001 closing balance</u>
\$	4,163	\$	—	\$	4,163	\$	—

Minnie Perry Fund

Miss Minnie Perry donated the residue of her estate to the City to be used "to promote spiritual and material joys" for the residents of Neville Manor. The principal of this fund is \$23,726; the income can be used for Christmas and Easter parties.

	<u>FY 2001 opening balance</u>		<u>FY 2001 income</u>		<u>FY 2001 expenditures</u>		<u>FY 2001 closing balance</u>
\$	23,726	\$	—	\$	23,726	\$	—

Frank F. Rogers, Jr. Fund

At the time of the death of the wife of Frank F. Rogers, \$50,000 was divided into 10 equal shares, one of which was distributed to Neville Manor. The trust stipulates that the annual income be expended for entertainment and gifts for the residents of Neville Manor. A total of \$9,369 in funds was expended in FY01 on a picnic during the summer.

	<u>FY 2001 opening balance</u>		<u>FY 2001 income</u>		<u>FY 2001 expenditures</u>		<u>FY 2001 closing balance</u>
\$	9,369	\$	—	\$	9,369	\$	—

CITY OF CAMBRIDGE, MASSACHUSETTS

DESCRIPTION OF TRUST FUNDS

Neville Manor Nursing Home Trust Funds

Sarah E. Russell Fund

As provided in the will of Sarah E. Russell, who died October 6, 1898, the sum of \$814.41 was paid to the City, "the income therefrom to be annually expended in or towards providing a Christmas tree or Christmas gifts and entertainment for the residents of the Neville Manor." A total of \$4,755 in funds were expended in FY01.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 4,755	\$ —	\$ 4,755	\$ —

John and Catherine Shine Fund

Elizabeth M. Shine bequeathed the sum of \$2,000 to Neville Manor. The income is to be used for a celebration on January 9th, in memory of the wedding day of Miss Shine's parents. A total of \$20,810 in funds were expended in FY01.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 20,810	\$ —	\$ 20,810	\$ —

CITY OF CAMBRIDGE, MASSACHUSETTS

DESCRIPTION OF TRUST FUNDS

Library Trust Funds

Bookmobile Trust Fund

This fund represents money remaining from citizen contributions after the purchase of a new bookmobile in fiscal year 1984. The fund is used to develop a special children's book collection and to cover any unbudgeted or unexpected maintenance costs for the bookmobile. As of June 30, 2001, the expendable balance was \$(15).

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ (14)	\$ (1)	\$ —	\$ (15)

Eleanor Collins Burke Trust Fund

The Eleanor Collins Burke Trust Fund was established during 1991 by co-workers and friends of Mrs. Burke in recognition of her dedicated service to the City of Cambridge, with \$801 as an initial nonexpendable balance. The purpose of this trust fund is to provide funds to purchase materials and books for the Daniel P. Collins Branch Library. This Library is named in honor of Eleanor Burke's father. No funds were expended in FY01. As of June 30, 2001, the expendable balance was \$962.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 1,694	\$ 69	\$ —	\$ 1,763

Cambridge Field Branch Library Fund

In May of 1985, the City Council accepted an anonymous gift of \$2,000 to establish the Cambridge Field Branch Library Trust. The trust is to be used to purchase materials to expand the Cambridge Field Branch Library's existing holdings and to make improvements to the library beyond the scope of normal maintenance and replacement. In addition, the trust is to be used to fund special projects that are unique to the neighboring community. During FY01, \$1,964 was spent on books, periodicals, and special performances. As of June 30, 2001, the expendable balance was \$4,054.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 3,816	\$ 2,202	\$ 1,964	\$ 4,054

CITY OF CAMBRIDGE, MASSACHUSETTS

DESCRIPTION OF TRUST FUNDS

Library Trust Funds

Cambridge History Fund

The City Council accepted a gift of \$10,000 in February 1989 to be used by the Cambridge Public Library. Additional donations have been received since the initial gift. Funds are used to produce a series of publications whose story constitutes the history of Cambridge as well as to expand and preserve the holdings of the Cambridge Memorial Room at the Library. During FY01, a total of \$210 in funds was spent. As of June 30, 2001, the expendable balance was \$2,786.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 13,108	\$ 677	\$ 210	\$ 13,575

Cambridge Public Library Benefit Fund

The City Council authorized the establishment of a Library Benefit Trust Fund by the Trustees of the Cambridge Library in February 1988. The trust is to be used for general library purposes. During FY01, \$9,897 was donated to the fund. Funds were expended for special activities. As of June 30, 2001, the expendable balance was \$12,721.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 7,424	\$ 10,367	\$ 5,070	\$ 12,721

Citizen of Cambridge Fund

An anonymous citizen of Cambridge donated \$7,400 from 1923 through 1926 to the Cambridge Public Library. Income from these gifts is to be used for books on Americanization, the fine arts, general nature, and binding. During FY01, \$1,325 was spent on books. As of June 30, 2001, the expendable balance was \$9,445.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 17,307	\$ 863	1,325	\$ 16,845

CITY OF CAMBRIDGE, MASSACHUSETTS

DESCRIPTION OF TRUST FUNDS

Library Trust Funds

Citizens Subscription Fund

In 1899, a citizens committee raised \$5,675 for books for the newly opened public library. No funds were expended during FY01. As of June 30, 2001, the expendable balance was \$(570).

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 4,852	\$ 253	\$ —	\$ 5,105

Daniel P. Cummings Fund

Daniel P. Cummings bequeathed to the trustees of the Cambridge Public Library in 1899 the sum of \$2,000. Income is to be used for the purchase of non-sectarian books for the library. A total of \$1,000 in funds was expended during FY01. As of June 30, 2001, the expendable balance was \$2,076.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 4,853	\$ 223	\$ 1,000	\$ 4,076

Anthony J. DeVito Trust Fund

Established in his memory in March 1999, this fund is to be used to purchase library materials relating to music. Professor Anthony J. DeVito was Library Director from 1946 through 1948. He began the Library's music program, establishing the Library's Music Room with an inaugural collection of 100 recordings and two phonographs with head-phones. Both principal and income may be expended. During FY01, the fund received \$1,824 in donations. A total of \$872 in funds was expended. As of June 30, 2001, the expendable balance was \$6,751.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 5,826	\$ 1,797	\$ 872	\$ 6,751

Dolly Duffy

Established in the memory of Dolly Duffy who was an employee of the City of Cambridge as well as a life long resident..

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ —	\$ 11	\$ —	\$ 11

CITY OF CAMBRIDGE, MASSACHUSETTS

DESCRIPTION OF TRUST FUNDS

Library Trust Funds

P.H. Dolan Lecture Fund

The Philip H. Dolan Lecture Fund was established in 1997 by Mrs. Ruth Brooks Heath in recognition of Philip Hilary Dolan, Librarian of the Cambridge Public Library from 1949 to 1981, for his devoted work in developing the Library's greater potential to serve its community. The purpose of this fund is to provide funds for an annual lecture on the importance and value of books and libraries. No funds were expended in FY01. As of June 30, 2001, the expendable balance was \$818.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 778	\$ 40	\$ —	\$ 818

Isaac Fay Fund

In accordance with the provisions of the will of Isaac Fay, who died December 29, 1872, the sum of \$1,000 was paid to the trustees of the Cambridge Public Library to be invested and used for the purchase of books. A total of \$893 in funds was expended in FY01. As of June 30, 2001, the expendable balance was \$(1,194).

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 688	\$ 11	893	\$ (194)

Friends of the Cambridge Public Library Fund

Established during fiscal 1989, with a transfer of \$10,000 from the Cambridge Public Library Benefit Fund, the Fund is used to support the fundraising and membership activities of the "Friends". Both principal and interest may be expended. During FY01, \$27,680 was expended for production and distribution of the newsletter plus special events for the Friends. As of June 30, 2001, the expendable balance was \$49,988.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 29,895	\$ 47,773	\$ 27,680	\$ 49,988

Dowse Institute Fund

Established to promote lectures on the literacy or scientific subjects provided by the Dowse Institute for the residents of Cambridge.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ —	\$ 3,193	\$ —	\$ 3,193

CITY OF CAMBRIDGE, MASSACHUSETTS

DESCRIPTION OF TRUST FUNDS

Library Trust Funds

Harry Futterman Fund

Since 1978, the Cambridge Public Library has been the recipient of a grant from the Harry Futterman Fund. This fund was established to assist existing libraries to lend classical music records to the public. Annually, the Cambridge Public Library submits an application to the Harry Futterman Fund to qualify for the grant, with any proceeds to be used for the purchase of classical records. As of June 30, 2001, the expendable balance was \$15.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 14	\$ 1	\$ —	\$ 15

William Penn Harding Fund

At the time of his death, William Penn Harding donated \$1,000 to the Trustees of the Cambridge Public Library for the purchase of science, art, and travel books which are to be stamped "William Penn Harding Library Fund." During FY01, no funds were expended for books. As of June 30, 2001, the expendable balance was \$431.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 1,347	\$ 84	\$ —	\$ 1,431

