cambridge 2000

City of Cambridge, Massachusetts

Comprehensive Annual Financial Report

CITY OF CAMBRIDGE, MASSACHUSETTS

COMPREHENSIVE
ANNUAL FINANCIAL REPORT

For the Fiscal Year
July 1, 1999 through June 30, 2000

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, 2000

Table of Contents

TABLE OF CONTENTS (continued)

Introductory Section

CITY OF CAMBRIDGE
Finance Department
City Hall, Cambridge Massachusetts 02139

Administration	**349-4212**
Tax/Utility Coll	**349-4220**
Treasury	**349-4212**
Payroll	**349-4290**

December 29, 2000

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, 2000 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, 1999, 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 A. Lindstrom
City Auditor

CITY OF CAMBRIDGE • EXECUTIVE DEPARTMENT

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

December 29, 2000

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, 2000. 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 2000 in Review: Major Initiatives

During fiscal year 2000, the City complied with all Y2K requirements and successfully completed the transition to the new millennium without any difficulties. In addition, the City took further steps to complete the funding of the largest capital improvement project in the City's history, the construction of a new water treatment plant. The funding sources consist of proceeds from a General Obligation bond issue and subsidized loans from the State Revolving Fund. Other significant financial achievements are as follows:

- On November 1, 1999, the City issued $27,943,000 in General Obligation bonds with a portion used to finance the ongoing construction of a new water treatment plant. In addition, the City received a loan from the State Revolving Fund for this project.

- During fiscal year 2000, the City's credit rating was increased to the highest credit rating available from the three major rating agencies. For the first time, the City applied to Fitch ICBA, Inc. and received its highest rating of Aaa. In addition, Standard & Poor's Corporation raised the City's bond rating from AA+ to AAA. The third major rating agency, Moody's Investors Service, confirmed its Aaa rating, ensuring that the City would receive the lowest possible interest rate on its bonds.

- The City authorized funding for a wide range of capital improvement projects with bond proceeds being the primary source of funding. In its continuing effort to mitigate the effects of large-scale capital projects on property tax rates, the City will use Sewer Service and Parking Fund revenues to cover the debt service on sewer and street reconstruction projects. In addition, the City continued to fund the acquisition of available open space through a separate allocation in the Public Investment Fund.

- The City completed the installation of a new Windows-based financial system as well as training a large portion of the City's fiscal staff. The new system uses state-of-the-art technology and replaces a system that had been in operation since the mid-1980's.

- Fund equity in the General Fund remained essentially the same despite the planned use of $16.1 million from the fund's unreserved balance to finance a wide range of capital projects as well as a portion of the operating budget and overlay deficits. Fund equity as a percentage of revenues is 16.4%, which is high by national standards and is a major factor in the rating agencies' evaluation of the City's finances.

- For the fourth consecutive year, the collection rate for current year real and personal property taxes exceeded 100%. The 100.81% is the result of current year collections of $161,042,071 being greater than the net tax levy (total commitment of $164,020,845 minus the reserve set aside for abatements of $4,270,845) of $159,750,000. The strength of the local economy, when combined with efforts by the City to maximize collections, has enabled the city to maintain these high rates of collection.

- 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 the past 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

Fiscal year 2000 revenues totaled $259.0 million. This represents an increase of $5.9 million or 2.3% from fiscal year 1999. Property taxes are the single largest revenue source, representing approximately 63.3% of General Fund revenues. Real and personal property tax revenues, net of abatements, increased by $5.0 million, or 3.2%. Intergovernmental receipts comprise the City's next largest revenue source, representing 15.4% of General Fund revenues. These revenues decreased 3.8% to $39.8 million, due to decreases in state aid.

Sewer receipts increased 6.4% to $20.7 million during fiscal year 2000 because of higher rates.

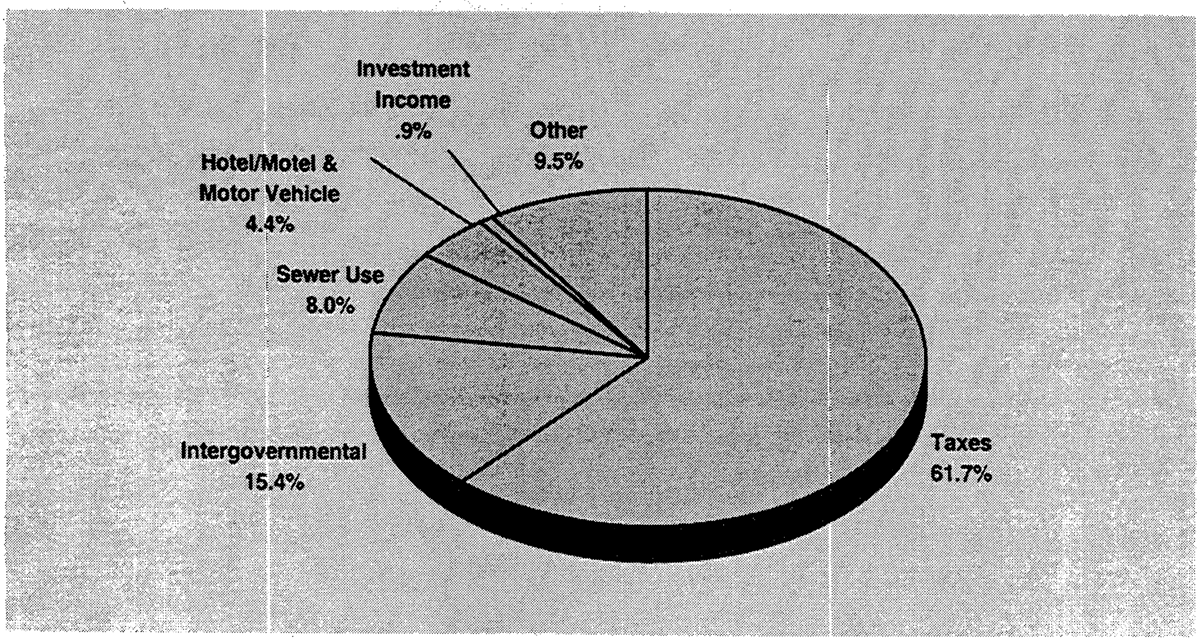
The increase of 14.9% and 21.2%, respectively in the Hotel/Motel & Motor Vehicle Excise Tax category directly reflects the strong local economy. Both of these taxes are sensitive to changes in the local economy.

The 35.6% increase in investment income from $1.77 million to $2.40 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 2000 and compares these amounts to those received in fiscal year 1999.

Fiscal Year 2000 General Fund Revenues
Budgetary Basis
(Dollars In Thousands)

Revenue Source	Amount	Percent	Increase/(Decrease) From Fiscal Year 1999 Amount	Increase/(Decrease) From Fiscal Year 1999 Percent
Taxes-Net of Abatements	$ 159,750	61.7%	$ 5,000	3.2%
Intergovernmental	39,821	15.4	(1,582)	(3.8)
Sewer Use	20,716	8.0	1,255	6.4
Hotel/Motel & Motor Vehicle Excise	11,545	4.4	1,765	18.0
Investment Income	2,405	0.9	637	35.6
Other	24,663	9.5	(1,151)	(4.5)
Total	258,900	100.0%	5,924	2.3%
Net Transfers In (Out)	(8,130)		1,053	
Total, Net of Transfers	$ 250,770		$ 6,977	



Expenditures

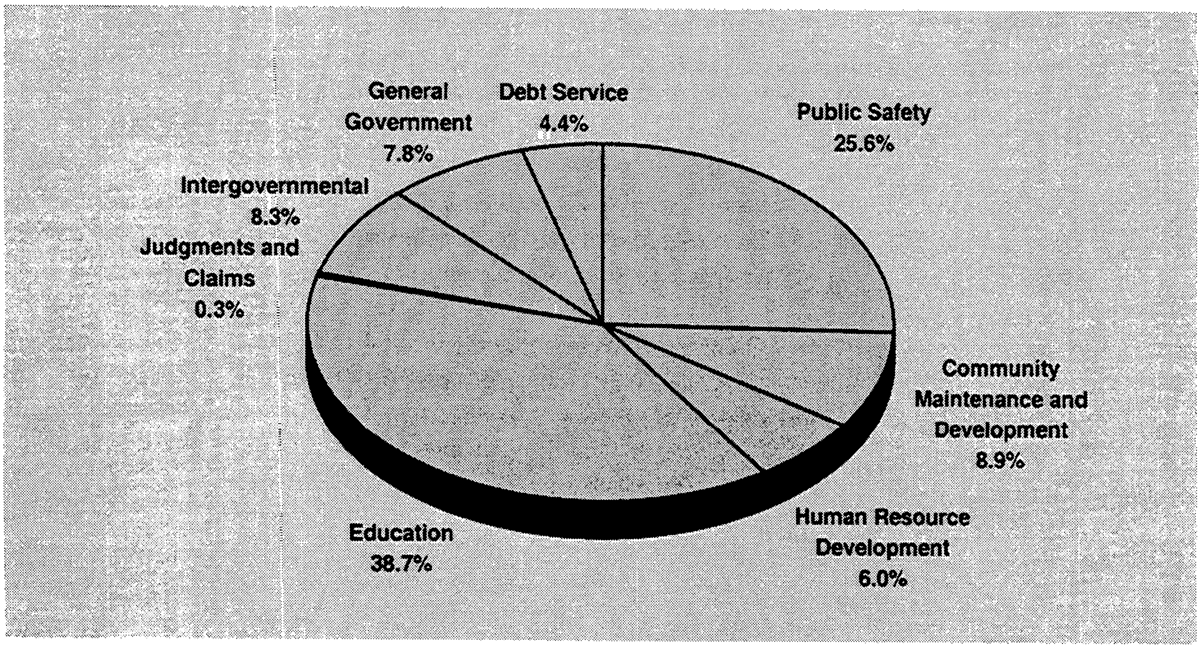
During fiscal year 2000, total expenditures increased 6.0% from $246.7 million to $261.6 million.

General Government expenditures decreased 1.3% to $20.4 million due primarily to an over allocation of health insurance costs to the outside departments. The Public Safety costs increase of $4.4 million is mainly due to a retroactive contract settlement, and the purchase of extra ordinary equipment. The 16.6% increase in Human Resource Development expenditures reflects a cost-of-living-allowance, and a one-time bonus. Community Maintenance and Development expenditures were higher by 9.1% reflecting additional funding of Lead Safe programs under funded by the State and an increase in personnel costs similar to those mentioned in Human Resource Development.

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, $8.6 million, is at the same level as in the previous fiscal year and is shown as a transfer to a component unit in the Other Financing Sources (Uses) section of the Budgetary Basis statement. The City has collected the last in-lieu-of-tax payment from the CPHC of $1,000,000.

Fiscal Year 2000 General Fund Expenditures
Budgetary Basis
(Dollars In Thousands)

Expenditure Function	Amount	Percent	Increase (Decrease) From Fiscal Year 1999 Amount	Increase (Decrease) From Fiscal Year 1999 Percent
General Government	$ 20,373	7.8%	$ (274)	(1.3)%
Public Safety	67,004	25.6	4,378	7.0
Community Maintenance and Development	23,387	8.9	1,954	9.1
Human Resource Development	15,720	6.0	2,242	16.6
Education	101,033	38.7	6,655	7.1
Judgments and Claims	871	0.3	652	297.7
Intergovernmental	21,681	8.3	458	2.2
Debt Service	11,500	4.4	(1,148)	(9.1)
Grand Total	$ 261,569	100.0%	$ 14,917	6.0%



General Fund Balances and Cash Position

The City ended fiscal year 2000 with a total General Fund fund balance of $43,504,420, which represents 16.4% of General Fund revenues, a decrease from 17.3% in fiscal year 1999. Each year, a portion of fund balance is allocated to reserve accounts. A total of $18,350,344 was transferred to reserve accounts in fiscal year 2000, leaving an unreserved fund balance of $25,154,076. General Fund cash and short-term investments totaled $63,837,512, while the balance of cash and short-term investments for all funds totaled $134,939,537 which is a $9,529,446, or 6.6% decrease from fiscal year 1999 with the largest portion of this decrease occurring in the Capital Projects 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 1993 through 2000.

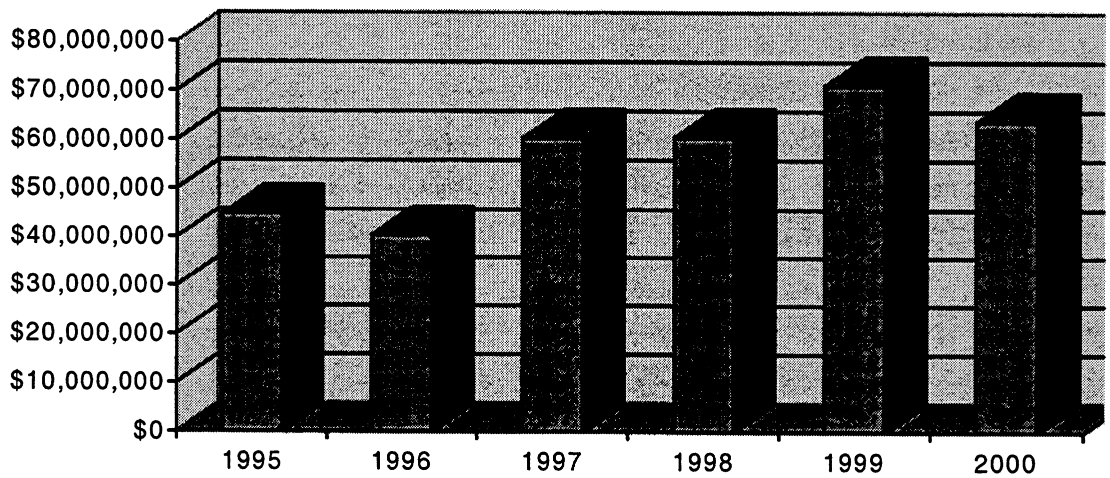
Fiscal Year	Unreserved General Fund Balance
1993	$ 7,595,682
1994	15,634,070
1995	26,362,257
1996	26,079,677
1997	30,979,095
1998	34,958,456
1999	23,223,656
2000	25,154,076

Cash Position

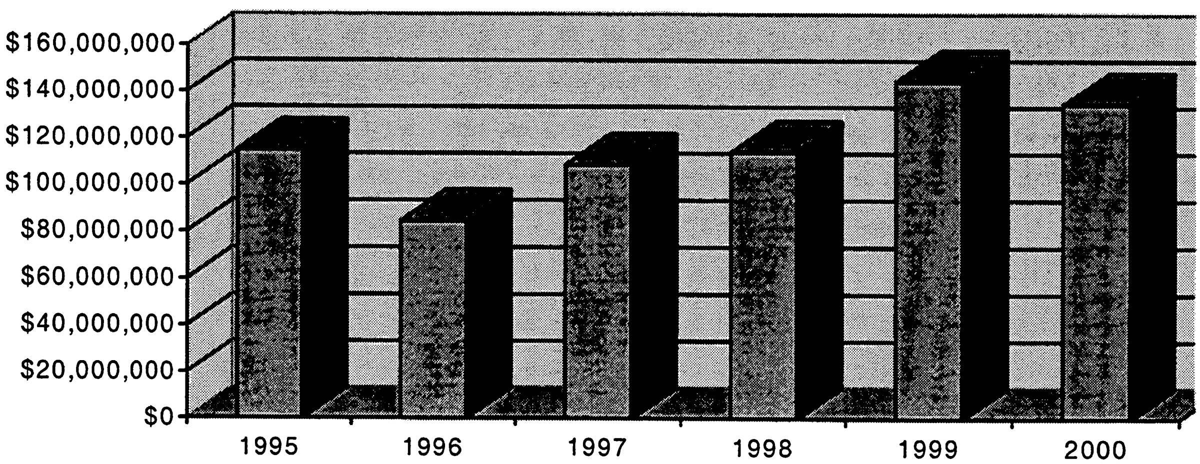
The table and charts displayed below present the changes in year-end General Fund cash and total cash for all funds for the past six fiscal years. The table and charts do not include cash for the Cambridge Public Health Commission component unit.

