



City of Cambridge

(Agenda Item No. 7)

IN CITY COUNCIL

March 16, 1987

ORDERED:

That the City Manager be and hereby is authorized to use \$4,500,000 in available "free cash" as an offset to the FY1987 property tax levy.

In City Council March 16, 1987.

Adopted by a ye and nay voted-

Yeas 9; Nays 0; Absent 0.

Attest:- Joseph E. Connarton, City Clerk.

A true copy; *Joseph E. Connarton*

ATTEST:-

Joseph E. Connarton, City Clerk.

City of Cambridge

MASSACHUSETTS

In City Council March 16, 198⁷

AGENDA ITEM NO. 7

RE: ORDER REQUESTING AUTHORIZATION TO USE \$4,500,000. IN AVAILABLE "FREE CASH" TO BE USED AS AN OFFSET TO THE FY1987 PROPERTY TAX LEVY

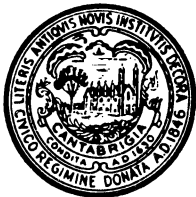
	YEA	NAY	ABSENT	PRESENT
Mr. Thomas W. Danehy	✓			
Mr. Francis H. Duehay	✓			
Ms. Sandra Graham	✓			
Mrs. Sheila T. Russell	✓			
Mr. David E. Sullivan	✓			
Mr. Alfred Vellucci	✓			
Mr. William H. Walsh	✓			
Ms. Alice K. Wolf	✓			
Mayor Walter J. Sullivan	✓			

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MS
AK

all

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CITY OF CAMBRIDGE

CAMBRIDGE, MASSACHUSETTS 02139

TEL. 498-9011

EXECUTIVE DEPARTMENT

ROBERT W. HEALY

City Manager

RICHARD C. ROSSI

Deputy City Manager

March 16, 1987

To the Honorable, the City Council:

Recommendation:

That the City Council authorize the use of \$4,500,000 in available "free cash" to be used as an offset to the FY1987 property tax levy.

Background:

For the period ending June 30, 1986 the City had an available "free cash" balance of \$10,694,029, a reduction of \$2,913,185 from the previous year's balance of \$13,607,214. Since this fiscal year began the City Council has made two appropriations totalling \$1,076,000 from "free cash" (\$876,000 for computers, \$200,000 for 5 Bigelow Street) reducing the available balance to \$9,618,029.

The FY1987 budget adopted by the City Council last Spring assumed the availability of "free cash" to offset expenditures. As was the case in FY1986, it was projected that \$4,500,000 in "free cash" would be used to offset expenditures. Ordinarily the Council would authorize the use of "free cash" when setting the tax rate in the Fall. However, since we have not set the FY1987 tax rate yet and because State law states that the previous year's "free cash" balance may not be utilized after March 31, the authorization of "free cash" becomes necessary at this time. The table below summarizes the "free cash" position of the City.

	10,694,029	June 30, 1986 Balance
-	<u>1,076,000</u>	Council Appropriations
	9,618,029	Balance March 15, 1987
-	<u>4,500,000</u>	'87 Tax Rate Offset
	5,118,029	
-	<u>4,500,000</u>	Projected '88 Tax Rate Offset
	618,029	Projected Available Balance FY89

Very truly yours,

Robert W. Healy
City Manager

Agenda Item No. 7 F-104

Re: order requesting authorization to use
\$4,500,000. in available "free cash" as an
offset to the FY1987 property tax levy.

In City Council,

March 16, 1987

~~C. Marshall~~
MS
RF Order Adopted
Roll Call
9-0-0