Abigail Howe Fund

In her will dated 1917, Abigail Howe bequeathed to the Board of Trustees of the Cambridge Public Library an unrestricted gift of \$3,000. During FY01, no books were purchased using the fund. As of June 30, 2001, the expendable balance was \$2,560.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 5,297	\$ 263	\$ —	\$ 5,560

CITY OF CAMBRIDGE, MASSACHUSETTS

DESCRIPTION OF TRUST FUNDS

Library Trust Funds

Gertrude E. Kirkley Fund

In January of 1987, the Cambridge Public Library was the recipient of a \$1,000 gift from an anonymous Cambridge citizen for the establishment of a trust fund to honor the memory of Gertrude E. Kirkley. The gift provides that the interest earned will be used for the purchase of books and materials that will benefit all the residents of Cambridge. No funds were expended in FY01. As of June 30, 2001, the expendable balance was \$446.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 1,357	\$ 89	\$ —	\$ 1,446

Jeanne Kantor Landon Fund

In August of 1983, the City Council accepted a gift of \$500 to establish a Jeanne Kantor Landon Trust Fund, to be used by the Cambridge Public Library to purchase books about art and artists anywhere in the world, and from any historical period, as well as for books concerning serious and light opera. Books purchased from the trust will carry a label bookplate indicating that the source of the gift is in honor of Jeanne Kantor Landon from her family and friends. The principal amount may be used by the Library for book purchases as necessary and interest income earned from the principal is unrestricted. A total of \$48 in funds was expended during FY01. As of June 30, 2001, the expendable balance was \$703.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 714	\$ 37	\$ 48	\$ 703

Maria Murdock Fund

In 1922, Maria Murdock left to the Cambridge Public Library an unrestricted gift of \$2,000. No funds were expended during FY01. As of June 30, 2001, the expendable balance was \$547.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 2,421	\$ 126	\$ —	\$ 2,547

CITY OF CAMBRIDGE, MASSACHUSETTS

DESCRIPTION OF TRUST FUNDS

Library Trust Funds

George Oenslager Fund

This trust fund, established in 1997, is used for the purchase and lending of standard and miscellaneous books to the patrons of the Cambridge Public Library. Expenditures shall be made from the principal and interest earned or retained. No funds were expended in FY01. As of June 30, 2001, the expendable balance was \$6,207.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 5,899	\$ 308	\$ —	\$ 6,207

Mildred A. O'Neill Fund

This fund was established in FY98 with a donation of \$992. No funds were expended during FY01. As of June 30, 2001, the expendable balance was \$(95).

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ (91)	\$ (4)	\$ —	\$ (95)

Dorothea J. Petery Memorial Fund

The Dorothea J. Petery Memorial Fund was established in 1991 by relatives and friends of Dorothea J. Petery. The purpose of the trust is to provide funds for the purchase of children's materials and services benefiting all the children in the Cambridge community. During FY01, \$18,675 was donated to the Fund and approximately \$6,462 was expended for books, supplies, special activities and events, including the summer reading program. As of June 30, 2001, the expendable balance was \$12,047.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ (487)	\$ 18,996	\$ 6,462	\$ 12,047

Rotary Trust Fund

In November 1997, the Rotary Club of Cambridge, donated approximately \$60,000 for the construction and programs, materials, furniture, and equipment for the Technology Learning Center and the Cambridge Square Branch Library. During FY01, \$27,535 funds were spent on construction of the center and additional donations of \$75 were received. As of June 30, 2001, the expendable balance was \$873.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 27,683	\$ 725	\$ 27,535	\$ 873

CITY OF CAMBRIDGE, MASSACHUSETTS

DESCRIPTION OF TRUST FUNDS

Library Trust Funds

Joseph Sakey Trust

Established by the trustees and staff of the Cambridge Public Library, and the friends and family of Joseph Sakey, this fund is used for the purchase of books and materials relating to social sciences and biography. As of June 30, 2001, the expendable balance was \$3,662.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 3,459	\$ 203	\$ —	\$ 3,662

Carrie Saunders Fund

A sum of \$1,500 was placed in trust by the family of Carrie Saunders with the resulting interest to be used for the purchase of books on art. As of June 30, 2001, the expendable balance was \$4,697.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 5,983	\$ 310	\$ 96	\$ 6,197

William E. Saunders Fund

In accordance with the will of Abigail L. Prentiss, the residue of her estate, \$7,350, was placed in trust for the Cambridge Public Library. Principal as well as interest is used to purchase books and maintain the William E. Saunders alcove. No funds were expended during FY01. As of June 30, 2001, the expendable balance was \$10,518.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 16,651	\$ 867	\$ —	\$ 17,518

Webster H. Thierry Library Fund

In 1976, Adelaide R. Thierry donated the sum of \$1,000 to the City of Cambridge to establish the "Webster H. Thierry Shelf." Of the income earned, 20% is to be added to the principal, and the balance is to be used to provide low cost book plates and to purchase books. Funds were expended for a performance in FY01. As of June 30, 2001, the expendable balance was \$8,413.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 9,041	\$ 471	\$ —	\$ 9,512

CITY OF CAMBRIDGE, MASSACHUSETTS

DESCRIPTION OF TRUST FUNDS

Library Trust Funds

Edward H. Whorf Fund

Under the terms of his will, Edward R. Whorf gave \$1,000 for the benefit of the Library. In addition, Edward J. Whorf donated \$3,000 to be invested or expended for the benefit of the library with the requirement that the library catalogue his works concerning Mexico and Latin America and expand the catalogue periodically. During FY01, no book was purchased by the fund. As of June 30, 2001, the expendable balance was \$16,300

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 19,284	\$ 1,016	\$ —	\$ 20,300

Mehitable C.C. Wilson Fund

According to the terms of Mehitable C.C. Wilson's will, the Cambridge Public Library received \$1,500. This sum was a gift to be used by the Trustees for the benefit of the Library. No funds were expended in FY01. As of June 30, 2001, the expendable balance was \$642.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 2,035	\$ 107	\$ —	\$ 2,142

James A. Woolson Fund

At the time of his death in 1905, James A. Woolson donated 50 shares of F. Brigham and Gregory stock to the Cambridge Public Library. This stock was eventually converted to \$5,000 cash which was used to purchase an American Telephone and Telegraph Bond, due 2001, No. R-29-872. This trust is to be used for the purchase of books that are designated by an appropriate plate or card. No books were purchased during FY01. As of June 30, 2001, the expendable balance was \$11,027.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 14,984	\$ 943	\$ —	\$ 15,927

CITY OF CAMBRIDGE, MASSACHUSETTS

DESCRIPTION OF TRUST FUNDS

Other Trust Funds

Bridge Charitable Fund

The Bridge Charitable Fund was founded by Levi Bridge in 1875. In 1877, Samuel Bridge, a relative of the founder, donated a sum sufficient to double Levi Bridge's original gift. The Mayor, City Manager, and Finance Director are trustees and may allow distribution of the funds to referral clients of reputable social services agencies such as the Department of Public Welfare. Only 67% of income may be spent. The remaining 33% must revert to principal fund balance. During FY01, no money was expended for these purposes. As of June 30, 2001, the expendable balance was \$10,531.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 14,967	\$ 886	\$ —	\$ 15,853

Charles Bullock Fund

In his will dated November 16, 1932, Charles Bullock directed the trustees of his estate, at the time of his wife's death, to turn over the residue of his wife's inheritance to the City of Cambridge to provide school children with proper instruction in dental hygiene. In addition to the funds managed by the City, the Bullock Fund also receives income from a separate trust managed by the Fleet Bank, N.A. As of May 31, 2000, the trust had a book value of \$147,587 and a market value of \$211,091. The trust was responsible for \$3,768 of the income earned by the Fund. During FY01, \$68,313 was spent for a Children's Oral Health Program conducted by the Cambridge Public Health Department. As of June 30, 2001, the expendable balance was \$126,739.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 211,086	\$ 13,966	\$ 68,313	\$ 156,739

Community Response Trust Fund

The Community Response Trust Fund was established by the City Manager in 1997 at the request of the City Council, and funded with \$300,000 from City general fund monies. The purpose of the Fund was to make monies available to human service agencies and grassroots organizations wishing to conduct human service or community service projects. The Department of Human Services is administering the funds and conducting on-site monitoring visits to each of the recipients. During FY01, no money was expended from the fund. As of June 30, 2001, the expendable balance was \$1,384.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 1,307	\$ 77	\$ —	\$ 1,384

CITY OF CAMBRIDGE, MASSACHUSETTS

DESCRIPTION OF TRUST FUNDS

Other Trust Funds

Mary Conlan Trust Fund

The Trust was established to provide for the beautification and maintenance of the Mary Conlan Park, located in Cambridge. This park was named for Mary Conlan, a long-time civic leader and life-long resident of Cambridge who died in 1991. No funds were expended in FY01. As of June 30, 2001, the expendable balance was \$8,045.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 7,599	\$ 446	\$ —	\$ 8,045