Fiscal Year	Year-End General Fund Cash and Short-term Investments	Year-End All Funds Cash and Short-term Investments
1995	$ 44,855,049	$ 114,915,503
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

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 2001 through fiscal year 2005, which was approved by the City Council in May 2000, has an estimated cost of $292,947,100. Financing for the fiscal year 2001 portion of the capital plan was appropriated with the adoption of the fiscal year 2001 operating budget in May 2000. 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 retirement 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, 2000 totaled $156,852,807.

Key Debt Ratios

Ratio	2000	1999	1998	1997	1996
Ratio of Bonded Debt to Assessed Value	1.4	1.4	1.4	1.1	1.1
Bonded Debt Per Capita	$ 1,535	$ 1,413	$ 1,132	$ 792	$ 807
Ratio of Bonded Debt Per Capita to Per Capita Income	7.7	7.1	5.7	4.0	4.1
Ratio of Debt Service to Total Expenditures	8.5	8.6	7.6	9.0	7.5

Property Valuations

Based on valuations of all real and personal property as of January 1, 1999, the total value of all property in the City is $11,037,942. Of that total, $274,785 is attributable to new construction. The table below compares fiscal year 2000 property valuations and tax rates to fiscal year 1999 valuations and tax rates.

	Property Valuations (In Thousands)		Tax Rates	
	FY 2000	FY 1999	FY 2000	FY 1999
Commercial/Industrial	$ 3,990,495	$ 3,561,372	$ 25.16	$ 27.25
Personal Property	274,785	256,202	25.16	27.25
Residential	6,772,662	5,725,262	9.64	11.05
Total Value	$ 11,037,942	$ 9,542,836		

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 $19,125,179 on June 30, 2000. 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 balance of this trust fund decreased from $12,571,624 at June 30, 1999 to $12,338,609 at June 30, 2000. The decrease was due to higher expenses to fund 2000 health care costs.

The City's Stabilization Fund had a balance of $6,602,628 on June 30, 2000. 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, 2000 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, 1999.

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 and has been helped by an improved regional economy.

City unemployment decreased from 1.9% as of June 30, 1999, to 1.7% on June 30, 2000, compared with 2.5% for the state and 3.8% for the United States. Inflation continues at its slow pace while property values are increasing. Property sales activity is up in all market sectors, and we are seeing activity in local real estate development with an office vacancy rate of less than 1%.

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.

Real estate development activity has increased in all market sectors. Development will result in new real estate tax growth. New growth is important because it is not subject to Proposition 2-1/2. Low vacancy rates in the local lodging industry have spurred several new hotel projects in Cambridge in recent years with the City benefiting directly from these new hotels by substantial increases in the portion of the hotel/motel tax that the City receives. All sectors of the commercial and residential real estate markets are performing well, boosting real estate sales prices in Cambridge as well.

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.

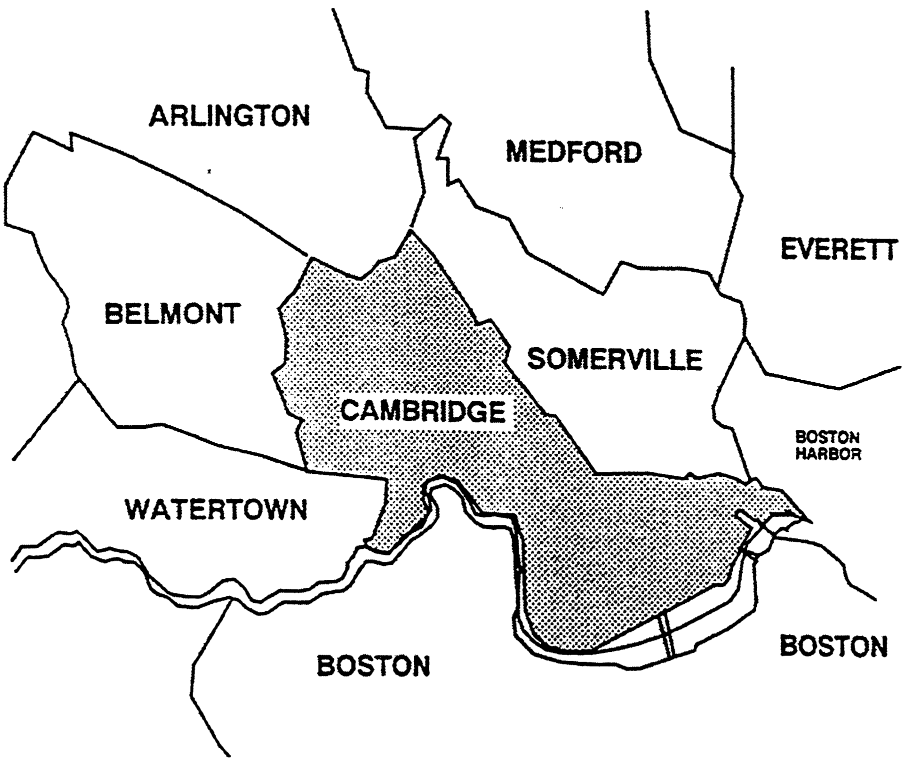
Acknowledgments

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,

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 102,202 in 2000.

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, 2001.

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 2000

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

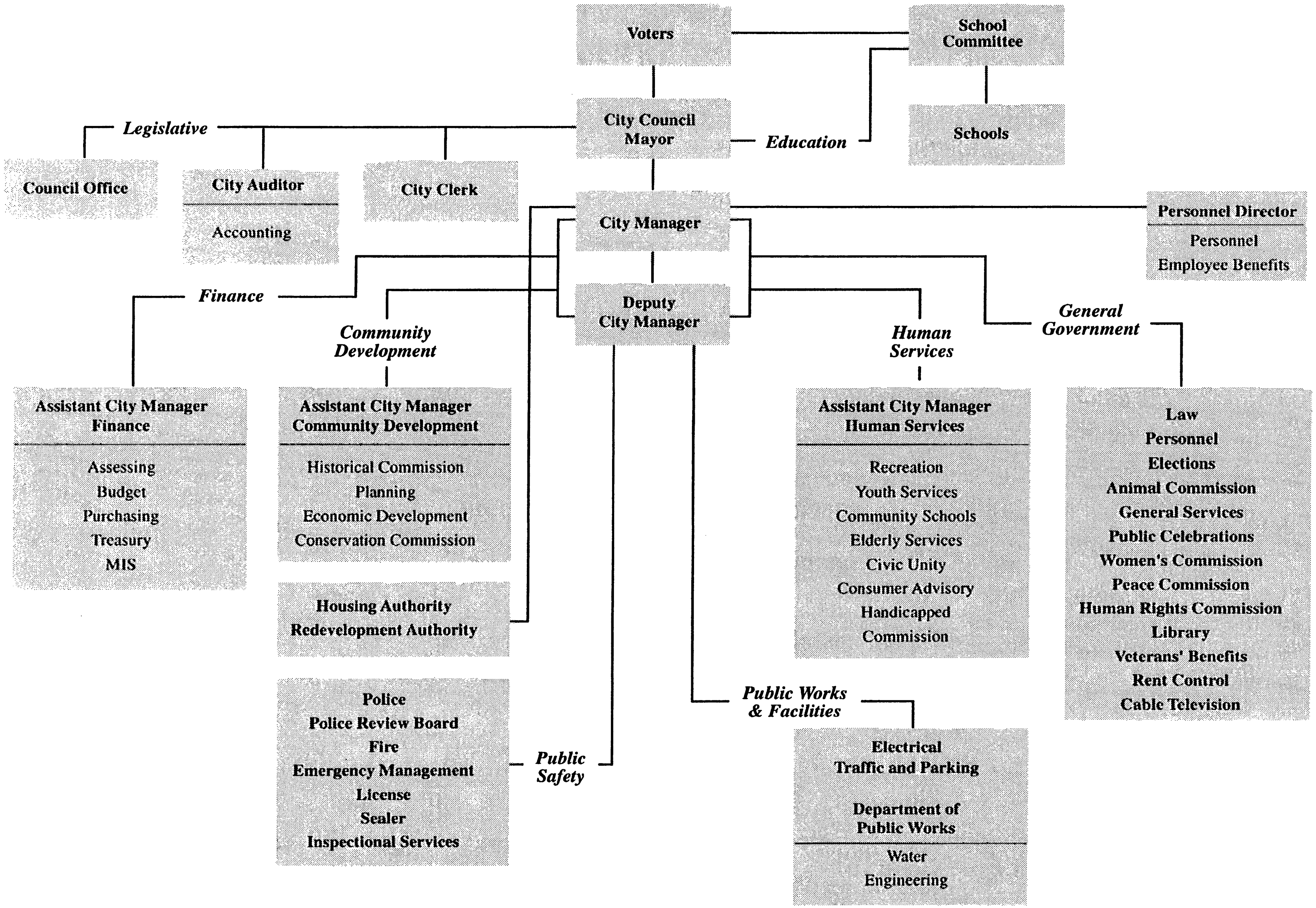
Susana M. Segat	Alice L. Turkel
Alfred B. Fantini	Nancy Walser
Joseph G. Grassi	E. Denise Simmons, Vice Chair

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 A. Lindstrom
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, 1999

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.

Anne Spray Kinney
President

Jeffrey L. Esser
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.

KPMG

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, 2000, 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, 1999, and the results of its operations and cash flows of its proprietary and similar trust funds for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

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.

The schedule of historical pension information on page 37 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.

In accordance with *Government Auditing Standards*, we have also issued a separate report on page 39 dated December 29, 2000, 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.

KPMG LLP

December 29, 2000

(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, 2000

	Governmental fund types			Proprietary fund types		Fiduciary fund types	Account groups		Total (memorandum only)		Total (memorandum only)
Assets and Other Debits	**General**	**Special Revenue**	**Capital Projects**	**Enterprise**	**Internal Service**	**Trust and Agency**	**General Fixed Assets**	**General Long-term Obligations**	**Primary Government**	**Component Unit CPHC**	**Reporting Entity**
Cash and investments (note 5)	$ 63,837,512	10,088,415	1,677,143	9,672,920	800,254	484,866,513	—	—	570,942,757	65,699,558	636,642,315
Restricted cash and investments (notes 2 and 5)	—	—	—	—	—	—	—	—	—	41,240,076	41,240,076
Receivables:											
Property taxes (note 3)	4,424,002	—	—	—	—	—	—	—	4,424,002	—	4,424,002
Tax titles and possessions	3,880,654	—	—	—	—	—	—	—	3,880,654	—	3,880,654
Motor vehicle excise	2,719,721	—	—	—	—	—	—	—	2,719,721	—	2,719,721
Other	1,273,708	208,047	—	4,764,158	—	10,946,010	—	—	17,191,923	25,061,887	42,253,810
Accounts receivable - developer	—	1,000,000	—	—	—	—	—	—	1,000,000	—	1,000,000
Allowance for uncollectible receivables	—	—	—	(188,967)	—	—	—	—	(188,967)	—	(188,967)
Due from other funds (note 9)	7,083,532	—	71,042,856	67,210,570	—	1,157	—	—	145,338,115	—	145,338,115
Due from other governments	—	1,116,559	4,712,269	—	—	—	—	—	5,828,828	—	5,828,828
Due from component unit (note 8)	27,300,000	—	—	—	—	—	—	—	27,300,000	—	27,300,000
Fixed assets (net, where applicable, of accumulated depreciation) (note 7)	—	—	—	115,818,577	—	—	378,899,657	—	494,718,234	151,878,203	646,596,437
Other assets	101,286	—	—	—	—	2,385,927	—	—	2,487,213	8,961,343	11,448,556
Amount to be provided for retirement of general long-term obligations (note 8)	—	—	—	—	—	—	—	111,561,936	111,561,936	—	111,561,936
Total assets and other debits	$ 110,620,415	12,413,021	77,432,268	197,277,258	800,254	498,199,607	378,899,657	111,561,936	1,387,204,416	292,841,067	1,680,045,483

(Continued)

CITY OF CAMBRIDGE, MASSACHUSETTS

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

June 30, 2000

Liabilities, Equity (deficit) and Other Credits	Governmental fund types			Proprietary fund types		Fiduciary fund types	Account groups		Total (memorandum only)	Component Unit	Total (memorandum only)
	General	Special Revenue	Capital Projects	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-term Obligations	Primary Government	CPHC	Reporting Entity
Liabilities:											
Warrants payable	$ 64,492	105,682	115,338	33,335	—	—	—	—	318,847	12,036,398	12,355,245
Accrued liabilities:											
Tax abatement refunds	13,879,127	—	—	—	—	—	—	—	13,879,127	—	13,879,127
Guarantee deposits and amounts due to other taxing authorities	—	—	—	—	—	2,759,119	—	—	2,759,119	—	2,759,119
Compensated absences (note 8)	—	—	—	177,283	—	—	—	8,675,296	8,852,579	12,768,723	21,621,302
Claims (notes 8 and 13)	—	—	—	—	—	—	—	6,083,355	6,083,355	—	6,083,355
Other	14,254,771	229,761	6,604,443	36,445	—	5,871,887	—	—	26,997,307	67,766,669	94,763,976
Due to third parties	—	—	—	—	—	—	—	—	—	—	—
Due to other funds (note 9)	—	1,741,750	84,212,103	59,383,105	—	1,157	—	—	145,338,115	—	145,338,115
Due to primary government (note 8)	—	—	—	—	—	—	—	—	—	27,300,000	27,300,000
Deferred revenue	38,917,605	—	439,057	—	—	—	—	—	39,356,662	26,979,342	66,336,004
Capital lease obligations	—	—	—	—	—	—	—	—	—	3,596,850	3,596,850
General obligation bonds and notes payable (note 8)	—	—	—	63,912,570	—	2,000,000	—	96,803,285	162,715,855	—	162,715,855
Total liabilities	67,115,995	2,077,193	91,370,941	123,542,738	—	10,632,163	—	111,561,936	406,300,966	150,447,982	556,748,948
Equity (deficit) and other credits:											
Investments in general fixed assets (note 7)	—	—	—	—	—	—	378,899,657	—	378,899,657	—	378,899,657
Retained earnings	—	—	—	73,734,520	800,254	—	—	—	74,534,774	—	74,534,774
Fund balance (deficit):											
Reserved for encumbrances	11,440,747	3,466,689	68,182,711	—	—	—	—	—	83,090,147	—	83,090,147
Reserved for employees' pension benefits (note 10)	—	—	—	—	—	458,889,025	—	—	458,889,025	—	458,889,025
Reserved for specific purposes (note 9)	6,909,597	7,534,172	—	—	—	28,678,419	—	—	43,122,188	9,890,961	53,013,149
Unreserved	25,154,076	(665,033)	(82,121,384)	—	—	—	—	—	(57,632,341)	132,502,124	74,869,783
Total equity (deficit) and other credits (note 6)	43,504,420	10,335,828	(13,938,673)	73,734,520	800,254	487,567,444	378,899,657	—	980,903,450	142,393,085	1,123,296,535
Commitments and contingencies (note 13)											
Total liabilities, equity and other credits	$ 110,620,415	12,413,021	77,432,268	197,277,258	800,254	498,199,607	378,899,657	111,561,936	1,387,204,416	292,841,067	1,680,045,483

See accompanying notes to general purpose financial statements.

CITY OF CAMBRIDGE, MASSACHUSETTS

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

Year ended June 30, 2000

	Governmental fund types			Fiduciary fund type	Total
	General	Special Revenue	Capital Projects	Expendable Trust	(memorandum only)
Revenues:					
Property taxes	$ 162,189,559	—	—	—	162,189,559
Payments in lieu of tax receipts	3,692,279	—	—	—	3,692,279
Hotel/motel excise tax	5,696,567	—	—	—	5,696,567
Intergovernmental	39,820,586	21,488,044	11,963,846	—	73,272,476
Private grants	—	149,548	—	—	149,548
Sewer use	20,716,194	—	—	—	20,716,194
Motor vehicle excise	5,848,595	—	—	—	5,848,595
Investment income	2,484,517	1,971,103	239,958	1,482,254	6,177,832
Other	24,402,917	11,942,832	605,000	4,018,612	40,969,361
Total revenues	264,851,214	35,551,527	12,808,804	5,500,866	318,712,411
Expenditures:					
Current:					
General government	18,032,236	134,342	—	—	18,166,578
Public safety	66,443,117	578,246	—	—	67,021,363
Community maintenance and development	21,581,775	2,529,518	—	—	24,111,293
Human resource development	14,698,981	3,889,700	—	—	18,588,681
Education	100,200,273	8,567,672	—	—	108,767,945
Fuel assistance	—	907,366	—	—	907,366
Judgments and claims	2,479,013	—	—	—	2,479,013
State assessments	21,407,431	—	—	—	21,407,431
Other	—	—	—	11,907,010	11,907,010
Capital outlay	—	—	48,504,599	—	48,504,599
Debt service:					
Principal retirement (note 8)	8,231,201	—	—	—	8,231,201
Interest	3,261,272	—	—	—	3,261,272
Total expenditures	256,335,299	16,606,844	48,504,599	11,907,010	333,353,752
Excess (deficiency) of revenues over expenditures	8,515,915	18,944,683	(35,695,795)	(6,406,144)	(14,641,341)
Other financing sources (uses):					
Operating transfers from other funds (note 12)	16,323,370	—	19,692,454	6,514,898	42,530,722
Operating transfers to other funds (note 12)	(16,856,295)	(15,086,454)	(5,869,025)	(4,098,176)	(41,909,950)
Transfers from component unit (note 12)	1,000,000	—	—	—	1,000,000
Transfers to component unit (note 12)	(8,594,851)	—	—	—	(8,594,851)
Proceeds from long-term debt (note 8)	—	—	18,382,057	—	18,382,057
Total other financing sources (uses)	(8,127,776)	(15,086,454)	32,205,486	2,416,722	11,407,978
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	388,139	3,858,229	(3,490,309)	(3,989,422)	(3,233,363)
Fund equity (deficit) at beginning of year	43,116,281	6,477,599	(10,448,364)	31,084,716	70,230,231
Fund equity (deficit) at end of year	$ 43,504,420	10,335,828	(13,938,673)	27,095,294	66,996,868

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, 2000
(with comparative actual amounts for 1999)

	2000 budget (note 4)	2000 actual	Variance favorable (unfavorable)	1999 actual
Revenues:				
Property taxes	$ 164,020,845	164,020,845	—	159,000,005
Provisions for tax abatements and adjustments	(4,270,845)	(4,270,845)	—	(4,250,006)
Payments in lieu of tax receipts	3,100,000	3,692,279	592,279	3,304,508
Hotel/motel excise tax	5,675,000	5,696,567	21,567	4,955,494
Intergovernmental	40,031,518	39,820,586	(210,932)	41,403,415
Sewer use	20,406,595	20,716,194	309,599	19,460,697
Motor vehicle excise	4,581,925	5,848,595	1,266,670	4,824,980
Investment income	2,200,000	2,404,805	204,805	1,767,513
Other	20,418,976	20,970,743	551,767	22,509,919
Total revenues	256,164,014	258,899,769	2,735,755	252,976,525
Expenditures:				
Current:				
General government	20,924,825	20,373,446	551,379	20,646,505
Public safety	67,273,195	67,003,685	269,510	62,625,823
Community maintenance and development	26,267,090	23,387,335	2,879,755	21,433,013
Human resource development	16,189,702	15,720,011	469,691	13,478,195
Education	101,085,705	101,032,870	52,835	94,377,533
Judgments and claims	870,300	871,269	(969)	219,328
State assessments	21,977,200	21,680,636	296,564	21,222,795
Debt service:				
Principal retirement	7,998,060	8,231,201	(233,141)	9,222,443
Interest	3,508,050	3,268,537	239,513	3,426,070
Total expenditures	266,094,127	261,568,990	4,525,137	246,651,705
Excess (deficiency) of revenues over expenditures	(9,930,113)	(2,659,221)	7,260,892	6,324,820
Other financing sources (uses):				
Transfers in (out):				
Special revenue funds	13,535,465	11,689,500	(1,845,965)	11,433,812
Capital projects funds	(15,210,435)	(14,925,500)	284,935	(16,040,741)
Trust funds	2,167,205	2,167,205	—	1,655,970
Enterprise fund	535,870	535,870	—	365,450
From component unit	1,000,000	1,000,000	—	2,000,000
To component unit	(8,598,000)	(8,597,000)	1,000	(8,597,000)
Appropriation adjustments	6,500	—	(6,500)	—
Total other financing sources (uses)	(6,563,395)	(8,129,925)	(1,566,530)	(9,182,509)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(16,493,508)	(10,799,146)	5,694,362	(2,857,689)
Other budget items:				
Free cash appropriations	16,109,445			
Departmental transfers	562,500			
Prior year deficits raised	(178,437)			
Total other budget items	16,493,508			
Net budget	$ —			

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, 2000

	Proprietary fund types		Fiduciary fund type	Total (memorandum only)		Total (memorandum only)
	Enterprise	Internal Service	Non-expendable Trust	Primary Government	Component Unit CPHC	Reporting Entity
Operating revenues:						
Charges for services	$ 12,944,761	17,963	—	12,962,724	190,939,286	203,902,010
Donations	—	—	20,205	20,205	—	20,205
Investment income	—	—	85,178	85,178	—	85,178
Other	—	—	—	—	53,283,399	53,283,399
Total operating revenues	12,944,761	17,963	105,383	13,068,107	244,222,685	257,290,792
Operating expenses:						
Administration	1,582,537	—	—	1,582,537	2,835,830	4,418,367
Finance	—	—	—	—	17,723,260	17,723,260
Service and support programs	2,692,452	12,764	—	2,705,216	157,325,110	160,030,326
General services	40,542	—	—	40,542	31,848,753	31,889,295
Depreciation	1,721,938	—	—	1,721,938	9,844,153	11,566,091
Provision for bad debts	9,434	—	—	9,434	35,244,983	35,254,417
Other	—	—	—	—	2,024,875	2,024,875
Total operating expenses	6,046,903	12,764	—	6,059,667	256,846,964	262,906,631
Operating income (loss)	6,897,858	5,199	105,383	7,008,440	(12,624,279)	(5,615,839)
Nonoperating revenues and expenses:						
Interest income	870,901	—	—	870,901	6,352,569	7,223,470
Interest expense	(2,560,691)	—	—	(2,560,691)	(291,509)	(2,852,200)
Income (loss) before transfers	5,208,068	5,199	105,383	5,318,650	(6,563,219)	(1,244,569)
Operating transfers from other funds (note 12)	—	—	176	176	—	176
Operating transfers to other funds (note 12)	(535,870)	—	(85,078)	(620,948)	—	(620,948)
Transfers from the primary government (note 12)	—	—	—	—	8,594,851	8,594,851
Transfers to the primary government (note 12)	—	—	—	—	(1,000,000)	(1,000,000)
Net income	4,672,198	5,199	20,481	4,697,878	1,031,632	5,729,510
Capital contribution - unrestricted	—	—	—	—	17,216,109	17,216,109
Retained earnings/fund equity:						
Beginning of year	69,062,322	795,055	1,562,644	71,420,021	124,145,344	195,565,365
End of year	$ 73,734,520	800,254	1,583,125	76,117,899	142,393,085	218,510,984

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, 2000

Additions:	
Contributions:	
Employer	$ 21,284,009
Employee	11,482,649
Total contributions	32,766,658
Investment income:	
Net appreciation in the fair value of investments	9,548,270
Investment income	50,946,158
Less: management fees	(2,119,270)
Net investment income	58,375,158
Intergovernmental	1,948,873
Total additions	93,090,689
Deductions:	
Benefits	26,654,465
Refunds of contributions	2,309,848
Administrative expenses	560,511
Total deductions	29,524,824
Net increase	63,565,865
Net assets held in trust for pension benefits:	
Beginning of year	395,323,160
End of year	$ 458,889,025

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, 2000

	Proprietary fund types		Fiduciary fund types	Total (memorandum only)		Total (memorandum only)
	Enterprise	Internal Service	Non-expendable Trust	Primary Government	Component Unit CPHC	Reporting Entity
Cash flows from operating activities:						
Operating income (loss)	$ 6,897,858	5,199	105,383	7,008,440	(12,624,279)	(5,615,839)
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:						
Reclassification of investment income	—	—	(85,178)	(85,178)	—	(85,178)
Depreciation	1,721,938	—	—	1,721,938	9,844,153	11,566,091
Provision for bad debts	9,434	—	—	9,434	35,244,983	35,254,417
Change in assets and liabilities:						
Accounts receivable	(193,440)	—	(1)	(193,441)	(32,446,093)	(32,639,534)
Inventories and other current assets	—	—	—	—	237,433	237,433
Interfund receivables	(23,582,570)	—	(176)	(23,582,746)	—	(23,582,746)
Warrants payable	33,335	—	—	33,335	—	33,335
Accrued liabilities	(75,887)	—	—	(75,887)	3,600,299	3,524,412
Interfund payables	37,328,291	—	(4,725)	37,323,566	—	37,323,566
Deferred revenue	—	—	—	—	1,932,621	1,932,621
Net cash provided by operating activities	22,138,959	5,199	15,303	22,159,461	5,789,117	27,948,578
Cash flows from noncapital financing activities:						
Transfers - in	—	—	176	176	8,594,851	8,595,027
Transfers - out	(535,870)	—	(85,078)	(620,948)	(1,000,000)	(1,620,948)
Net cash (used) provided by non-capital financing activities	(535,870)	—	(84,902)	(620,772)	7,594,851	6,974,079
Cash flows from capital and related financing activities:						
Acquisition of capital assets	(37,007,269)	—	—	(37,007,269)	10,517,580	(26,489,689)
Proceeds from bonds	22,012,570	—	—	22,012,570	—	22,012,570
Principal paid on bonds	(4,513,000)	—	—	(4,513,000)	(2,958,855)	(7,471,855)
Interest paid on bonds	(2,560,691)	—	—	(2,560,691)	(291,509)	(2,852,200)
Proceeds from maturing investments	—	—	13	13	—	13
Net cash (used) provided by capital and related financing activities	(22,068,390)	—	13	(22,068,377)	7,267,216	(14,801,161)
Cash flows from investing activities:						
Interest income	870,901	—	—	870,901	6,352,569	7,223,470
Investment income	—	—	85,178	85,178	—	85,178
Net cash provided by investing activities	870,901	—	85,178	956,079	6,352,569	7,308,648
Net increase in cash and cash equivalents	405,600	5,199	15,592	426,391	27,003,753	27,430,144
Cash and cash equivalents at beginning of year	9,267,320	795,055	1,563,374	11,625,749	38,695,805	50,321,554
Cash and cash equivalents at end of year	$ 9,672,920	800,254	1,578,966	12,052,140	65,699,558	77,751,698

Reconciliation to combined balance sheet:	
Cash and cash equivalents - Above	$ 1,578,966
Cash and cash equivalents - Pension Trust Fund	21,482,248
Cash and cash equivalents - Expendable Trust Fund	23,042,960
Cash and cash equivalents - Agency Fund	2,759,119
Total cash and cash equivalents	48,863,293
Investments	436,003,220
Total cash and investments	$ 484,866,513

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

(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.