Mayor's Disaster Relief Fund

During FY99, Mayor Sheila Doyle Russell established the Mayor's Disaster Relief Fund "to provide emergency temporary relief to individuals or families in the event of disaster." During FY01, the fund spent \$9,350 to provide temporary shelter. As of June 30, 2001, the expendable balance was \$4,835.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 10,309	\$ 3,876	\$ 9,350	\$ 4,835

Facade Preservation Fund

On June 13, 1983, the Cambridge City Council authorized the establishment of an expendable trust for a donation received by the Cambridge Historical Commission from the owner of 1420-1440 Massachusetts Avenue. This expendable trust was established for the deposit of this donation and other similar donations to be received by the Historical Commission. The Historical Commission may use the principal and accrued interest for the administration of its preservation programs within the City of Cambridge from time to time. No expenditures were made in FY01. As of June 30, 2001, the expendable balance was \$46,542.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 43,966	\$ 2,576	\$ —	\$ 46,542

CITY OF CAMBRIDGE, MASSACHUSETTS

DESCRIPTION OF TRUST FUNDS

Other Trust Funds

Helen K. Holland Animal Care Trust Fund

This fund was established in FY98 "for medical treatment" for animals under the care of the Cambridge Animal Commission. During FY01, \$1,877 was received in donations and several animals received assistance from the fund. As of June 30, 2001, the expendable balance was \$10,940.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 10,037	\$ 2,780	\$ 1,877	\$ 10,940

Smith Hughes Fund

The Smith Hughes Fund consists of the unexpended balance of a gift the City received some years ago. No expenditures were made from this fund in FY01. As of June 30, 2001, the expendable balance was \$184.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 174	\$ 10	\$ —	\$ 184

John Kinnear Fund

In 1873, John Kinnear bequeathed \$10,000 to be held in trust to memorialize Company C, Third Regiment, the first unit to respond to President Lincoln's call for volunteers to duty in the War Between the States. No funds were expended during FY01. As of June 30, 2001, the expendable balance was \$7,546.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 16,574	\$ 972	\$ —	\$ 17,546

Cambridge Special Law Enforcement Trust Funds

These trust funds were established pursuant to Massachusetts General Laws, Chapter 94, Section 47. The purpose of the trusts is to expend funds to defray the costs of protracted investigations, to provide additional technical equipment or expertise to the Cambridge Police Department, to provide matching funds to obtain federal grants or for other such law enforcement purposes as the Chief of Police of the City of Cambridge deems appropriate. During FY01, the funds received \$35,747 in fines and forfeitures. As of June 30, 2001, the expendable balances were \$152,003.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 129,759	\$ 35,747	\$ 13,503	\$ 152,003

CITY OF CAMBRIDGE, MASSACHUSETTS

DESCRIPTION OF TRUST FUNDS

Other Trust Funds

Bridget McGuire Fund

In 1984, Bridget McGuire bequeathed to the Cambridge Hospital the sum of \$2,000 in memory of her late sister, Margaret Mahoney, to be used for the care of needy patients. No expenditures for the care of needy patients were made from this fund during FY01. As of June 30, 2001, the expendable balance was \$12,083.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 11,414	\$ 669	\$ —	\$ 12,083

Melville Shoe Fund

In 1969, the Melville Shoe Company set up a fund to support a program for training retarded young adults. No expenditures were made for the training of retarded young adults from this Fund in FY01. As of June 30, 2001, the expendable balance was \$1,739.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 1,643	\$ 96	\$ —	\$ 1,739

Estelle Paris Scholarship Trust Fund

The Estelle Paris Scholarship Trust Fund was established following the Hospital's receipt of the Foster G. McGaw Prize for Excellence in Community Service. The purpose of the Trust Fund is to provide scholarship aid to residents of the City of Cambridge. Awards are based on the following criteria: financial need, character, scholastic record, and community involvement. Any Cambridge resident intending to pursue education in health careers is eligible to apply. Both principal and interest may be expended. No scholarships were awarded in FY01. As of June 30, 2001, the expendable balance was \$78,575.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 74,227	\$ 4,348	\$ —	\$ 78,575

CITY OF CAMBRIDGE, MASSACHUSETTS

DESCRIPTION OF TRUST FUNDS

Other Trust Funds

Public Planting Trust Fund

The purpose of this trust fund is to promote the beautification of public open spaces in the City of Cambridge through planting of trees. No expenditures were made from this fund in FY01. As of June 30, 2001, the expendable balance was \$1,664.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 1,571	\$ 93	\$ —	\$ 1,664

Mary “Molly” Ramsey Fund

In October of 1983, the City accepted a gift of \$5,000 from the estate of Mary “Molly” Ramsey. The income from this fund is used annually to sponsor a competition for junior golfers and a Member-Guest Tournament at the Fresh Pond Golf Course. In the event that the before-mentioned purpose of the fund cannot be served, then it is required that the income of and any or all of the principal be used for other purposes, but only with the unanimous decision of the Chief Executive Officer, Recreation Director, Treasurer of the City of Cambridge and golf professionals at the Fresh Pond Golf Course. During FY01, \$525 was expended for the Golf Tournament. As of June 30, 2001, the expendable balance was \$12,704.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 17,236	\$ 993	\$ 525	\$ 17,704

Sheehan War Memorial Fund

This fund was begun by the students of Cambridge Rindge and Latin High School to install a plaque in the War Memorial in honor of the war dead. However, the City dedicated a plaque before the Cambridge Rindge and Latin High School fund reached its goal. The City is contemplating alternative uses of the trust which will adhere to the intent of the trust. No expenditures were made from this fund during FY01. As of June 30, 2001, the expendable balance was \$13,517.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 12,769	\$ 748	\$ —	\$ 13,517

CITY OF CAMBRIDGE, MASSACHUSETTS

DESCRIPTION OF TRUST FUNDS

Other Trust Funds

Soldiers Monument Fund

This trust consists of the remainder of the funds used to erect the Soldiers Monument on the Old Burying Grounds/Cambridge Common. The City is planning to use the funds from this trust for the refurbishing of the Monument, when necessary. No expenditures were made from this fund during FY01. As of June 30, 2001, the expendable balance was \$1,770.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 1,671	\$ 99	\$ —	\$ 1,770

Daniel C. White /J. Warren Merrill Charity Fund

On May 16, 1863, Mr. Daniel C. White made a gift to the Mayor of the City of Cambridge, George C. Richardson, of \$5,000 to be held in trust: "to hold and invest the same safely and apply the income thereof from time to time according to the discretion of the trustees to the purchasing and distribution of fuel among worthy and deserving poor of my native City of Cambridge." On February 13, 1890, the trustees recorded the receipt of a legacy under Article 33 of the will of J. Warren Merrill of \$5,000 and also 30 shares of Union Hall Association "the income only to be expended in the purchase of fuel and food for native born American persons who have seen better days and are in reduced circumstances from sickness and misfortune." The stock sold for \$360. In January of 1979, the City Council combined the trusts. Under the terms of the fund, the City administers the trust for the "deservingly poor of Cambridge who are not recipients of public welfare." No expenditures were made from this fund during FY01. As of June 30, 2001, the expendable balance was \$28,369.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 37,088	\$ 2,174	\$ —	\$ 39,262

Mayor John D. Lynch Scholarship Fund

John D. Lynch served as Mayor of the City of Cambridge from 1936 to 1938 and again from 1946 to 1948. A relative of the late Mayor Lynch has anonymously donated an initial gift of \$10,000 to honor him by establishing a scholarship trust fund in his name. The earnings of the trust shall be granted as scholarships to deserving graduates of Cambridge Rindge and Latin School who choose to pursue post-secondary education.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ —	\$ 20,642	\$ —	\$ 20,642

CITY OF CAMBRIDGE, MASSACHUSETTS

DESCRIPTION OF TRUST FUNDS

Other Major Trust Funds

Cemetery Perpetual Care Fund

Since 1980, the City has encouraged each lot purchaser to contribute \$100 per grave to help defray future maintenance costs. All contributions for perpetual care are placed in trust with the City Treasurer, with interest earnings used for the care and beautification of the cemetery. During FY01, \$20,310 was received in contributions, which were added to the fund. The fund transferred \$45,000 to the City to offset the cost of cemetery maintenance. As of June 30, 2001, the expendable balance was \$323,775.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 1,661,155	\$ 100,485	\$ 45,000	\$ 1,716,640

Health Claims Trust Fund

This fund was established by the City during fiscal year 1985 to act as a contingency against possible deficits in health insurance allotments due to higher than anticipated claims in a given year. Employee deductions for healthcare coverage are deposited into this fund. Interest earned by the fund is recorded as income to this trust. During FY01, the Trust received \$2,318,474 in employee deductions and transferred \$3,860,000 to the City to help cover City employee health costs. As of June 30, 2001, the expendable balance was \$11,644,081.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 12,338,609	\$ 2,856,434	\$ 3,860,000	\$ 11,335,043