Financial statements for the System are included herein for its fiscal year ended December 31, 1999 and are available from its offices at 255 Bent Street, Cambridge, Massachusetts 02141.

(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, 2000 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.

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

Government 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.

(Continued)

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 intergovernment 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.

(Continued)

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.

(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.

(Continued)

(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, 2000 (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.

(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.

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, 2000, after the setting of the tax rate, were $1,062,689 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:

	Revenue	Expenditures	Other financing (uses)
As reported on a budgetary basis	$ 258,899,769	261,568,990	(8,129,925)
Adjustments:			
To record revenue and other financing sources on a modified accrual basis of accounting	5,951,445	—	2,149
To adjust for encumbrances and continuing appropriations	—	(5,233,691)	—
As reported on a GAAP basis	$ 264,851,214	256,335,299	8,127,776

(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, 2000.

	Bank balances Category			Total bank	Carrying
Primary Government	**1**	**2**	**3**	**balance**	**amount**
Cash	$ 219,720	—	10,140,467	10,360,187	5,763,600
Money market	400,000	—	38,894,913	39,294,913	37,485,425
	$ 619,720	—	49,035,380	49,655,100	43,249,025
Discretely Presented Component Unit (CPHC)					
Cash	$ 100,000	—	2,460,393	2,560,393	1,613,044
	$ 100,000	—	2,460,393	2,560,393	1,613,044

(Continued)

(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, insurance contracts and pooled funds, are not categorized.

Primary Government	Category 1	Category 2	Category 3	Not categorized	Estimated fair value
MMDT	$ —	—	—	91,691,225	91,691,225
Common stocks	—	243,190,431	—	—	243,190,431
Corporate bonds	—	29,552,356	—	—	29,552,356
U.S. Treasury notes	—	120,081,514	—	—	120,081,514
Insurance contracts	—	43,178,206	—	—	43,178,206
	$ —	436,002,507	—	91,691,225	527,693,732

Of the investments reflected in the preceding table, investments of the Cambridge Retirement System constitute 99% of the amount in Category 2 of the Primary Government.

Discretely Presented Company Unit (CPHC)	Category 1	Category 2	Category 3	Not categorized	Estimated fair value
MMDT	$ —	—	—	41,291,544	41,291,544
Repurchase agreements	—	5,319,021	—	—	5,319,021
U.S. Treasury notes	—	16,182,125	—	—	16,182,125
Common stocks	—	35,389,465	—	—	35,389,465
Corporate and foreign bonds	—	7,144,435	—	—	7,144,435
	$ —	64,035,046	—	41,291,544	105,326,590

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.

(6) Fund Deficit

The following fund had a deficit fund balance at June 30, 2000:

Capital Projects	(13,938,673)

The deficit will be eliminated by grants, borrowings or transfers from other funds.

(7) Fixed Assets

A summary of general fixed assets activity in the general fixed assets account group for the year ended June 30, 2000 follows:

	Balance June 30, 1999	Additions	Disposals	Balance June 30, 2000
Land	$ 171,877,100	—	—	171,877,100
Buildings	112,081,622	23,372,344	—	135,453,966
Improvements other than buildings	12,143,128	96,276	(545,550)	11,693,854
Equipment	33,235,579	2,041,553	(390,613)	34,886,519
Construction in progress	21,398,613	20,140,584	(16,550,979)	24,988,218
	$ 350,736,042	45,650,757	(17,487,142)	378,899,657

A summary of proprietary fund type property, plant and equipment at June 30, 2000 follows:

	Enterprise	Internal service
Land	$ 39,219,717	—
Buildings	2,691,221	—
Improvements other than buildings	16,599,975	—
Equipment	9,229,094	171,181
Construction in progress	51,870,658	—
Less accumulated depreciation	(3,792,088)	(171,181)
	$ 115,818,577	—

(Continued)

Construction in progress at June 30, 2000 is comprised of the following:

	Project authorization	Expended	Committed
General Fixed Assets:			
City hall renovations	5,350,000	3,781,152	1,568,848
Geographic information	1,500,000	1,220,331	279,669
Fitzgerald School	19,914,403	16,574,731	3,339,672
Police department renovations	468,257	214,417	253,840
Fire department renovations	2,948,501	280,370	2,668,131
War memorial renovations	1,002,554	1,500	1,001,054
Financial information system	2,250,000	1,961,063	288,937
Coffon building renovations	1,074,200	815,013	259,187
CRLS roof	3,200,000	—	3,200,000
Library renovations	662,518	79,543	582,975
Traffic and parking renovations	250,000	60,000	190,000
Teen youth centers	480,000	98	479,902
	39,100,433	24,988,218	14,112,215
Water fund:			
Water treatment plant	76,320,000	51,870,658	24,449,342

Discretely Presented Component Unit (CPHC)

Property, plant and equipment at June 30, 2000 is comprised of the following:

Land and improvements	$ 7,279,453
Buildings and improvements	57,371,784
Major movable equipment	47,103,670
Fixed equipment	40,840,543
Construction in progress	83,192,435
Less accumulated depreciation	(83,909,682)
	$ 151,878,203

(8) 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 $27,300,000 at June 30, 2000.

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 2000

The following is a summary of the composition of general long-term obligations outstanding at June 30, 1999 and 2000:

Description and repayment terms	Date of issue	Original issue	Maturity date	Interest rates	Outstanding June 30, 1999	Additions	Retirements	Outstanding June 30, 2000
General purpose, serial maturities through 11/1/2009	6/15/91 to 11/1/99	$ 18,266,000	11/1/2009	4.0% to 6.0%	$ 9,455,000	2,811,000	1,695,000	10,571,000
Urban redevelopment, serial maturities through June 15, 2007	6/15/90 to 6/15/97	20,985,000	6/15/2007	3.75% to 6.6%	7,855,000	—	1,710,000	6,145,000
Schools, serial maturities through 11/1/2009	2/1/94 to 11/1/99	50,672,000	11/1/2009	3.75% to 5.9%	25,452,000	15,132,000	3,577,000	37,007,000
Sewer, serial maturities through August 1, 2009	2/1/94 to 10/6/99	16,886,325	8/1/2009	2.35% to 5.9%	13,557,560	439,057	2,079,380	11,917,237
Hospital, serial maturities through February 1, 2018	6/15/90 to 2/1/98	38,350,000	2/1/2018	4.5% to 6.6%	29,335,000	—	2,335,000	27,000,000
Neville Manor, serial maturities through June 15, 2002	6/15/1992	1,500,000	6/15/2002	4.3% to 5.3%	450,000	—	150,000	300,000
Section 108 HUD notes payable	2/1/95	1,000,000	various	7.71% to 9.03%	985,000	—	5,000	980,000
School equipment notes, serial maturities through June 15, 2008	6/15/1998	3,343,453	6/15/2008	6.85%	3,139,869	—	256,821	2,883,048
Total bonds and notes payable		$ 151,002,778			90,229,429	18,382,057	11,808,201	96,803,285
Accrued compensated absences					8,593,281	82,015	—	8,675,296
Accrued claims					5,885,745	1,470,999	1,273,389	6,083,355
Total general long-term obligations					$ 104,708,455	19,935,071	13,081,590	111,561,936

The following is a summary of general obligation bonds and notes payable of the City for the year ended June 30, 2000:

	Governmental funds	Enterprise fund	Total
Bonds and notes payable at June 30, 1999	90,229,429	46,413,000	136,642,429
Debt retired: Serial bonds	(11,808,201)	(4,513,000)	(16,321,201)
Additional debt	18,382,057	22,012,570	40,394,627
Bonds and notes payable at June 30, 2000	96,803,285	63,912,570	160,715,855

Principal retirement of governmental funds has been reflected in the general purpose financial statements as debt service expenditures of $8,231,201 and education expenditures of $3,577,000 totaling $11,808,201 of principal costs.

The annual requirements to amortize all general long-term obligation bonds and notes payable outstanding as of June 30, 2000, are as follows:

Year ending June 30,	Principal	Interest	Total
2001	13,036,417	4,564,639	17,601,056
2002	12,744,584	3,944,006	16,688,590
2003	12,487,827	3,320,697	15,808,524
2004	11,774,223	2,723,605	14,497,828
2005	9,830,739	2,153,132	11,983,871
Thereafter	36,929,495	8,185,199	45,114,694
	96,803,285	24,891,278	121,694,563

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.

During fiscal year 2000, the City entered into two new loan agreements with the Massachusetts Water Pollution Abatement Trust (MWPAT), for a total of five loans. The loans provide funding for the Sewer Separation Project and Drinking Water Project. According to the loan agreements, the City will be subsidized on a periodic basis for debt and interest costs. The City received $1,582,034 in subsidies during 2000. Loan payments commenced on February 1, 1994 and end on August 1, 2010, with interest rates ranging from 2.35% to 5.25%.

(Continued)

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, 2000, the City may issue approximately $140,176,000 additional general obligation debt under the normal debt limit. The City has approximately $104,783,000 of debt exempt from the debt limit.

Authorized and unissued debt at June 30, 2000, is as follows:

City Hall Renovations	1,330,000
Sewer Separation Project	13,681,456
Section 108 Biotechnology	3,500,000
Fiber Optic Network Infrastructure	355,000
Reconnection of Sanitary Services	860,943
Replacement of Roof at CLRS	3,200,000
Network Infrastructure Project	315,000
Inflow/Infiltration Project	2,424,370
Construction of New Water Treatment Plant	14,687,430
Manhole & Illicit Connection Removal Project	2,770,000
Floatables and BMP Control Project	1,505,000
Fresh Pond Sewer Separation Project	20,396,495
Improvements to War Memorial	1,000,000
Renovations to Taylor Square Fire station	2,100,000
Renovations to Miscellaneous City Buildings	2,240,000
Traffic Calming Design and Construction	750,000
Lafayette Square/Mass. Ave. Reconstruction	500,000
Cambridge Street Improvements	3,240,000
Improvements to Russell Field	3,850,000
Site Acquisition/West Cambridge Youth Center	1,000,000
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	1,000,000
Common Manhole Removal	2,500,000
	88,105,694

At June 30, 2000, the City had grants receivable from the School Building Assistance Bureau (SBAB) of $30,654,864 to defray principal and interest costs related to $44,364,150 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 2000, the City received $4,913,623 of such assistance. Assuming satisfactory audit results and annual appropriations by the State legislature, $4,852,113 will be received in 2001, $4,852,113 in 2002 and the balance will be received in subsequent years.

Enterprise Fund serial bond issues outstanding at June 30, 2000 for the Water Fund were $63,912,570. The interest rates ranged from 3.75% to 6.6%. Outstanding debt matures in subsequent fiscal years as follows:

Year ending June 30,	Principal	Interest	Total
2001	5,068,170	2,936,949	8,005,119
2002	4,145,886	2,705,049	6,850,935
2003	4,168,981	2,522,048	6,691,029
2004	4,194,002	2,336,027	6,530,029
2005	4,166,198	2,115,648	6,281,846
Thereafter	42,169,333	13,406,405	55,575,738
	63,912,570	26,022,126	89,934,696

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.

The Massachusetts Water Resources Authority (MWRA) and the Massachusetts Bay Transportation Authority (MBTA) assess 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 each entity, as well as the City's share of the debt at June 30, 2000 and the City's 2000 assessment from each entity:

	Long-term debt outstanding (unaudited)	The City's estimated share	The City's estimated indirect debt	2000 assessment including debt service
MBTA	$ 361,436,000	4.69%	$ 16,951,348	6,781,897
MWRA	4,257,231,000	4.68%	199,238,411	13,954,065

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

Individual balances of amounts due from and to other funds at June 30, 2000 are as follows:

	Due from other funds	Due to other funds
General Fund	$ 7,083,532	—
Capital Projects Fund	71,042,856	84,212,103
Enterprise Fund	67,210,570	59,383,105
Special Revenue Funds:		
CDBG grants	—	1,741,750
Trust funds:		
Expendable:		
School funds	200	176
Neville Manor funds	137	—
Library funds	328	—
Cemetery funds	—	—
Housing funds		
Other funds	316	—
Nonexpendable:		
School funds	176	200
Neville Manor funds	—	137
Library funds	—	328
Cemetery funds	—	—
Other funds	—	316
	$ 145,338,115	145,338,115

Fund balances are reserved for the following purposes as of June 30, 2000:

General Fund:	
Fiscal 2001 Appropriations	2,516,597
Affordable Housing Trust Fund	2,250,000
Improvements to King School Playground	590,000
Park Preventative Maintenance Program	175,000
Replacement of Play Structure at Kennedy School	100,000
Improvements to Bergen Park	250,000
Reorganization of Staff Spaces at Main Library	150,000
Renovations to King School	245,000
Replacement of School Busses	208,000
CRLS Redesign	425,000
Total	6,909,597

(Continued)

Special Revenue Funds:	
Fuel assistance grants	$ 751,100
Parking funds	3,852,370
School grants	2,930,702
	$ 7,534,172

Trust funds:	
Retirement system	$ 458,889,025
City stabilization	6,602,628
School stabilization	2,950,612
Health claims	12,338,609
Housing	3,921,107
Cemetery perpetual care	1,661,155
School	311,786
Neville Manor	83,307
Library	205,818
Other trust funds	603,397
	$ 487,567,444

(10) 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	3,655
Total membership	5,676
Total number of participating employers	4

(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, 2000, 1999 and 1998 were $1,948,873, $907,513, and $2,517,309 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, 2000, 1999, and 1998 were $14,528,796, $16,957,822, and $15,186,495, and $6,755,213, $3,737,865, and $3,583,760, 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, 1999 are as follows:

Description	Amount	Purpose
Annuity Saving Fund	$ 106,872,325	Active members' contribution balance
Annuity Reserve Fund	27,343,909	Retired members' contribution account
Military Service Credit	9,412	Members' contribution account while on military leave
Pension Reserve Fund	255,171,820	Amounts appropriated to fund future retirement benefits
Pension Fund	69,491,559	Remaining net assets
	$ 458,889,025	

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.

(11) 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. The number of employees covered was 1,720 at June 30, 2000. The City's cost of these post-retirement benefits for fiscal 2000 was $7,338,180, which is funded and accounted for on a pay-as-you-go basis.

(12) 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:

					Trust Funds	
	General	Special Revenue	Capital Projects	Enterprise	Expendable	Non-Expendable
Parking Receipts	$ 11,689,500	(12,421,500)	732,000	—	—	—
Capital Improvements	(14,556,630)	—	16,495,500	(1,938,870)	—	—
Water Capital	—	—	(1,570,000)	1,570,000	—	—
Water Overhead	167,000	—	—	(167,000)	—	—
Health Claims Trust	3,160,000	—	—	—	(3,160,000)	—
Cemetery Perpetual Care	45,000	—	—	—	(45,000)	—
Housing Trust	—	—	(4,499,025)	—	4,499,025	—
School Stabilization	(1,037,795)	—	—	—	1,037,795	—
Community Development Block Grant	—	(2,664,954)	2,664,954	—	—	—
Miscellaneous Trust Funds	—	—	—	—	84,902	(84,902)
	$ (532,925)	(15,086,454)	13,823,429	(535,870)	2,416,722	(84,902)

For fiscal year 2000, the City Council appropriated $8,598,000 and CPHC was paid $8,594,851. CPHC also reimbursed the City $1,000,000. Thus, the net payment to the CPHC in fiscal year 2000 was $7,594,851.

As outlined in Note 8, 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 $27,300,000, the remaining future principal and interest payments, has been reflected at June 30, 2000.

(13) 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 a Blue Cross/Blue Shield PPO (Preferred Provider Organization) medical plan under which it makes actual claims payments. In this case, Blue Cross/Blue Shield acts as a claims processor and a transfer of risk does not occur. Approximately 70% 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 10% 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 qualify for Medicare and 10% for those who do not. While the City does not carry stop-loss insurance, it has set aside $12,338,609 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, 2000 and 1999 are as follows:

	General Long-Term Obligations Account Group	
	2000	1999
Accrued claims, beginning of year	$ 5,885,745	2,113,296
Incurred claims	1,470,999	4,774,984
Less: Payments of claims attributable to events of both current and prior fiscal years	(1,273,389)	(1,002,535)
Accrued claims, end of year	$ 6,083,355	5,885,745

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.*

Required Supplementary Information

June 30, 2000
(Dollars in Thousands)
(Unaudited)

Schedules of Funding Progress

Actuarial valuation date	Actuarial value of assets A	Actuarial Accrued Liability (AAL) B	Unfunded AAL (UAAL) B-A	Funded ratio A/B	Covered payroll C	UAAL as a percentage of covered payroll ((B-A)/C)
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

Year ended December 31,	Annual required contribution	Percentage contributed
1999	$ 21,284	100%
1998	20,696	100%
1997	21,288	100%
1996	21,216	100%
1995	20,669	100%
1994	19,029	100%
1993	16,843	100%
1992	16,507	100%
1991	15,814	100%

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%

KPMG

99 High Street
Boston, MA 02110-2371

Telephone 617 988 1000
Fax 617 988 0800

AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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

We have audited the general purpose financial statements of the City of Cambridge, Massachusetts (the "City") as of and for the year ended June 30, 2000, and have issued our report, thereon, dated December 29, 2000. We have 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.

Compliance

As part of obtaining reasonable assurance about whether the City's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting, which we have reported to management of the City in a separate letter dated December 29, 2000.

This report is intended solely for the information of the City Council, management and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

December 29, 2000

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, 2000

	Budget	Actual	Variance favorable (unfavorable)
General Government:			
Mayor:			
Salaries and wages	$ 225,500	213,153	12,347
Other ordinary maintenance	78,440	76,798	1,642
Travel and training	23,500	15,809	7,691
Total Mayor	327,440	305,760	21,680
City Manager:			
Salaries and wages	924,575	898,738	25,837
Other ordinary maintenance	359,910	357,209	2,701
Travel and training	26,715	25,898	817
Total City Manager	1,311,200	1,281,845	29,355
City Council:			
Salaries and wages	655,025	654,985	40
Other ordinary maintenance	41,900	37,047	4,853
Travel and training	38,000	26,794	11,206
Total City Council	734,925	718,826	16,099
City Clerk:			
Salaries and wages	549,955	549,954	1
Other ordinary maintenance	62,730	58,451	4,279
Travel and training	750	430	320
Total City Clerk	613,435	608,835	4,600
Law:			
Salaries and wages	932,665	932,663	2
Other ordinary maintenance	504,225	496,141	8,084
Travel and training	9,390	8,420	970
Total Law	1,446,280	1,437,224	9,056
Finance:			
Salaries and wages	4,940,465	4,940,461	4
Other ordinary maintenance	1,359,640	1,355,712	3,928
Travel and training	145,850	138,781	7,069
Extraordinary expenditures	2,800	3,847	(1,047)
Total Finance	6,448,755	6,438,801	9,954

(Continued)

CITY OF CAMBRIDGE, MASSACHUSETTS

General Fund

Schedule of Expenditures - Budgetary Basis

Year ended June 30, 2000

	Budget	Actual	Variance favorable (unfavorable)
Employment Benefits:			
Salaries and wages	$ 7,175,370	6,859,930	315,440
Other ordinary maintenance	466,475	366,632	99,843
Total Employment Benefits	7,641,845	7,226,562	415,283
General Services:			
Salaries and wages	328,755	328,754	1
Other ordinary maintenance	399,840	397,149	2,691
Total General Services	728,595	725,903	2,692
Election Commission:			
Salaries and wages	448,090	448,090	—
Other ordinary maintenance	220,115	217,279	2,836
Travel and training	2,270	920	1,350
Total Election Commission	670,475	666,289	4,186
Public Celebrations:			
Salaries and wages	327,870	325,077	2,793
Other ordinary maintenance	469,370	452,062	17,308
Travel and training	1,125	1,125	—
Total Public Celebrations	798,365	778,264	20,101
Reserve:			
Other ordinary maintenance	8,280	—	8,280
Total Reserve	8,280	—	8,280
Animal Commission:			
Salaries and wages	183,760	174,601	9,159
Other ordinary maintenance	11,380	10,446	934
Travel and training	90	90	—
Total Animal Commission	195,230	185,137	10,093
Total General Government	20,924,825	20,373,446	551,379

(Continued)

CITY OF CAMBRIDGE, MASSACHUSETTS

General Fund

Schedule of Expenditures - Budgetary Basis

Year ended June 30, 2000

	Budget	Actual	Variance favorable (unfavorable)
Public Safety:			
Fire:			
Salaries and wages	$ 24,406,645	24,406,644	1
Other ordinary maintenance	733,765	729,704	4,061
Travel and training	321,750	318,162	3,588
Extraordinary expenditures	45,000	43,926	1,074
Total Fire	25,507,160	25,498,436	8,724
Police:			
Salaries and wages	26,298,470	26,297,481	989
Other ordinary maintenance	695,700	627,124	68,576
Travel and training	145,500	127,259	18,241
Extraordinary expenditures	310,315	272,003	38,312
Total Police	27,449,985	27,323,867	126,118
Traffic and Parking:			
Salaries and wages	4,150,790	4,150,785	5
Other ordinary maintenance	2,409,440	2,373,099	36,341
Travel and training	19,400	11,779	7,621
Extraordinary expenditures	25,000	22,416	2,584
Total Traffic and Parking	6,604,630	6,558,079	46,551
Police Review and Advisory Board:			
Salaries and wages	60,120	60,119	1
Other ordinary maintenance	9,353	9,352	1
Travel and training	1,867	1,867	—
Total Police Review and Advisory Board	71,340	71,338	2
Inspectional Services:			
Salaries and wages	1,802,470	1,802,466	4
Other ordinary maintenance	96,100	92,072	4,028
Travel and training	42,600	37,514	5,086
Extraordinary expenditures	16,000	15,571	429
Total Inspectional Services	1,957,170	1,947,623	9,547

(Continued)

CITY OF CAMBRIDGE, MASSACHUSETTS

General Fund

Schedule of Expenditures - Budgetary Basis

Year ended June 30, 2000

	Budget	Actual	Variance favorable (unfavorable)
License:			
Salaries and wages	$ 567,875	567,872	3
Other ordinary maintenance	68,290	59,570	8,720
Travel and training	8,800	8,799	1
Total License	644,965	636,241	8,724
Weights and Measures:			
Salaries and wages	78,690	78,687	3
Other ordinary maintenance	5,820	5,806	14
Travel and training	725	723	2
Total Weights and Measures	85,235	85,216	19
Electrical:			
Salaries and wages	784,820	784,817	3
Other ordinary maintenance	1,405,580	1,385,160	20,420
Travel and training	21,670	15,656	6,014
Total Electrical	2,212,070	2,185,633	26,437
Emergency Management:			
Salaries and wages	92,400	92,398	2
Other ordinary maintenance	13,635	11,353	2,282
Travel and training	100	—	100
Total Emergency Management	106,135	103,751	2,384
Emergency Communications:			
Salaries and wages	2,448,645	2,448,643	2
Other ordinary maintenance	166,010	126,166	39,844
Travel and training	15,850	14,705	1,145
Extraordinary expenditures	4,000	3,987	13
Total Emergency Communications	2,634,505	2,593,501	41,004
Total Public Safety	67,273,195	67,003,685	269,510
Community Maintenance and Development:			
Public Works:			
Salaries and wages	11,757,830	11,756,112	1,718
Other ordinary maintenance	6,492,579	6,453,234	39,345
Travel and training	215,625	213,364	2,261
Extraordinary expenditures	263,756	263,756	—
Total Public Works	18,729,790	18,686,466	43,324

(Continued)

CITY OF CAMBRIDGE, MASSACHUSETTS

General Fund

Schedule of Expenditures - Budgetary Basis

Year ended June 30, 2000

	Budget	Actual	Variance favorable (unfavorable)
Community Development:			
Salaries and wages	$ 3,235,425	3,185,249	50,176
Other ordinary maintenance	3,369,790	691,873	2,677,917
Travel and training	34,000	33,321	679
Extraordinary expenditures	105,345	—	105,345
Total Community Development	6,744,560	3,910,443	2,834,117
Historical Commission:			
Salaries and wages	311,505	311,502	3
Other ordinary maintenance	54,095	54,094	1
Travel and training	800	350	450
Total Historical Commission	366,400	365,946	454
Conservation Commission:			
Salaries and wages	57,270	57,266	4
Other ordinary maintenance	1,865	842	1,023
Travel and training	525	370	155
Total Conservation Commission	59,660	58,478	1,182
Peace Commission:			
Salaries and wages	57,245	57,242	3
Other ordinary maintenance	14,195	13,630	565
Total Peace Commission	71,440	70,872	568
Cable Television:			
Salaries and wages	250,125	250,122	3
Other ordinary maintenance	42,800	42,693	107
Travel and training	2,315	2,315	—
Total Cable Television	295,240	295,130	110
Total Community Maintenance and Development	26,267,090	23,387,335	2,879,755
Human Resource Development:			
Library:			
Salaries and wages	3,335,190	3,335,188	2
Other ordinary maintenance	728,670	715,992	12,678
Travel and training	20,950	19,405	1,545
Total Library	4,084,810	4,070,585	14,225

(Continued)

CITY OF CAMBRIDGE, MASSACHUSETTS

General Fund

Schedule of Expenditures - Budgetary Basis

Year ended June 30, 2000

	Budget	Actual	Variance favorable (unfavorable)
Human Services:			
Salaries and wages	$ 8,600,554	8,562,561	37,993
Other ordinary maintenance	2,822,418	2,418,308	404,110
Travel and training	57,950	53,670	4,280
Extraordinary expenditures	25,000	25,000	—
Total Human Services	11,505,922	11,059,539	446,383
Women's Commission:			
Salaries and wages	123,545	123,537	8
Other ordinary maintenance	9,860	9,856	4
Travel and training	1,750	1,749	1
Total Women's Commission	135,155	135,142	13
Human Rights Commission:			
Salaries and wages	136,760	136,757	3
Other ordinary maintenance	3,805	3,687	118
Travel and training	950	478	472
Total Human Rights Commission	141,515	140,922	593
Veterans Benefits:			
Salaries and wages	199,200	199,196	4
Other ordinary maintenance	117,300	109,190	8,110
Travel and training	5,800	5,437	363
Total Veterans Benefits	322,300	313,823	8,477
Total Human Resource Development	16,189,702	15,720,011	469,691
Education:			
Salaries and wages	76,735,094	76,733,658	1,436
Other ordinary maintenance	17,604,697	17,579,762	24,935
Travel and training	458,425	443,417	15,008
Extraordinary expenditures	1,153,645	1,154,731	(1,086)
Debt:			
Principal payments	3,577,000	3,577,000	—
Interest payments	1,556,844	1,544,302	12,542
Total Education	101,085,705	101,032,870	52,835
Judgements and Claims:			
Travel and training	870,300	871,269	(969)
Total Judgements and Claims	870,300	871,269	(969)

(Continued)

CITY OF CAMBRIDGE, MASSACHUSETTS

General Fund

Schedule of Expenditures - Budgetary Basis

Year ended June 30, 2000

	Budget	Actual	Variance favorable (unfavorable)
Debt Retirement:			
Principal payments	$ 7,998,060	8,231,201	(233,141)
Interest payments	3,508,050	3,268,537	239,513
Total Debt Retirement	11,506,110	11,499,738	6,372
State assessments:			
MBTA Assessment	7,054,230	6,784,520	269,710
MWRA Assessment	14,093,655	14,093,655	—
County Assessment	829,315	802,461	26,854
Total Intergovernmental	21,977,200	21,680,636	296,564
Total General Fund	$ 266,094,127	261,568,990	4,525,137