City Stabilization Fund

This fund is a statutory reserve account which may only be used for purposes for which debt would ordinarily be used. No expenditures were made from this Fund during FY01. As of June 30, 2001, the expendable balance was \$6,923,670.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 6,602,628	\$ 321,042	\$ —	\$ 6,923,670

CITY OF CAMBRIDGE, MASSACHUSETTS

DESCRIPTION OF TRUST FUNDS

Other Major Trust Funds

School Debt Service Stabilization Fund

This fund is a statutory reserve account which may only be used for the purpose of offsetting future school debt service. During FY01, transfers were made to this fund for the payment of future School related debt. As of June 30, 2001, the expendable balance was \$592,510.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 1,517,318	\$ 34,592	\$ 959,400	\$ 592,510

School Stabilization Fund

This fund is a statutory reserve account which may only be used for the purpose of offsetting future costs related to the school early retirement program. No expenditures were made in FY01. As of June 30, 2001, the expendable balance was \$1,394,035.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 1,433,294	\$ 40,203	\$ —	\$ 1,473,497

Housing Trust Fund

In fiscal year 1988, the City established an Affordable Housing Trust to facilitate the development and/or rehabilitation of affordable housing units. Developers who obtain a special permit authorizing an increase in the density of population in a proposed development are required either to create housing or to contribute an amount based on square footage to the Affordable Housing Trust. During FY01, the City appropriated \$4,500,000 to the fund for further affordable housing development. The City advanced \$3,258,408 to various non-profit developers. The fund received \$392,900 in loan repayments during FY01. Administrative costs totaled \$260,000 for the year. The Fund had approximately \$1.57 million for future housing development assistance. Additional funds were appropriated by the City for FY02 and Harvard University has committed an additional \$4 million for this purpose. As of June 30, 2001, the expendable balance was \$5,019,632.

<u>FY 2001 opening balance</u>	<u>FY 2001 income</u>	<u>FY 2001 expenditures</u>	<u>FY 2001 closing balance</u>
\$ 3,921,107	\$ 5,268,750	\$ 4,170,225	\$ 5,019,632

(This page intentionally left blank.)

Other Schedules

The following schedules present detailed information on the City's real estate, personal property, and motor vehicle excise taxes, bonds payable, and general fixed assets as of June 30, 2001.

CITY OF CAMBRIDGE, MASSACHUSETTS

Schedule of Real Estate, Personal Property, and Motor Vehicle Excise Taxes

June 30, 2001

	<u>Uncollected June 30, 2000</u>	<u>Commitments</u>	<u>Abatements</u>	<u>Transfers to tax title</u>	<u>Refunds</u>	<u>Collections</u>	<u>Adjustments increase (decrease)</u>	<u>Uncollected June 30, 2001</u>
Real estate taxes:								
1979 and prior	\$ (5,294)	—	—	—	—	(377)	10,326	5,409
1980	1,370	—	—	—	—	(887)	(2,257)	—
1981	5,544	—	—	—	—	(2,025)	(4,301)	3,268
1982	1,606	—	—	—	—	(2,073)	(263)	3,416
1983	1,543	—	—	—	—	(167)	261	1,971
1984	17,256	—	—	—	—	—	—	17,256
1985	1,025	—	—	—	—	—	—	1,025
1987	376	—	—	—	—	—	—	376
1989	14	—	—	—	—	—	(14)	—
1991	10,730	—	—	—	—	—	(1,253)	9,477
1992	19,357	—	—	—	—	—	(5,446)	13,911
1993	3,790	—	—	—	—	—	(777)	3,013
1994	13	—	—	—	—	—	(13)	—
1995	1,304	—	14,108	—	—	—	12,804	—
1996	(1,803)	—	16,761	—	—	—	25,335	6,771
1997	(22,901)	—	—	—	9,639	—	13,922	660
1998	1,125,570	—	—	—	—	—	(1,120,113)	5,457
1999	(296,812)	—	146,335	—	192,224	(470,536)	(211,454)	8,159
2000	2,186,244	—	329,172	568,875	493,714	1,214,397	(561,518)	5,996
2001	—	171,738,159	795,472	—	100,291	167,138,511	25,722	3,930,189
Total RE	<u>3,048,932</u>	<u>171,738,159</u>	<u>1,301,848</u>	<u>568,875</u>	<u>795,868</u>	<u>167,876,843</u>	<u>(1,819,039)</u>	<u>4,016,354</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

Schedule of Real Estate, Personal Property, and Motor Vehicle Excise Taxes

June 30, 2001

	<u>Uncollected June 30, 2000</u>	<u>Commitments</u>	<u>Abatements</u>	<u>Transfers to tax title</u>	<u>Refunds</u>	<u>Collections</u>	<u>Adjustments increase (decrease)</u>	<u>Uncollected June 30, 2001</u>
Personal property taxes:								
1988	\$ 155,244	—	—	—	—	—	(59)	155,185
1989	125,348	—	—	—	—	—	(161)	125,187
1990	138,784	—	—	—	—	—	385	139,169
1991	118,916	—	—	—	—	—	1,036	119,952
1992	135,744	—	—	—	—	—	2,271	138,015
1993	143,475	—	—	—	—	—	(1,611)	141,864
1994	46,382	—	—	—	—	—	(532)	45,850
1995	65,705	—	—	—	—	—	15	65,720
1996	58,684	—	—	—	—	—	(536)	58,148
1997	58,340	—	—	—	—	—	5,020	63,360
1998	78,969	—	—	—	—	656	166	78,479
1999	93,249	—	—	—	—	774	(18,226)	74,249
2000	156,230	—	—	—	—	146,393	58,921	68,758
2001	—	6,863,957	67,226	—	—	6,583,513	(99,788)	113,430
Total PP	<u>1,375,070</u>	<u>6,863,957</u>	<u>67,226</u>	<u>—</u>	<u>—</u>	<u>6,731,336</u>	<u>(53,099)</u>	<u>1,387,366</u>
Property taxes	\$ <u>4,424,002</u>	<u>178,602,116</u>	<u>1,369,074</u>	<u>568,875</u>	<u>795,868</u>	<u>174,608,179</u>	<u>(1,872,138)</u>	<u>5,403,720</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

Schedule of Real Estate, Personal Property, and Motor Vehicle Excise Taxes

June 30, 2001

	<u>Uncollected June 30, 2000</u>	<u>Commitments</u>	<u>Abatements</u>	<u>Transfers to tax title</u>	<u>Refunds</u>	<u>Collections</u>	<u>Adjustments increase (decrease)</u>	<u>Uncollected June 30, 2001</u>
Motor vehicle excise taxes:								
1986	\$ 3,086	—	—	—	—	20	(260)	2,806
1987	155,819	—	5	—	—	1,175	397	155,036
1988	168,847	—	5	—	—	1,057	(693)	167,092
1989	200,414	—	91	—	—	1,935	(569)	197,819
1990	153,766	—	115	—	—	1,587	(364)	151,700
1991	156,743	—	95	—	71	1,584	(174)	154,961
1992	116,812	—	36	—	—	1,955	60	114,881
1993	102,134	—	284	—	—	1,415	1,704	102,139
1994	111,838	—	246	—	—	1,693	810	110,709
1995	119,034	—	221	—	—	3,440	4,579	119,952
1996	138,264	—	250	—	6	5,376	(5,614)	127,030
1997	163,432	—	784	—	—	14,893	(3,866)	143,889
1998	193,934	—	3,590	—	46	32,883	(12)	157,495
1999	278,595	5,981	14,794	—	3,703	97,127	46,130	222,488
2000	657,003	876,639	94,520	—	43,882	1,095,571	(55,779)	331,654
2001	—	5,155,539	102,415	—	20,188	4,525,179	(19,937)	528,196
Total MV	\$ <u>2,719,721</u>	<u>6,038,159</u>	<u>217,451</u>	<u>—</u>	<u>67,896</u>	<u>5,786,890</u>	<u>(33,588)</u>	<u>2,787,847</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