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, 2000

Assets		Community Development Block Grant	School grants	Fuel Assistance	Parking Fund	Other grants	Total
Cash and short-term investments	$	—	3,699,275	749,506	3,852,370	1,787,264	10,088,415
Accounts receivable		—	—	1,594	—	206,453	208,047
Accounts receivable-developer		1,000,000	—	—	—	—	1,000,000
Due from other governments		847,432	269,127	—	—	—	1,116,559
Total assets	$	1,847,432	3,968,402	751,100	3,852,370	1,993,717	12,413,021
Liabilities and Fund Equity							
Warrants payable	$	105,682	—	—	—	—	105,682
Accrued liabilities - other		—	117,807	—	—	111,954	229,761
Due to other funds		1,741,750	—	—	—	—	1,741,750
Total liabilities		1,847,432	117,807	—	—	111,954	2,077,193
Fund equity (deficit):							
Reserved for encumbrances		—	919,893	—	—	2,546,796	3,466,689
Reserved for specific purposes		—	2,930,702	751,100	3,852,370	—	7,534,172
Unreserved		—	—	—	—	(665,033)	(665,033)
Total fund equity		—	3,850,595	751,100	3,852,370	1,881,763	10,335,828
Total liabilities and fund equity	$	1,847,432	3,968,402	751,100	3,852,370	1,993,717	12,413,021

CITY OF CAMBRIDGE, MASSACHUSETTS

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

Special Revenue Funds

Year ended June 30, 2000

	Community Development Block Grant	School grants	Fuel Assistance	Parking Fund	Other grants	Total
Revenues:						
Intergovernmental	$ 4,099,077	9,283,556	1,512,780	—	6,592,631	21,488,044
Private grants	—	—	—	—	149,548	149,548
Investment income	—	1,330,560	11,392	604,041	25,110	1,971,103
Other:						
Permits	—	—	—	154,371	—	154,371
Fines	—	—	—	6,620,191	—	6,620,191
Charges for services	—	—	—	4,832,562	—	4,832,562
Miscellaneous	192,342	—	—	(6,182)	149,548	335,708
Total revenues	4,291,419	10,614,116	1,524,172	12,204,983	6,916,837	35,551,527
Expenditures:						
General government	—	—	—	—	134,342	134,342
Public safety	—	—	—	—	578,246	578,246
Education	—	8,567,672	—	—	—	8,567,672
Fuel assistance	—	—	907,366	—	—	907,366
Community maintenance and development	1,023,442	—	—	—	1,506,076	2,529,518
Human services	603,023	—	—	—	3,286,677	3,889,700
Total expenditures	1,626,465	8,567,672	907,366	—	5,505,341	16,606,844
Excess of revenues over expenditures	2,664,954	2,046,444	616,806	12,204,983	1,411,496	18,944,683
Other financing sources (uses):						
Operating transfers to other funds	(2,664,954)	—	—	(12,421,500)	—	(15,086,454)
Excess of revenues over expenditures and transfers	—	2,046,444	616,806	(216,517)	1,411,496	3,858,229
Fund equity at beginning of year	—	1,804,151	134,294	4,068,887	470,267	6,477,599
Fund equity at end of year	$ —	3,850,595	751,100	3,852,370	1,881,763	10,335,828

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, 2000

	Pension Trust Fund	Nonexpendable trust funds					Expendable trust funds										
Assets	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	Total
Cash and short-term investment	$ 21,482,248	37,838	25,870	49,979	1,404,063	61,216	242,268	57,437	151,387	257,092	9,363,921	6,602,628	2,950,612	2,809,334	608,281	2,759,119	48,863,293
Other investments	432,992,632	—	—	4,900	—	—	31,000	—	—	—	2,974,688	—	—	—	—	—	436,003,220
Accounts receivable	7,563,210	—	—	64	—	—	680	—	—	—	—	—	—	3,382,056	—	—	10,946,010
Due from other funds	—	176	—	—	—	—	200	137	328	—	—	—	—	—	316	—	1,157
Other assets	2,385,927	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2,385,927
Total assets	$ 464,424,017	38,014	25,870	54,943	1,404,063	61,216	274,148	57,574	151,715	257,092	12,338,609	6,602,628	2,950,612	6,191,390	608,597	2,759,119	498,199,607
Liabilities and Fund Equity																	
Guarantee deposits	$ —	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2,759,119	2,759,119
Accrued liabilities - other	5,534,992	—	—	—	—	—	—	—	512	—	—	—	—	270,283	66,100	—	5,871,887
Note Payable	—	—	—	—	—	—	—	—	—	—	—	—	—	2,000,000	—	—	2,000,000
Due to other funds	—	200	137	328	—	316	176	—	—	—	—	—	—	—	—	—	1,157
Total liabilities	5,534,992	200	137	328	—	316	176	—	512	—	—	—	—	2,270,283	66,100	2,759,119	10,632,163
Fund equity:																	
Reserved for employee benefit	458,889,025	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	458,889,025
Reserved for specific purposes	—	37,814	25,733	54,615	1,404,063	60,900	273,972	57,574	151,203	257,092	12,338,609	6,602,628	2,950,612	3,921,107	542,497	—	28,678,419
Total fund equity	458,889,025	37,814	25,733	54,615	1,404,063	60,900	273,972	57,574	151,203	257,092	12,338,609	6,602,628	2,950,612	3,921,107	542,497	—	487,567,444
Total liabilities and fund equity	$ 464,424,017	38,014	25,870	54,943	1,404,063	61,216	274,148	57,574	151,715	257,092	12,338,609	6,602,628	2,950,612	6,191,390	608,597	2,759,119	498,199,607

CITY OF CAMBRIDGE, MASSACHUSETTS

Combining Statement of Revenues, Expenses and Changes in Fund Equity

Nonexpendable Trust Funds

Year ended June 30, 2000

	Nonexpendable trust funds					
	School funds	Neville Manor funds	Library funds	Cemetery funds	Other funds	Total
Revenues:						
Donations	$ 255	—	—	19,950	—	20,205
Investment income	2,129	1,459	3,061	75,080	3,449	85,178
Total operating income	2,384	1,459	3,061	95,030	3,449	105,383
Operating transfers from other funds	176	—	—	—	—	176
Operating transfers to other funds	(2,124)	(1,459)	(3,060)	(75,080)	(3,355)	(85,078)
Net income	436	—	1	19,950	94	20,481
Fund equity:						
Beginning of year	37,378	25,733	54,614	1,384,113	60,806	1,562,644
End of year	$ 37,814	25,733	54,615	1,404,063	60,900	1,583,125

CITY OF CAMBRIDGE, MASSACHUSETTS

Combining Statement of Cash Flows

Nonexpendable Trust Funds

Year ended June 30, 2000

	School funds	Neville Manor funds	Library funds	Cemetery funds	Other funds	Total
Cash flows from operating activities:						
Operating income	$ 2,384	1,459	3,061	95,030	3,449	105,383
Adjustments to reconcile operating income to net cash provided (used) by operating activities:						
Reclassification of investment income	(2,129)	(1,459)	(3,061)	(75,080)	(3,449)	(85,178)
Increase in accounts receivable	—	—	(1)	—	—	(1)
Increase in due from other funds	(176)	—	—	—	—	(176)
Increase (decrease) in due to other funds	54	36	71	(4,969)	83	(4,725)
Net cash provided by operating activities	133	36	70	14,981	83	15,303
Cash flows from noncapital financing activities:						
Operating transfers - in	176	—	—	—	—	176
Operating transfers - out	(2,124)	(1,459)	(3,060)	(75,080)	(3,355)	(85,078)
Net cash used for noncapital financing activities	(1,948)	(1,459)	(3,060)	(75,080)	(3,355)	(84,902)
Cash flows from financing activities:						
Proceeds from maturing investments	—	—	13	—	—	13
Net cash provided by financing activities	—	—	13	—	—	13
Cash flows from investing activities:						
Investment income	2,129	1,459	3,061	75,080	3,449	85,178
Net cash provided by investing activities	2,129	1,459	3,061	75,080	3,449	85,178
Net increase in cash and cash equivalents	314	36	84	14,981	177	15,592
Cash and cash equivalents at beginning of year	37,524	25,834	49,895	1,389,082	61,039	1,563,374
Cash and cash equivalents at end of year	$ 37,838	25,870	49,979	1,404,063	61,216	1,578,966

CITY OF CAMBRIDGE, MASSACHUSETTS

Combining Statement of Revenues, Expenditures and Changes in Fund Equity

Expendable Trust Funds

Year ended June 30, 2000

	School funds	Neville Manor funds	Library funds	Cemetery Fund	Health Claims Trust Fund	City Stabilization Trust Fund	School Stabilization Trust Funds	Housing Fund	Other funds	Total
Revenues:										
Investment income	$ 6,121	3,131	7,614	13,817	709,653	362,481	105,162	238,188	36,087	1,482,254
Donations	46,586	—	69,418	—	—	—	—	67,774	70,400	254,178
Employee deduction	—	—	—	—	2,220,536	—	—	—	—	2,220,536
Other	—	—	—	—	—	—	—	1,543,898	—	1,543,898
Total revenues	52,707	3,131	77,032	13,817	2,930,189	362,481	105,162	1,849,860	106,487	5,500,866
Expenditures:										
Other	34,650	1,520	30,202	—	3,204	—	—	11,481,206	124,112	11,674,894
Payroll services	—	—	—	—	—	—	—	232,116	—	232,116
Total expenditures	34,650	1,520	30,202	—	3,204	—	—	11,713,322	124,112	11,907,010
Excess (deficiency) of revenues over expenditures	18,057	1,611	46,830	13,817	2,926,985	362,481	105,162	(9,863,462)	(17,625)	(6,406,144)
Transfers:										
Operating transfers from other funds	2,124	1,459	3,060	75,080	700,000	—	1,230,795	4,499,025	3,355	6,514,898
Operating transfers to other funds	(176)	—	—	(45,000)	(3,860,000)	—	(193,000)	—	—	(4,098,176)
Excess (deficiency) of revenues over expenditures and transfers	20,005	3,070	49,890	43,897	(233,015)	362,481	1,142,957	(5,364,437)	(14,270)	(3,989,422)
Fund equity at beginning of the year	253,967	54,504	101,313	213,195	12,571,624	6,240,147	1,807,655	9,285,544	556,767	31,084,716
Fund equity at end of year	$ 273,972	57,574	151,203	257,092	12,338,609	6,602,628	2,950,612	3,921,107	542,497	27,095,294

CITY OF CAMBRIDGE, MASSACHUSETTS

Combining Statement of Changes in Assets and Liabilities - Agency Funds

Year ended June 30, 2000

Assets		Balance at June 30, 1999	Additions	Deductions	Balance at June 30, 2000
Contract Bids	$	77,484	11,541	—	89,025
Plans		2,065	—	—	2,065
Tree Removals		485	—	—	485
Driveways		573,748	79,939	450,000	203,687
Street Openings		226,227	39,354	—	265,581
Sidewalk Openings		150	—	—	150
In Lieu of Bond		70,945	—	—	70,945
License Commission		10,149	—	—	10,149
Cambridge Police Detail		(400,823)	3,376,119	3,135,024	(159,728)
Cambridge Fire Detail		618	334,924	278,950	56,592
Dog Licenses		14,212	—	—	14,212
Sporting Licenses		4,185	—	766	3,419
Dog Officer		570	—	—	570
Constable Fees		10,435	5,757	—	16,192
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		32,509	5,989	—	38,498
Accident & life Insurance		88,469	58,171	—	146,640
Medicare		2,803	1	—	2,804
Car Seat Program		1,539	—	—	1,539
Deferred Compensation		1,410	—	—	1,410
Legal Fees		34,314	15,501	—	49,815
Retirement Office Payroll		(3,635)	85,055	103,719	(22,299)
New England Life		516,629	13,660	—	530,289
Continental Casualty		5,956	2,313	—	8,269
Teacher Insurance Reimbursement		4,940	—	—	4,940
Teachers Retirement		559,796	91,058	—	650,854
Excise Registry Fees		13,857	—	—	13,857
3 Bidglow Contingency Fund		46,640	—	3,765	42,875
Retroactive Wages		6	—	—	6
Land Court Fees		44,554	2,165	—	46,719
Choke Program		1,182	—	—	1,182
Payroll Checks		—	67,594	—	67,594
Retirement Checks		—	14,693	—	14,693
Unclaimed Checks		316,350	—	82,287	234,063
Stop Payments		23,138	—	—	23,138
Sewer Abatement Appraisal Fee		8,495	1,997	—	10,492
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		(6)	6	284	(284)
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		2,607	3,461	—	6,068
Firearms Recordkeeping Fund		—	6,798	—	6,798
Cambport Roadways Plan Fund		—	38	—	38
Tenant - 199 Prospect St.		10,217	2	—	10,219
Estate of George W. Boyce		54,591	—	—	54,591
Kendall Sq. Fire Station		150,000	—	—	150,000
Total	$	2,597,839	4,216,136	4,054,856	2,759,119