Schedule of Bonds and Notes Payable

June 30, 2001

	Interest rates	Issue dates	Final maturity date	Balance June 30, 2000	Additions	Retired	Balance June 30, 2001
Inside Debt Limit:							
Building Renovation	5.8-6.0%	6/15/1991	6/15/2001	\$ 35,000	—	35,000	—
Fire Station Renovations	5.8-6.0%	6/15/1991	6/15/2001	100,000	—	100,000	—
Fire Station Renovations	4.3-5.3%	6/15/1992	6/15/2002	100,000	—	50,000	50,000
Open Space renovations	5.8-6.0%	6/15/1991	6/15/2001	170,000	—	170,000	—
Senior Center/City Hall Renovations	4.75-5.75%	6/15/1996	6/15/2006	270,000	—	45,000	225,000
Emergency Communications	4.75-5.75%	6/15/1996	6/15/2006	1,980,000	—	330,000	1,650,000
Fiber Optics Network	4.75-5.75%	6/15/1996	6/15/2006	200,000	—	200,000	—
Acquisition of computers	4.75-5.75%	6/15/1996	6/15/2006	360,000	—	60,000	300,000
Frisoli Youth Center	4.0-5.0%	6/15/1997	6/15/2007	2,520,000	—	360,000	2,160,000
Area 4 Youth Center Renovations	4.0-5.0%	6/15/1997	6/15/2007	140,000	—	20,000	120,000
Building Renovations	4.0-5.0%	6/15/1997	6/15/2007	350,000	—	50,000	300,000
Fiber Optics Network	4.0-5.0%	6/15/1997	6/15/2007	700,000	—	100,000	600,000
Personal Computer Acquisition	4.0-5.0%	6/15/1997	6/15/2002	205,000	—	105,000	100,000
Frisoli Youth Center	4.3-5.0%	8/1/1998	8/1/2018	630,000	—	70,000	560,000
Personal Computer Acquisition	4.75%	11/1/1999	11/1/2004	2,250,000	—	450,000	1,800,000
Public Art	4.75-5.0%	11/1/1999	11/1/2009	61,000	—	16,000	45,000
City Hall Renovations	4.75-5.0%	11/1/1999	11/1/2009	500,000	—	50,000	450,000
Gately Center Renovations	4.5-5.0%	12/1/2000	12/1/2010	—	2,500,000	—	2,500,000
City Hall Renovations	4.5-5.0%	12/1/2000	12/1/2010	—	3,000,000	—	3,000,000
Open Space Improvements	4.3-5.3%	6/15/1992	6/15/2002	360,000	—	180,000	180,000
Building Acquisition - teen center	4.3-5.3%	6/15/1992	6/15/2002	380,000	—	190,000	190,000
Open Space Improvements	3.75-4.3%	2/1/1994	2/1/2004	700,000	—	175,000	525,000
City Hall Renovations	5.5-5.9%	11/1/1994	11/1/2004	150,000	—	30,000	120,000
Senior Center Renovations	5.5-5.9%	11/1/1994	11/1/2004	1,925,000	—	385,000	1,540,000
Open Space Improvements	5.5-5.9%	11/1/1994	11/1/2004	125,000	—	25,000	100,000
Central Square Enhancements	4.0-5.0%	6/15/1997	6/15/2007	2,505,000	—	360,000	2,145,000
Yerxa Road Underpass	4.5-5.0%	12/1/2000	12/1/2010	—	1,900,000	—	1,900,000
Open Space Improvements	4.5-5.0%	12/1/2000	12/1/2010	—	4,500,000	—	4,500,000
Sewer Loan	3.75-4.3%	2/1/1994	2/1/2004	200,000	—	50,000	150,000
Sewer Loan	5.5-5.9%	11/1/1994	11/1/2004	250,000	—	50,000	200,000
Sewer Loan	2.35-5.5%	5/21/1993	8/1/2003	2,624,561	—	704,891	1,919,670
Sewer Loan	4.0-6.13%	5/1/1995	2/1/2005	3,682,924	—	666,691	3,016,233
Sewer Loan	4.25-5.75%	6/15/1996	6/15/2006	400,000	—	25,000	375,000
Sewer Loan	4.0-5.0%	6/15/1997	6/15/2007	350,000	—	50,000	300,000
Sewer Loan	4.0-5.0%	5/1/1997	2/1/2007	3,333,411	—	444,506	2,888,905
MWRA Loan	N/A	5/20/1999	5/20/2004	637,284	—	159,321	477,963
Sewer Loan	4.0-5.75%	10/6/1999	8/1/2009	439,057	—	40,347	398,710
Sewer Loan	4.25-5.67%	11/1/2000	8/1/2010	—	2,302,697	—	2,302,697
Sewer Loan	4.25-5.67%	11/1/2000	8/1/2010	—	1,185,457	—	1,185,457
Sewer Loan	4.25-5.67%	11/1/2000	8/1/2010	—	246,595	—	246,595
Sewer Loan	4.25-5.67%	11/1/2000	8/1/2010	—	8,442,915	—	8,442,915
Sewer Loan	4.25-5.67%	11/1/2000	8/1/2010	—	4,558,041	—	4,558,041
Sewer Loan	4.5-5.0%	12/1/2000	12/1/2010	—	15,605,000	—	15,605,000
Hospital (Ambulatory Center)	4.5%	2/1/1998	2/1/2018	27,000,000	—	1,500,000	25,500,000
Nursing Home Renovations	4.3-5.3%	6/15/1992	6/15/2002	300,000	—	150,000	150,000
Total Inside Debt Limit				\$ 55,933,237	44,240,705	7,396,756	92,777,186

CITY OF CAMBRIDGE, MASSACHUSETTS

Schedule of Bonds and Notes Payable

June 30, 2001

	Interest rates	Issue dates	Final maturity date	Balance June 30, 2000	Additions	Retired	Balance June 30, 2001
Outside Debt Limit:							
School							
Elementary school construction	3.75-4.3%	2/1/1994	2/1/2004	\$ 4,220,000	—	1,055,000	3,165,000
Elementary school construction	5.5-5.9%	11/1/1994	11/1/2004	6,615,000	—	1,323,000	5,292,000
Elementary school construction	4.75-5.75%	6/15/1996	6/15/2006	1,440,000	—	225,000	1,215,000
Elementary school construction	4.5%	2/1/1998	2/1/2008	9,600,000	—	1,200,000	8,400,000
Elementary school renovation-Fit	4.75-5.0%	11/1/1999	11/1/2009	14,432,000	—	1,447,000	12,985,000
Elementary school renovation-							
Morse	4.75-5.0%	11/1/1999	11/1/2009	700,000	—	70,000	630,000
Elementary school renovations	4.5-5.0%	12/1/2000	12/1/2010	—	5,305,000	—	5,305,000
Total School				<u>37,007,000</u>	<u>5,305,000</u>	<u>5,320,000</u>	<u>36,992,000</u>
Water							
Reservoir Cover	5.8-6.0%	6/15/1991	6/15/2001	425,000	—	425,000	—
Treatment Plant Renovations	3.75-4.3%	2/1/1994	2/1/2004	220,000	—	55,000	165,000
Water Plant Equipment	5.5-5.9%	11/1/1994	11/1/2004	435,000	—	87,000	348,000
Water Main Replacements	5.5-5.9%	11/1/1994	11/1/2004	500,000	—	100,000	400,000
Water Main Replacements	4.25-5.75%	6/15/1996	6/15/2006	1,600,000	—	100,000	1,500,000
Treatment Plant Renovations	4.25-5.75%	6/15/1996	6/15/2001	720,000	—	720,000	—
New Water Treatment Plant	4.3-5.0%	8/1/1998	8/1/2018	38,000,000	—	2,000,000	36,000,000
Sewer Loan	4.0-5.75%	10/6/1999	8/1/2009	12,012,570	—	1,081,170	10,931,400
Construction/Water Treatment							
Plant	4.75-5.75%	11/1/1999	11/1/2019	10,000,000	—	500,000	9,500,000
Sewer Loan	4.25-5.63%	11/1/2000	11/1/2010	—	12,640,580	—	12,640,580
Total Water				<u>63,912,570</u>	<u>12,640,580</u>	<u>5,068,170</u>	<u>71,484,980</u>
Hud Sec 108 Notes (2/95)	7.71-9.03%	2/1/1995	8/1/2014	980,000	—	45,000	935,000
School Equipment Notes	6.85%	6/15/1998	6/15/2008	2,883,048	—	274,661	2,608,387
Housing Trust Fund							
Note payable	2.00%	4/15/2000	4/15/2020	2,000,000	—	—	2,000,000
Total Outside Debt Limit				<u>106,782,618</u>	<u>17,945,580</u>	<u>10,707,831</u>	<u>114,020,367</u>
Total Debt Outstanding				<u>\$ 162,715,855</u>	<u>62,186,285</u>	<u>18,104,587</u>	<u>206,797,553</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