CITY OF CAMBRIDGE, MASSACHUSETTS

Combining Statement of Changes in Assets and Liabilities - Agency Funds

Year ended June 30, 2000

Liabilities		Balance at June 30, 1999	Additions	Deductions	Balance at June 30, 2000
Guarantee deposits and amounts due other:					
Contract Bids	$	77,484	11,541	—	89,025
Plans		2,065	—	—	2,065
Tree Removals		485	—	—	485
Driveways		573,748	79,939	450,000	203,687
Street Openings		226,227	39,354	—	265,581
Sidewalk Openings		150	—	—	150
In Lieu of Bond		70,945	—	—	70,945
License Commission		10,149	—	—	10,149
Cambridge Police Detail		(400,823)	3,376,119	3,135,024	(159,728)
Cambridge Fire Detail		618	334,924	278,950	56,592
Dog Licenses		14,212	—	—	14,212
Sporting Licenses		4,185	—	766	3,419
Dog Officer		570	—	—	570
Constable Fees		10,435	5,757	—	16,192
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		32,509	5,989	—	38,498
Accident & life Insurance		88,469	58,171	—	146,640
Medicare		2,803	1	—	2,804
Car Seat Program		1,539	—	—	1,539
Deferred Compensation		1,410	—	—	1,410
Legal Fees		34,314	15,501	—	49,815
Retirement Office Payroll		(3,635)	85,055	103,719	(22,299)
New England Life		516,629	13,660	—	530,289
Continental Casualty		5,956	2,313	—	8,269
Teacher Insurance Reimbursement		4,940	—	—	4,940
Teachers Retirement		559,796	91,058	—	650,854
Excise Registry Fees		13,857	—	—	13,857
3 Bidglow Contingency Fund		46,640	—	3,765	42,875
Retroactive Wages		6	—	—	6
Land Court Fees		44,554	2,165	—	46,719
Choke Program		1,182	—	—	1,182
Payroll Checks		—	67,594	—	67,594
Retirement Checks		—	14,693	—	14,693
Unclaimed Checks		316,350	—	82,287	234,063
Stop Payments		23,138	—	—	23,138
Sewer Abatement Appraisal Fee		8,495	1,997	—	10,492
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		(6)	6	284	(284)
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		2,607	3,461	—	6,068
Firearms Recordkeeping Cash		—	6,798	—	6,798
Cambport Roadways Plan Fund		—	38	—	38
Tenant - 199 Prospect St.		10,217	2	—	10,219
Estate of George W. Boyce		54,591	—	—	54,591
Kendall Sq. Fire Station		150,000	—	—	150,000
Total	$	2,597,839	4,216,136	4,054,856	2,759,119

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. No scholarship was awarded in FY00. As of June 30, 2000, the expendable balance was $805.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 2,651	$ 154	$ —	$ 2,805

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 FY00. During FY00, the value of the stock declined $6,750. As of June 30, 2000, the expendable balance was $34,759.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 40,641	$ (5,882)	$ —	$ 34,759

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. No books were purchased in FY00. As of June 30, 2000, the expendable balance was $9,383.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 10,757	$ 626	$ —	$ 11,383

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 FY00. As of June 30, 2000, the expendable balance was $9,724.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 9,189	$ 535	$ —	$ 9,724

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. No purchases of books or works of art were made in FY00. As of June 30, 2000, the expendable balance was $1,033.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 1,253	$ 73	$ —	$ 1,326

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 FY00. As of June 30, 2000, the expendable balance was $1,409.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 1,332	$ 77	$ —	$ 1,409

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. No prizes were awarded in FY00. As of June 30, 2000, the expendable balance was $937.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 886	$ 51	$ —	$ 937

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. One prize for $1,400 was awarded during FY00. As of June 30, 2000, the expendable balance was $3,068.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 24,813	$ 1,435	$ 1,400	$ 24,848

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. One prize for $500 was awarded in FY00. As of June 30, 2000, the expendable balance was $7,206.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 8,892	$ 514	$ 500	$ 8,906

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 FY00. As of June 30, 2000, the expendable balance was $3,529.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 3,335	$ 194	$ —	$ 3,529

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 FY00. As of June 30, 2000, the expendable balance was $2,161.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 2,042	$ 119	$ —	$ 2,161

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 FY00. As of June 30, 2000, the expendable balance was $642.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 607	$ 35	$ —	$ 642

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. Two awards were made during FY00. As of June 30, 2000, the expendable balance was $227.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 4,280	$ 247	$ 300	$ 4,227

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 FY00, $46,585 was donated to the Fund. The twenty-seven awards made in FY99 were distributed during fiscal year 2000. As of June 30, 2000, the expendable balance was $197,325.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 173,495	$ 56,230	$ 32,400	$ 197,325

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 FY00. As of June 30, 2000, the expendable balance was $14.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 13	$ 1	$ —	$ 14

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. One award was made in FY00. As of June 30, 2000, the expendable balance was $959.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 1,237	$ 72	$ 50	$ 1,259

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. No prize was awarded during FY00; $176 in unexpended funds was added to the principal balance. As of June 30, 2000, the expendable balance was $216.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 3,498	$ 203	$ —	$ 3,701

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 FY00. As of June 30, 2000, the expendable balance was $576.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 2,424	$ 406	$ —	$ 2,830

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. No funds were expended in FY00. As of June 30, 2000, the expendable balance was $(438).

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 1,287	$ 75	$ —	$ 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. No funds were expended in FY00. As of June 30, 2000, the expendable balance was $4,468.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 8,975	$ 522	$ —	$ 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. No funds were expended in FY00. As of June 30, 2000, the expendable balance was $7,626.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 9,097	$ 529	$ —	$ 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. No funds were expended in FY00. As of June 30, 2000, the expendable balance was $2,663.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 3,934	$ 229	$ —	$ 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 $7,590; the income can be used for Christmas and Easter parties. As of June 30, 2000, the expendable balance was $16,136.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 22,421	$ 1,305	$ —	$ 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 $1,520 in funds was expended in FY00 on a picnic during the summer. As of June 30, 2000, the expendable balance was $4,369.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 10,363	$ 526	$ 1,520	$ 9,369

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 Oct. 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." No funds were expended in FY00. As of June 30, 2000, the expendable balance was $3,941.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 4,493	$ 262	$ —	$ 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. No funds were expended in FY00. As of June 30, 2000, the expendable balance was $18,810.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 19,666	$ 1,144	$ —	$ 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. A total of $30 was spent on books in FY00. As of June 30, 2000, the expendable balance was $(14).

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 15	$ 1	$ 30	$ (14)

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 FY00. As of June 30, 2000, the expendable balance was $448.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 1,601	$ 93	$ —	$ 1,694

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 FY00, $2,045 was spent on books, periodicals, and special performances. As of June 30, 2000, the expendable balance was $3,816.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 3,609	$ 2,252	$ 2,045	$ 3,816

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 FY00, no funds were spent. As of June 30, 2000, the expendable balance was $2,908.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 12,377	$ 731	$ —	$ 13,108

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 FY00, $11,805 was donated for the fund. Funds were expended for special activities. As of June 30, 2000, the expendable balance was $7,424.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 2,807	$ 12,147	$ 7,530	$ 7,424

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 FY00, $38 was spent on books. As of June 30, 2000, the expendable balance was $9,907.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 16,393	$ 952	$ 38	$ 17,307

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 FY00. As of June 30, 2000, the expendable balance was $(823).

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 4,585	$ 267	$ —	$ 4,852

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. No funds were expended during FY00. As of June 30, 2000, the expendable balance was $2,853.

FY 2000 Opening Balance	2000 Income	2000 Expenditures	2000 Closing Balance
$ 4,586	$ 267	$ —	$ 4,853

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 FY00, the fund received $1,000 in donation. No funds were expended. As of June 30, 2000, the expendable balance was $5,826.

FY 2000 Opening Balance	2000 Income	2000 Expenditures	2000 Closing Balance
$ 4,546	$ 1,280	$ —	$ 5,826

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 FY00. As of June 30, 2000, the expendable balance was $778.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 735	$ 43	$ —	$ 778

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. No funds were expended in FY00. As of June 30, 2000, the expendable balance was $(312).

FY 2000 Opening Balance	2000 Income	2000 Expenditures	2000 Closing Balance
$ 650	$ 38	$ —	$ 688

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 FY00, $16,550 was expended for production and distribution of the newsletter plus special events for the Friends. As of June 30, 2000, the expendable balance was $29,895.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 14,806	$ 31,639	$ 16,550	$ 29,895

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. No funds were received or expended in FY00. As of June 30, 2000, the expendable balance was $14.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 13	$ 1	$ —	$ 14

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 FY00, no funds were expended for books. As of June 30, 2000, the expendable balance was $347.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 1,273	$ 74	$ —	$ 1,347

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 FY00, no books were purchased using the fund. As of June 30, 2000, the expendable balance was $2,297.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 5,006	$ 291	$ —	$ 5,297

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 FY00. As of June 30, 2000, the expendable balance was $357.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 1,282	$ 75	$ —	$ 1,357

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. No funds were expended during FY00. As of June 30, 2000, the expendable balance was $714.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 675	$ 39	$ —	$ 714

Maria Murdock Fund

In 1922, Maria Murdock left to the Cambridge Public Library an unrestricted gift of $2,000. No funds were expended during FY00. As of June 30, 2000, the expendable balance was $421.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 2,288	$ 133	$ —	$ 2,421

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 FY00. As of June 30, 2000, the expendable balance was $5,899.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 5,575	$ 324	$ —	$ 5,899

Mildred A. O'Neill Fund

This fund was established in FY98 with a donation of $992. No funds were expended during FY00. As of June 30, 2000, the expendable balance was $(91).

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ (86)	$ (5)	$ —	$ (91)

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 FY00, $711 was donated to the Fund and approximately $3,590 was expended for books, supplies, special activities and events, including the summer reading program. As of June 30, 2000, the expendable balance was $(487).

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 2,308	$ 796	$ 3,591	$ (487)

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 FY00, no funds were spent on construction of the center and additional donations of $23,300 were received. As of June 30, 2000, the expendable balance was $27,683.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 2,925	$ 24,758	$ —	$ 27,683

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. During FY00, no books were purchased for the Library. As of June 30, 2000, the expendable balance was $3,459.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 3,269	$ 190	$ —	$ 3,459

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. During FY00, several books were purchased for the Library. As of June 30, 2000, the expendable balance was $4,483.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 6,002	$ 342	$ 361	$ 5,983

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 FY00. As of June 30, 2000, the expendable balance was $9,651.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 15,735	$ 916	$ —	$ 16,651

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 FY00. As of June 30, 2000, the expendable balance was $7,848.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 8,592	$ 499	$ 50	$ 9,041

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 FY00, 1 book was purchased by the fund. As of June 30, 2000, the expendable balance was $15,284.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 18,232	$ 1,060	$ 8	$ 19,284

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 FY00. As of June 30, 2000, the expendable balance was $535.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 1,923	$ 112	$ —	$ 2,035

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 FY00. As of June 30, 2000, the expendable balance was $10,084.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 14,195	$ 789	$ —	$ 14,984

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 FY00, $219 was expended for these purposes. As of June 30, 2000, the expendable balance was $9,961.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 14,360	$ 826	$ 219	$ 14,967

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 FY00, no money was spent for a Children's Oral Health Program conducted by the Cambridge Public Health Department. As of June 30, 2000, the expendable balance was $181,086.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 195,816	$ 15,270	$ —	$ 211,086

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 FY00, no money was expended from the fund on two programs. As of June 30, 2000, the expendable balance was $1,307.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 1,236	$ 71	$ —	$ 1,307

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 FY00. As of June 30, 2000, the expendable balance was $7,599.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 7,181	$ 418	$ —	$ 7,599

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 FY2000, the fund spent $1,600 to provide temporary shelter. As of June 30, 2000, the expendable balance was $10,309.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 11,171	$ 738	$ 1,600	$ 10,309

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 FY00. As of June 30, 2000, the expendable balance was $43,966.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 41,547	$ 2,419	$ —	$ 43,966

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 FY00, $2,230 was received in donations and several animals received assistance from the fund. As of June 30, 2000, the expendable balance was $10,037.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 8,323	$ 2,751	$ 1,037	$ 10,037

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 FY00. As of June 30, 2000, the expendable balance was $174.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 164	$ 10	$ —	$ 174

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 FY00. As of June 30, 2000, the expendable balance was $6,574.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 15,662	$ 912	$ —	$ 16,574

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 FY00, the Funds received $68,000 in fines and forfeitures. The Funds were expended primarily for vehicles used in investigations. As of June 30, 2000, the expendable balances were $129,759.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 172,693	$ 77,798	$ 120,732	$ 129,759

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 FY00. As of June 30, 2000, the expendable balance was $11,414.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 10,786	$ 628	$ —	$ 11,414

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 FY00. As of June 30, 2000, the expendable balance was $1,643.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 1,552	$ 91	$ —	$ 1,643

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 FY00. As of June 30, 2000, the expendable balance was $74,227.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 70,097	$ 4,130	$ —	$ 74,227

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 FY00. As of June 30, 2000, the expendable balance was $1,571.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 1,485	$ 86	$ —	$ 1,571

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 FY00, $525 was expended for the Golf Tournament. As of June 30, 2000, the expendable balance was $12,236.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 16,806	$ 955	$ 525	$ 17,236

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 FY00. As of June 30, 2000, the expendable balance was $12,769.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 12,067	$ 702	$ —	$ 12,769

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 FY00. As of June 30, 2000, the expendable balance was $1,671.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 1,579	$ 92	$ —	$ 1,671

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 FY00. As of June 30, 2000, the expendable balance was $26,195.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 35,048	$ 2,040	$ —	$ 37,088

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 FY00, $19,950 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, 2000, the expendable balance was $257,092.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 1,597,308	$ 108,847	$ 45,000	$ 1,661,155

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 FY00, the Trust received $2,220,536 in employee deductions and transferred $3,160,000 to the City to help cover City employee health costs. As of June 30, 2000, the expendable balance was $12,338,609.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 12,571,624	$ 2,930,189	$ 3,163,204	$ 12,338,609

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 FY00. As of June 30, 2000, the expendable balance was $6,602,628.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 6,240,147	$ 362,481	$ —	$ 6,602,628

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 FY00, transfers were made to this fund for the payment of future School related debt. As of June 30, 2000, the expendable balance was $1,517,318.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 270,591	$ 1,246,727	$ —	$ 1,517,318

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. During FY00, the City appropriated $193,000 to the School Department for increased retirement costs. No expenditures were made in FY00. As of June 30, 2000, the expendable balance was $1,433,294.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 1,537,064	$ 89,230	$ 193,000	$ 1,433,294

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 FY00, the City appropriated $4,500,000 to the fund for further affordable housing development. The fund also received a $2,000,000 low-interest loan from Harvard University. The City advanced $11,450,000 to various non-profit developers. The fund received $1,005,000 in loan repayments during FY00. Administrative costs totaled $260,000 for the year. Of the $3.9 million ending balance, $3.4 million represents outstanding loans for which repayment is anticipated. The Fund had approximately $540,000 for future housing development assistance. Additional funds were appropriated by the City for FY01 and Harvard University has committed an additional $4 million for this purpose. As of June 30, 2000, the expendable balance was $3,921,106.