Schedule of General Fixed Assets - by Function and Activity

As of June 30, 2001

Function and activity	Total	Land	Buildings	Improvements other than buildings	Equipment
General Government:					
Control:					
Legislative	\$ 297,553	—	—	—	297,553
Executive	156,852	—	—	—	156,852
Total Control	454,405	—	—	—	454,405
Staff Agencies:					
Elections	307,034	—	—	—	307,034
Law	70,530	—	—	—	70,530
Finance	2,588,999	—	—	—	2,588,999
Public Celebrations	147,694	—	—	—	147,694
Animal Commission	68,153	—	—	—	68,153
Total Staff Agencies	3,182,410	—	—	—	3,182,410
Total General Government	3,636,815	—	—	—	3,636,815
Public Safety:					
Fire	9,211,739	3,039,537	2,144,424	—	4,027,778
Police	8,218,608	999,803	522,609	—	6,696,196
Traffic and Parking	22,447,664	1,952,080	18,093,415	—	2,402,169
Inspectional Services	175,505	—	—	—	175,505
License	73,461	—	—	—	73,461
Weights and Measures	17,242	—	—	—	17,242
Electrical	548,129	50,000	21,542	—	476,587
Emergency Management	32,829	—	—	—	32,829
Emergency Communications	2,385,563	—	1,211,712	—	1,173,851
Total Public Safety	43,110,740	6,041,420	21,993,702	—	15,075,618
Community Maintenance and Development:					
Public Works	82,368,472	23,400,662	19,499,593	31,796,626	7,671,591
Community Development	8,447,408	—	1,092,711	7,074,023	280,674
Historical Commission	196,444	—	—	104,725	91,719
Conservation Commission	(2,247)	—	—	—	(2,247)
Rent Control	76,909	—	—	—	76,909
Cable Television	282,696	—	—	—	282,696
Total Community Maintenance and Development	91,369,682	23,400,662	20,592,304	38,975,374	8,401,342
Human Resource Development:					
Library	2,067,999	125,000	1,265,206	—	677,793
Human Services	95,303,108	87,242,253	5,861,682	1,286,362	912,811
Women's Commission	11,539	—	—	—	11,539
Human Rights Commission	27,941	—	—	—	27,941
Veteran Benefits	28,595	—	—	—	28,595
Health Department/School Health	8,253	—	—	—	8,253
Total Human Resource Development	97,447,435	87,367,253	7,126,888	1,286,362	1,666,932
Public School	153,847,618	55,067,765	87,006,586	923,338	10,849,929
Construction in Progress	29,315,344	—	25,479,591	166,156	3,669,597
Totals	\$ 418,727,634	171,877,100	162,199,071	41,351,230	43,300,233

CITY OF CAMBRIDGE, MASSACHUSETTS

Schedule of Changes in General Fixed Assets - by Function and Activity

For the fiscal year ended June 30, 2001

Function and activity	General fixed assets June 30, 2000	Additions	Disposals	General fixed assets June 30, 2001
General Government:				
Control:				
Legislative	\$ 297,553	—	—	297,553
Executive	150,698	6,854	700	156,852
Total Control	448,251	6,854	700	454,405
Staff Agencies:				
Elections	307,034	—	—	307,034
Law	69,552	978	—	70,530
Finance	2,588,999	—	—	2,588,999
Public Celebrations	147,694	—	—	147,694
Animal Commission	68,153	—	—	68,153
Total Staff Agencies	3,181,432	978	—	3,182,410
Total General Government	3,629,683	7,832	700	3,636,815
Public Safety:				
Fire	9,009,449	202,290	—	9,211,739
Police	7,627,202	591,406	—	8,218,608
Traffic and Parking	22,445,823	20,841	19,000	22,447,664
Inspectional Services	162,355	13,150	—	175,505
License	65,288	8,173	—	73,461
Weights and Measures	17,242	—	—	17,242
Electrical	501,393	46,736	—	548,129
Emergency Management	30,153	2,676	—	32,829
Emergency Communication	2,062,739	322,824	—	2,385,563
Total Public Safety	41,921,644	1,208,096	19,000	43,110,740
Community Maintenance and Development:				
Public Works	55,608,326	26,808,161	48,015	82,368,472
Community Development	3,471,530	4,975,878	—	8,447,408
Historical Commission	196,444	—	—	196,444
Conservation Commission	(2,247)	—	—	(2,247)
Rent Control	76,909	—	—	76,909
Cable Television	253,651	29,045	—	282,696
Total Community Maintenance	59,604,613	31,813,084	48,015	91,369,682
Human Resource Development:				
Library	1,893,177	174,822	—	2,067,999
Human Services	95,209,924	93,184	—	95,303,108
Women's Commission	11,539	—	—	11,539
Human Rights Commission	27,941	—	—	27,941
Veteran's Benefits	19,181	9,414	—	28,595
Health Department/School Health	8,253	—	—	8,253
Total Human Resource Development	97,170,015	277,420	—	97,447,435
Public Schools	151,585,484	2,262,134	—	153,847,618
Construction in Progress	24,988,218	4,327,126	—	29,315,344
Totals	\$ 378,899,657	39,895,692	67,715	418,727,634

(This page intentionally left blank.)

Statistical Section

STATISTICAL SECTION

Statistical tables differ from financial statements since they usually cover more than one fiscal year and may present nonaccounting data. The following tables reflect social and economic data, financial trends, and the fiscal capacity of the City.

CITY OF CAMBRIDGE, MASSACHUSETTS

General Governmental Expenditures by Function - Budgetary Basis (1)

Last Ten Fiscal Years

Fiscal year	General, government inter-governmental and judgments and claims	Public safety	Community maintenance and development	Health, hospital and Neville Manor	Human resource development	Education	Water	Debt service	Total
1992	\$ 32,308,733	46,882,889	20,416,173	70,357,376	8,761,217	71,874,739	4,585,200	8,213,984	263,400,311
1993	45,259,376	48,346,555	20,227,895	75,499,307	9,266,281	74,465,531	4,823,956	8,878,370	286,767,271
1994	39,492,272	52,420,342	20,256,849	78,918,379	9,512,079	79,668,979	4,914,661	8,127,856	293,311,417
1995	38,463,753	53,707,656	19,711,035	84,112,435	9,909,005	81,351,321	7,517,510	6,091,530	300,864,245
1996	38,707,201	54,986,388	20,317,721	10,896,015	10,713,945	85,952,725	—	7,486,944	229,060,939
1997	37,844,452	56,250,701	21,544,794	—	11,912,355	86,933,392	—	9,908,476	224,394,170
1998	39,316,478	61,549,659	19,925,112	—	12,984,351	89,886,002	—	10,296,287	233,957,889
1999	42,088,628	62,625,823	21,433,013	—	13,478,195	94,377,533	—	12,648,513	246,651,705
2000	42,925,351	67,003,685	23,387,335	—	15,720,011	101,032,870	—	11,499,738	261,568,990
2001	44,796,957	66,713,078	23,832,988	—	16,655,361	105,521,654	—	11,366,687	268,886,725

(1) Includes General, Hospital, Neville Manor and Water funds for fiscal years 1992 through 1995. The figure in the Health, Hospital and Neville Manor column for 1996 represents the subsidies from the General Fund to the Hospital and Neville Manor Enterprise Funds. In 1997, the Cambridge Public Health Commission, which includes the Cambridge Hospital, Health Department, and Neville Manor, was established as a separate authority. The City's transfer to the CPHC is shown as an Operating Transfer to a Component Unit on the Statement of Revenues, Expenditures, and Changes in Fund Balance Statement.

CITY OF CAMBRIDGE, MASSACHUSETTS

General Governmental Expenditures by Function - General and Selected Special Revenue Funds - GAAP Basis (1)

Last Ten Fiscal Years

(In thousands)

<u>Fiscal year</u>	<u>General government</u>	<u>Public safety</u>	<u>Community maintenance and development</u>	<u>Health</u>		<u>Human resources</u>	<u>Education</u>	<u>Fuel assistance</u>	<u>Judgment and claims</u>	<u>State assessments</u>	<u>Other</u>	<u>Debt service</u>	<u>Total</u>
1992	\$ 16,460	47,273	19,968	970		8,719	77,364	1,663	3,690	15,906	8,280	6,191	206,484
1993	18,455	48,411	20,507	1,019		9,313	80,135	1,792	1,847	18,764	1,934	6,685	208,862
1994	18,525	52,202	20,461	1,391		9,401	77,668	1,326	1,256	19,564	5,200	5,837	212,831
1995	18,219	53,814	18,090	1,413		9,439	81,368	1,072	11	19,752	5,380	6,085	214,643
1996	17,842	55,362	19,229	—	(2)	10,153	85,836	837	846	21,067	5,369	7,383	223,924
1997	16,719	55,931	19,076	—	(2)	11,169	85,514	744	936	20,660	4,350	9,884	224,983
1998	17,475	62,070	19,328	—	(2)	12,343	90,481	650	537	20,826	4,268	10,280	238,258
1999	21,752	61,995	19,379	—	(2)	12,602	93,371	614	1,000	21,223	—	12,683	244,619
2000	18,032	66,443	21,582	—	(2)	14,699	100,200	907	2,479	21,407	—	11,492	257,241
2001	22,544	66,776	24,592	—	(2)	15,970	105,324	1,308	709	21,107	—	11,369	269,699

(1) Includes General and selected Special Revenue Funds.

(2) Included in Enterprise Fund for fiscal year 1996 and Cambridge Public Health Commission in 1997 through 2001.

Note: Certain functions have been reclassified to conform with the more recent fiscal year's presentation.

CITY OF CAMBRIDGE, MASSACHUSETTS

General Governmental Revenues by Source - Budgetary Basis (1)

Last Ten Fiscal Years

Fiscal year		Taxes (2)	Licenses and permits	Inter- governmental revenue	Charges for service	Fines and forfeits (3)	Miscellaneous revenue	Total revenues
1992	\$	132,079,005	3,151,596	32,276,073	96,179,301	8,272,148	4,481,042	276,439,165
1993		138,716,553	3,240,024	31,513,900	112,245,063	7,850,060	8,012,893	301,578,493
1994		143,781,002	3,642,665	33,304,293	97,380,024	7,113,691	10,690,342	295,912,017
1995		149,853,977	3,894,207	35,154,075	116,806,361	7,463,198	18,744,229	331,916,047
1996		150,282,907	4,019,555	35,464,750	21,976,741	7,270,904	7,558,188	226,573,045
1997		154,534,476	6,094,715	36,420,810	21,908,242	7,336,024	9,739,440	236,033,707
1998		160,453,362	6,738,798	37,207,164	22,688,087	7,281,070	8,714,293	243,082,774
1999		167,834,981	6,233,681	41,403,415	22,940,870	7,317,736	13,960,295	259,690,978
2000		174,987,441	10,201,219	39,820,586	20,716,194	7,316,708	12,477,812	265,519,960
2001		190,574,030	11,731,007	47,022,550	20,563,466	8,943,462	13,357,728	292,192,243

(1) Includes General, Hospital, Neville Manor, and Water Funds for fiscal years 1992 through 1995 and the General Fund for fiscal years 1996 through 2001.

(2) Includes property taxes, net of abatements, hotel/motel and motor excise taxes, and payments in lieu of taxes.

(3) Includes parking fines reported in the Special Revenue Fund as follows: \$7,799,327 in 1992, \$7,318,842 in 1993, \$6,597,258 in 1994, \$6,855,815 in 1995, \$6,620,432 in 1996, \$6,722,343 in 1997, \$6,643,771 in 1998, \$6,714,453 in 1999, \$6,620,191 in 2000, and \$7,288,425 in 2001.

CITY OF CAMBRIDGE, MASSACHUSETTS

Property Tax Levies and Collections (1)

Last Ten Fiscal Years

<u>Fiscal year</u>	<u>Net tax (2) levy</u>	<u>Current tax (3) collections</u>	<u>Percent of net levy collected</u>	<u>Prior year tax collections (refunds) (4)</u>	<u>Total tax collections</u>	<u>Total collections as a % of net levy</u>	<u>Outstanding and/or delinquent taxes (5)</u>	<u>Outstanding delinquent taxes as a % of net levy</u>
1992	\$ 124,550,000	117,575,578	94.40	(947,350)	116,628,228	93.64	9,807,232	7.87
1993	130,080,000	123,754,263	95.14	(3,155,563)	120,598,700	92.71	9,013,045	6.93
1994	135,164,021	134,148,722	99.25	2,601,390	136,750,112	101.17	5,431,218	4.02
1995	140,195,748	139,981,553	99.85	1,478,539	141,460,092	100.90	5,179,797	3.69
1996	140,191,464	139,860,593	99.76	(1,618,909)	138,241,684	98.61	4,447,397	3.17
1997	143,820,000	143,985,981	100.12	(6,610,010)	137,375,971	95.52	4,531,992	3.15
1998	150,053,550	150,900,173	100.56	(392,618)	150,507,555	100.30	4,451,252	2.97
1999	154,749,999	155,715,163	100.62	173,390	155,888,553	100.74	3,799,562	2.46
2000	159,750,000	161,042,071	100.81	533,202	161,575,273	101.05	4,424,002	2.77
2001	174,311,575	173,621,734	99.60	190,578	173,812,312	99.71	5,403,720	3.10

(1) Real and personal property taxes.

(2) Total tax levy less overlay reserve for abatements.

(3) Current tax collections reflect the amount of a fiscal year's tax levy collected during the fiscal year, net of related refunds.

(4) Prior year tax collections for any fiscal year exclude interest and penalties, and relate to collections in the current year that relate to prior year levies, net of refunds.

(5) Outstanding and/or delinquent taxes exclude accrued interest and penalties.

CITY OF CAMBRIDGE, MASSACHUSETTS

Assessed Value and Equalized Valuation of Taxable Property

Last Ten Fiscal Years

Fiscal year	Real property	Personal property	Total assessed value (1)	Equalized valuation (2)	% of total assessed value to equalized
1992	\$ 7,621,874,272	192,100,000	7,813,974,272	8,777,325,000	89.0
1993	6,851,975,239	200,600,000	7,052,575,239	7,984,791,000	88.3
1994	6,576,193,610	213,800,000	6,789,993,610	7,984,791,000	85.0
1995	6,533,446,242	221,500,000	6,754,946,242	7,508,093,800	90.0
1996	6,782,990,307	227,040,000	7,010,030,307	7,508,093,800	93.3
1997	7,006,073,437	236,051,000	7,242,124,437	7,593,801,600	95.4
1998	7,254,711,431	248,991,150	7,503,702,581	7,593,801,600	98.8
1999	9,286,634,355	256,202,460	9,542,836,815	8,505,892,500	112.2
2000	10,763,157,000	274,785,030	11,037,942,030	8,505,892,500	129.8
2001	12,410,137,200	293,000,330	12,703,137,530	12,681,060,300	100.2

(1) As of January 1, 1991, 1992, 1993, 1994, 1995, 1996, 1997, 1998, 1999 and 2000, respectively.

(2) As of January 1, 1990, 1992, 1994, 1996, 1998 and 2000, respectively. Equalized valuations are determined biannually by the Commissioner of Revenue.

Source: City Department of Finance.

CITY OF CAMBRIDGE, MASSACHUSETTS

Property and Motor Vehicle Tax Rates (1)

Last Ten Fiscal Years

Fiscal year		Residential real property	Commercial and industrial real property	Personal property	Motor vehicle
1992	\$	12.21	22.90	22.90	25.00
1993		13.33	28.40	28.40	25.00
1994		13.79	32.78	32.78	25.00
1995		14.17	34.86	34.86	25.00
1996		13.32	34.89	34.89	25.00
1997		13.02	35.78	35.78	25.00
1998		13.43	35.98	35.78	25.00
1999		11.05	27.25	27.25	25.00
2000		9.64	25.16	25.16	25.00
2001		9.21	23.39	23.39	25.00

(1) Real and personal property tax rate applicable to each \$1,000 of assessed value. Motor vehicle excise tax is assessed on a calendar year basis, applicable to each \$1,000 of assessed value.

Source: City Department of Finance.

CITY OF CAMBRIDGE, MASSACHUSETTS

Ratio of Net General Bonded Debt to Assessed Valuation and Net Bonded Debt Per Capita

Last Ten Fiscal Years

Fiscal year	Population (1)	Assessed value	Net bonded debt (2)	Ratio of net bonded debt to assessed valuation	Net bonded debt per capita
1992	97,526	\$ 7,813,974,272	62,820,000	0.8%	644
1993	97,526	7,052,575,239	51,605,000	0.7	529
1994	99,890	6,789,993,610	57,722,153	0.9	578
1995	99,890	6,754,946,242	77,407,264	1.1	775
1996	99,890	7,010,030,307	80,567,165	1.1	807
1997	99,890	7,242,124,437	79,134,995	1.1	792
1998	93,793	7,503,702,581	106,181,111	1.4	1,132
1999	93,793	9,542,836,815	132,517,560	1.4	1,413
2000	102,202	11,037,942,030	156,852,807	1.4	1,535
2001	101,355	12,703,137,530	201,254,166	1.6	1,986

(1) Population estimates are from U.S. Department of Commerce, Bureau of Census, Current Population Reports, Local Population Estimates for 1992 through 2001.

(2) Includes general obligation bonds that are reported as debt of the Enterprise Funds.

Source: City Department of Finance.

CITY OF CAMBRIDGE, MASSACHUSETTS

Ratio of Annual Debt Service for General Bonded Debt to Total General Expenditures

Last Ten Fiscal Years

Fiscal year		Principal (1)	Interest (1)	Total debt service (2)	Total expenditures (3)	Ratio of debt service to total expenditures
1992	\$	10,845,000	3,955,775	14,800,775	263,400,311	5.6%
1993		11,215,000	3,683,153	14,898,153	286,767,271	5.2
1994		10,566,693	3,001,032	13,567,725	293,311,417	4.6
1995		10,706,980	3,500,789	14,207,769	300,864,245	4.7
1996		13,130,099	4,005,353	17,135,452	229,060,939	7.5
1997		15,955,828	4,160,269	20,116,097	224,394,170	9.0
1998		13,963,884	3,932,297	17,896,181	233,957,889	7.6
1999		15,165,156	5,948,723	21,113,879	246,651,705	8.6
2000		16,064,380	7,100,178	23,164,558	261,568,990	8.9
2001		17,829,926	8,384,966	26,214,892	268,886,725	9.8

- (1) Includes principal and interest on all general obligation notes and bonds outstanding, including bonds payable reported in the Enterprise Funds.
- (2) Does not include debt service on short-term borrowing, such as revenue anticipation notes which are retired during the fiscal year.
- (3) Includes all categories of operating expenditures from 1992 to 1995 and General Fund expenditures from 1996 to 2001.

Source: City Department of Finance.

CITY OF CAMBRIDGE, MASSACHUSETTS

Computation of Legal Debt Margin

June 30, 2001

Fiscal year 2000 equalized valuation (1)	\$ <u>12,681,060,300</u>
Normal debt limit (2-1/2% of equalized valuation)	317,026,508
Amount of debt applicable to debt limit:	
Total bonded debt	201,254,166
Total authorized/unissued	139,783,246
Less:	
General obligation bonds exempted by authority of the state legislature	<u>114,020,367</u>
Amount within debt limit	<u>227,017,045</u>
Legal debt margin	\$ <u>90,009,463</u>

(1) In order to determine appropriate relative values for the purposes of certain distributions to and assessments upon cities and towns, the Commissioner of Revenue biannually makes his own determination of fair cash value of the taxable property in each municipality. This is known as "equalized valuation." The last redetermination of "equalized valuation" for the City was made as of January 1, 2000.

Source: City Department of Finance.

CITY OF CAMBRIDGE, MASSACHUSETTS

Computation of Direct and Overlapping Debt

June 30, 2001

<u>Name of unit</u>	<u>Direct debt (1)</u>	<u>Outstanding overlapping debt</u>	<u>Percentage applicable to City of Cambridge</u>	<u>Total City of Cambridge direct and overlapping debt</u>
City of Cambridge	\$ 202,189,166	\$ —	100.00%	\$ 207,405,940
Massachusetts Water Resources Authority	—	4,461,318,000	4.68	208,789,682
Total direct and overlapping debt	\$ <u>202,189,166</u>	<u>4,461,318,000</u>		<u>416,195,622</u>

(1) Includes general obligation bonds that are reported as debt of the Enterprise Funds.

Source: City Department of Finance.

CITY OF CAMBRIDGE, MASSACHUSETTS

Property Value, Construction and Bank Deposits

Last Ten Fiscal Years

(Dollars in thousands)

Fiscal year	Real property assessed value	Building permits issued (1)	Construction value	% Distribution (1)		Bank deposits (2)
				Residential	Commercial	
1992	\$ 7,813,974	1,318	\$ 144,754	21%	79%	\$ 2,284,115
1993	7,052,575	1,618	143,324	29	71	1,905,000
1994	6,789,994	1,672	178,799	24	76	1,939,000
1995	6,754,946	1,749	162,757	22	78	2,021,000
1996	7,010,030	1,664	185,205	33	67	2,105,345
1997	7,242,124	1,995	388,057	25	75	2,532,646
1998	7,503,703	2,460	430,160	38	62	2,782,541
1999	9,542,387	2,572	321,835	31	69	3,058,013
2000	11,037,942	2,135	720,647	29	71	3,363,814
2001	12,703,138	1,946	825,696	28	72	3,532,005

(1) Source: Inspection Services Department.

(2) Source: Federal Deposit Insurance Corporation. These figures do not include deposits in credit unions and savings and loan institutions, and they include only banks whose headquarters are in Cambridge.

CITY OF CAMBRIDGE, MASSACHUSETTS

Principal Taxpayers (1)

June 30, 2001

Name	Nature of business	Assessed valuation	Amount of tax	% of total tax levy
Mass. Institute of Technology	Educational	\$ 440,792,500	9,822,645 (2)	5.50%
Beacon Capital Partners	Commercial	383,081,900	8,947,533	5.01
Boston Properties	Commercial	339,262,500	7,935,350	4.45
BRE/Blackstone Corp.	Commercial	227,681,700	5,325,475	2.98
Presidents & Fellows of Harvard College	Educational	202,072,800	3,068,649 (2)	1.72
Cambridge Gas & Electric Co.	Utility	117,552,140	2,745,416	1.54
New England Development	Commercial	116,817,700	2,732,366	1.53
Cornerstone LLP	Commercial	100,372,300	2,347,708	1.32
GE Capital Investment Advisors	Commercial	95,927,100	2,243,735	1.26
Beacon Properties L.P.	Commercial	94,633,600	2,213,480	1.24
Lotus Development	Commercial	86,461,000	1,996,034	1.12
Totals		\$ 2,204,655,240	49,378,391	27.67%

(1) As of January 1, 2000.

(2) Excludes in lieu payments on exempt property.

Source: City Department of Finance.

CITY OF CAMBRIDGE, MASSACHUSETTS

Salaries of Principal Officials

June 30, 2001

City Council:	
Chairman (Mayor)	\$ 78,400
Members	52,500
City Clerk	76,723
City Auditor	76,728
Executive:	
City Manager	164,500
Deputy City Manager	127,556
Assistant City Manager/Fiscal Affairs	98,896
Assistant City Manager/Community Development	81,370
Assistant City Manager/Human Services	96,896
Budget Director	81,370
Personnel Director	89,977
Director of Assessment	83,707
City Solicitor	72,716
Commissioner of Public Works	86,183
Commissioner of Inspectional Services	83,155
Superintendent of Schools	135,843
Police Commissioner	122,303
Fire Chief	115,000
Director of Libraries/Communications	83,155

Source: City Department of Finance.

CITY OF CAMBRIDGE, MASSACHUSETTS

Miscellaneous Statistics

Characteristic	Cambridge	Massachusetts	United States
Population (1):	101,355	6,349,097	281,421,906
Median age (1):			
2000	30.4	36.5	35.3
1990	31.1	33.6	32.9
1980	28.6	31.2	30.0
1970	26.8	29.0	28.1
1960	29.6	32.1	29.5
Age group (1):			
0-4	4.1%	6.3%	6.8%
5-17	9.2	17.4	18.9
18-44	38.6	31.3	30.2
45-64	39.0	31.5	31.7
65 and over	9.2	13.5	12.4
Median family income (1):			
1989	39,990	44,367	37,919
1979	17,845	21,166	19,917
1969	9,815	10,833	9,586
Per capita income (2):			
1989	\$ 19,879	\$ 22,236	\$ 17,592
1979	7,957	10,096	9,494
1969	3,899	4,349	3,945
Unemployment rates (3):			
2001	2.6%	3.7%	4.9%
2000	1.7	2.5	3.8
1999	1.9	3.2	4.2
1998	1.9	3.3	4.5
1997	2.4	4.0	4.9
1996	2.7	4.3	5.4
1995	3.5	5.4	5.6
1994	3.8	6.0	6.1
1993	4.4	6.9	6.9
1992	5.4	8.6	7.5
1991	5.7	9.1	6.8
Four or more years of college education, 25 years old and over (3)	54.2%	27.2%	20.3%
High school graduates 25 years old and over (3)	84.4%	79.9%	75.2%

(1) Source: U.S. Department of Commerce, Bureau of Census, Decennial Census, 2000

(2) Source: U.S. Department of Commerce, Bureau of Census, Decennial Census, 1990, 1980, 1970

(3) Source: Massachusetts Division of Labor and Industries

CITY OF CAMBRIDGE, MASSACHUSETTS

Miscellaneous Statistics

Public school enrollments (1):	<u>K-8</u>	<u>9-12</u>	<u>Special</u>	<u>Total</u>
2001	5,109	1,951	248	7,308
2000	5,119	1,930	442	7,491
1999	5,271	1,910	457	7,638
1998	5,497	1,910	459	7,866
1997	5,539	1,983	531	8,053
1996	5,528	1,989	651	8,168
1995	5,574	2,047	670	8,291
1994	5,460	2,036	688	8,184
1993	5,297	2,038	688	8,023
1992	5,097	2,102	673	7,872
1991	4,998	2,078	681	7,757

(1) Enrollments are as of October 1 for the fiscal years shown.

CITY OF CAMBRIDGE, MASSACHUSETTS

**Comprehensive
Annual Financial Report**

Year Ended June 30, 2001

Electronic Publishing	KPMG LLP
Paper	70 pound Finch
Covers and Dividers	80 pound coated
Printing - Laser Printing/Text	KPMG LLP
Printing - Covers and Dividers	KPMG LLP
Composing	KPMG LLP
Cover and Divider Design	KPMG LLP
Illustration	Chris Wooster

(This page intentionally left blank.)



14.

CITY OF CAMBRIDGE • EXECUTIVE DEPARTMENT

Robert W. Healy, City Manager

Richard C. Rossi, Deputy City Manager

February 25, 2002

To The Honorable, The City Council:

I am hereby transmitting for your information the City's FY2001 Comprehensive Annual Financial Report.

Very truly yours,

Robert W. Healy
City Manager

RWH/mec
Attachment

F 23

Consent Agenda#14

City's FY2001
Comprehensive Annual
Financial Report.

In City Council February 25, 2002

Referred to
Finance Committee
on motion of
Vice Mayor Davis.

2-28-02

Copy

sent

/mc