FY 2000 Opening Balance	FY 2000 Income	FY 2000 Expenditures	FY 2000 Closing Balance
$ 9,285,544	$ 5,811,903	$ 11,176,340	$ 3,921,107

(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, 2000.

CITY OF CAMBRIDGE, MASSACHUSETTS

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

June 30, 2000

	Uncollected June 30, 1999	Commitments	Abatements	Transfers to Tax Title	Refunds	Collections	Adjustments Increase (decrease)	Uncollected June 30, 2000
Real estate taxes:								
1979 and prior	$ (3,444)	—	—	—	—	—	(1,850)	(5,294)
1980	2,342	—	—	—	3,013	—	(3,985)	1,370
1981	7,169	—	—	—	7,660	—	(9,285)	5,544
1982	3,956	—	—	—	10,478	—	(12,828)	1,606
1983	1,596	—	—	—	222	—	(275)	1,543
1984	15,945	—	3,065	—	58	—	4,318	17,256
1985	675	—	2,889	—	514	—	2,725	1,025
1986	—	—	—	—	1,423	—	(1,423)	—
1987	377	—	—	—	73	—	(74)	376
1988	(3)	—	—	—	79	—	(76)	—
1989	—	—	—	—	40	—	(26)	14
1990	(5)	—	—	—	479	—	(474)	—
1991	9,454	—	—	—	574	—	702	10,730
1992	19,321	—	—	—	—	—	36	19,357
1993	(11,106)	—	—	—	—	—	14,896	3,790
1994	(18,086)	—	—	—	660	—	17,439	13
1995	(878)	—	—	—	827	—	1,355	1,304
1996	2,821	—	4,627	—	116,233	—	(116,230)	(1,803)
1997	(193,372)	—	11,325	—	66,360	—	115,436	(22,901)
1998	1,131,964	—	3,804	—	29,570	5,098	(27,062)	1,125,570
1999	1,524,693	—	143,333	—	539,699	1,245,670	(972,201)	(296,812)
2000	—	157,239,217	1,081,926	726,633	85,934	154,384,323	1,053,975	2,186,244
Total RE	2,493,419	157,239,217	1,250,969	726,633	863,896	155,635,091	65,093	3,048,932
Personal property taxes:								
1988	157,784	—	2,559	—	—	(19)	—	155,244
1989	127,680	—	2,333	—	—	(10)	(9)	125,348
1990	141,339	—	2,148	—	—	404	(3)	138,784
1991	120,185	—	1,284	—	869	(15)	(869)	118,916
1992	137,436	—	1,540	—	101	153	(100)	135,744
1993	144,215	—	19	—	66	721	(66)	143,475
1994	47,173	—	47	—	60	745	(59)	46,382
1995	66,603	—	18	—	—	880	—	65,705
1996	59,853	—	29	—	—	1,140	—	58,684
1997	59,739	—	10	—	550	1,389	(550)	58,340
1998	83,457	—	762	—	1,214	3,726	(1,214)	78,969
1999	160,679	—	8,470	—	4,847	58,989	(4,818)	93,249
2000	—	6,930,791	51,674	—	65,591	6,809,273	20,795	156,230
Total PP	1,306,143	6,930,791	70,893	—	73,298	6,877,376	13,107	1,375,070
Property taxes	$ 3,799,562	164,170,008	1,321,862	726,633	937,194	162,512,467	78,200	4,424,002

(Continued)

CITY OF CAMBRIDGE, MASSACHUSETTS

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

June 30, 2000

	Uncollected June 30, 1999	Commitments	Abatements	Transfers to Tax Title	Refunds	Collections	Adjustments Increase (decrease)	Uncollected June 30, 2000
Motor vehicle excise taxes:								
1986	$ 3,096	—	—	—	—	10	—	3,086
1988	156,352	—	30	—	14	505	(12)	155,819
1988	169,914	—	88	—	—	977	(2)	168,847
1989	202,361	—	115	—	—	1,833	1	200,414
1990	155,683	—	241	—	—	1,679	3	153,766
1991	159,933	—	—	—	—	3,254	64	156,743
1992	118,878	—	16	—	135	2,133	(52)	116,812
1993	104,782	—	66	—	93	2,472	(203)	102,134
1994	114,934	—	344	—	83	2,752	(83)	111,838
1995	124,676	—	172	—	2,017	5,528	(1,959)	119,034
1996	150,099	—	717	—	324	10,919	(523)	138,264
1997	197,398	—	1,629	—	647	32,264	(720)	163,432
1998	258,791	13,497	10,922	—	6,062	67,536	(5,958)	193,934
1999	631,948	873,242	74,663	—	77,682	1,151,646	(77,968)	278,595
2000	—	5,283,185	55,300	—	25,736	4,574,533	(22,085)	657,003
Total MV	$ 2,548,845	6,169,924	144,303	—	112,793	5,858,041	(109,497)	2,719,721

CITY OF CAMBRIDGE, MASSACHUSETTS

Schedule of Bonds and Notes Payable

June 30, 2000

	Interest Rates	Issue Dates	Final Maturity Date		Balance June 30, 1999	Additions	Retired	Balance June 30, 2000
Inside Debt Limit:								
Building Renovation	5.8-6.0%	6/15/1991	6/15/2001	$	70,000	—	35,000	35,000
Fire Station Renovations	5.8-6.0%	6/15/1991	6/15/2001		200,000	—	100,000	100,000
Fire Station Renovations	4.3-5.3%	6/15/1992	6/15/2002		150,000	—	50,000	100,000
Open Space renovations	5.8-6.0%	6/15/1991	6/15/2001		340,000	—	170,000	170,000
Senior Center/City Hall Renovations	4.75-5.75%	6/15/1996	6/15/2006		315,000	—	45,000	270,000
Emergency Communications	4.75-5.75%	6/15/1996	6/15/2006		2,310,000	—	330,000	1,980,000
Fiber Optics Network	4.75-5.75%	6/15/1996	6/15/2006		400,000	—	200,000	200,000
Acquisition of computers	4.75-5.75%	6/15/1996	6/15/2006		420,000	—	60,000	360,000
Frisoli Youth Center	4.0-5.0%	6/15/1997	6/15/2007		2,880,000	—	360,000	2,520,000
Area 4 Youth Center Renovations	4.0-5.0%	6/15/1997	6/15/2007		160,000	—	20,000	140,000
Building Renovations	4.0-5.0%	6/15/1997	6/15/2007		400,000	—	50,000	350,000
Fiber Optics Network	4.0-5.0%	6/15/1997	6/15/2007		800,000	—	100,000	700,000
Personal Computer Acquisition	4.0-5.0%	6/15/1997	6/15/2002		310,000	—	105,000	205,000
Frisoli Youth Center	4.3-5.0%	8/1/1998	8/1/2018		700,000	—	70,000	630,000
Personal Computer Acquisition	4.75%	11/1/1999	11/1/2004		—	2,250,000	—	2,250,000
Public Art	4.75-5.0%	11/1/1999	11/1/2009		—	61,000	—	61,000
City Hall Renovations	4.75-5.0%	11/1/1999	11/1/2009		—	500,000	—	500,000
Open Space Improvements	6.4-6.6%	6/15/1990	6/15/2000		260,000	—	260,000	—
Building Renovations	6.4-6.6%	6/15/1990	6/15/2000		105,000	—	105,000	—
Open Space Improvements	4.3-5.3%	6/15/1992	6/15/2002		540,000	—	180,000	360,000
Building Acquisition - teen center	4.3-5.3%	6/15/1992	6/15/2002		570,000	—	190,000	380,000
Open Space Improvements	3.75-4.3%	2/1/1994	2/1/2004		875,000	—	175,000	700,000
City Hall Renovations	5.5-5.9%	11/1/1994	11/1/2004		180,000	—	30,000	150,000
Senior Center Renovations	5.5-5.9%	11/1/1994	11/1/2004		2,310,000	—	385,000	1,925,000
Open Space Improvements	5.5-5.9%	11/1/1994	11/1/2004		150,000	—	25,000	125,000
Central Square Enhancements	4.0-5.0%	6/15/1997	6/15/2007		2,865,000	—	360,000	2,505,000
Sewer Loan	3.75-4.3%	2/1/1994	2/1/2004		250,000	—	50,000	200,000
Sewer Loan	5.5-5.9%	11/1/1994	11/1/2004		300,000	—	50,000	250,000
Sewer Loan	2.35-5.5%	5/21/1993	8/1/2003		3,297,451	—	672,890	2,624,561
Sewer Loan	N/A	5/1/1995	2/1/2005		4,319,079	—	636,155	3,682,924
Sewer Loan	4.25-5.75%	6/15/1996	6/15/2006		425,000	—	25,000	400,000
Sewer Loan	4.0-5.0%	6/15/1997	6/15/2007		400,000	—	50,000	350,000
Sewer Loan	4.0-5.0%	5/1/1997	2/1/2007		3,769,425	—	436,014	3,333,411
MWRA Loan	N/A	5/20/1999	5/20/2004		796,605	—	159,321	637,284
Sewer Loan	N/A	10/6/1999	8/1/2009		—	439,057	—	439,057
Hospital	6.4-6.6%	6/15/1990	6/15/2000		635,000	—	635,000	—
Hospital Loan (Boiler Renovation)	6.4-6.6%	6/15/1990	6/15/2000		200,000	—	200,000	—
Hospital (Ambulatory Center)	4.5%	2/1/1998	2/1/2018		28,500,000	—	1,500,000	27,000,000
Nursing Home Renovations	4.3-5.3%	6/15/1992	6/15/2002		450,000	—	150,000	300,000
Total Inside Debt Limit				$	60,652,560	3,250,057	7,969,380	55,933,237

(Continued)

CITY OF CAMBRIDGE, MASSACHUSETTS

Schedule of Bonds and Notes Payable

June 30, 2000

	Interest Rates	Issue Dates	Final Maturity Date	Balance June 30, 1999	Additions	Retired	Balance June 30, 2000
Outside Debt Limit:							
School							
Elementary school construction	3.75-4.3%	2/1/1994	2/1/2004	$ 5,275,000	—	1,055,000	4,220,000
Elementary school construction	5.5-5.9%	11/1/1994	11/1/2004	7,712,000	—	1,097,000	6,615,000
Elementary school construction	4.75-5.75%	6/15/1996	6/15/2006	1,665,000	—	225,000	1,440,000
Elementary school construction	4.5%	2/1/1998	2/1/2008	10,800,000	—	1,200,000	9,600,000
Elementary school renovation-Fitz	4.75-5.0%	11/1/1999	11/1/2009	—	14,432,000	—	14,432,000
Elementary school renovation-Morse	4.75-5.0%	11/1/1999	11/1/2009	—	700,000	—	700,000
Total School				$ 25,452,000	15,132,000	3,577,000	37,007,000
Water							
Reservoir Cover	6.4-6.6%	6/15/1990	6/15/2000	$ 800,000	—	800,000	—
Reservoir Cover	5.8-6.0%	6/15/1991	6/15/2001	850,000	—	425,000	425,000
Treatment Plant Renovations	3.75-4.3%	2/1/1994	2/1/2004	275,000	—	55,000	220,000
Water Plant Equipment	5.5-5.9%	11/1/1994	11/1/2004	522,000	—	87,000	435,000
Water Plant Engineering	5.5-5.9%	11/1/1994	11/1/1999	226,000	—	226,000	—
Water Main Replacements	5.5-5.9%	11/1/1994	11/1/2004	600,000	—	100,000	500,000
Water Main Replacements	4.25-5.75%	6/15/1996	6/15/2006	1,700,000	—	100,000	1,600,000
Treatment Plant Renovations	4.25-5.75%	6/15/1996	6/15/2001	1,440,000	—	720,000	720,000
New Water Treatment Plant	4.3-5.0%	8/1/1998	8/1/2018	40,000,000	—	2,000,000	38,000,000
Sewer Loan	N/A	10/6/1999	8/1/2009	—	12,012,570	—	12,012,570
Construction/Water Treatment Plant	4.75-5.75%	11/1/1999	11/1/2019	—	10,000,000	—	10,000,000
Total Water				$ 46,413,000	22,012,570	4,513,000	63,912,570
Hud Sec 108 Notes (2/95)	7.71-9.03%	2/1/1995	8/1/2014	985,000	—	5,000	980,000
School Equipment Notes	6.85%	6/15/1998	6/15/2008	3,139,869	—	256,821	2,883,048
Total Outside Debt Limit				75,989,869	37,144,570	8,351,821	104,782,618
Total Debt Outstanding				$ 136,642,429	40,394,627	16,321,201	160,715,855

CITY OF CAMBRIDGE, MASSACHUSETTS

Schedule of General Fixed Assets - by Function and Activity

For the Fiscal Year Ended June 30, 2000

Function and Activity	Total	Land	Buildings	Improvements Other Than Buildings	Equipment
General Government:					
Control:					
Legislative	$ 297,553	—	—	—	297,553
Executive	150,698				150,698
Total Control	448,251	—	—	—	448,251
Staff Agencies:					
Elections	307,034	—	—	—	307,034
Law	69,552	—	—	—	69,552
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	—	—	—	3,181,432
Total General Government	3,629,683	—	—	—	3,629,683
Public Safety:					
Fire	9,009,449	3,039,537	2,144,424	—	3,825,488
Police	7,627,202	999,803	522,609	—	6,104,790
Traffic and Parking	22,445,823	1,952,080	18,093,415	—	2,400,328
Inspectional Services	162,355	—	—	—	162,355
License	65,288	—	—	—	65,288
Weights and Measures	17,242	—	—	—	17,242
Electrical	501,393	50,000	21,542	—	429,851
Emergency Management	30,153	—	—	—	30,153
Emergency Communications	2,062,739	—	1,211,712	—	851,027
Total Public Safety	41,921,644	6,041,420	21,993,702	—	13,886,522
Community Maintenance and Development:					
Public Works	55,608,326	23,400,662	19,499,593	6,172,964	6,535,107
Community Development	3,471,530	—	57,711	3,193,586	220,233
Historical Commission	196,444	—	—	117,604	78,840
Conservation Commission	(2,247)	—	—	—	(2,247)
Rent Control	76,909	—	—	—	76,909
Cable Television	253,651	—	—	—	253,651
Total Community Maintenance and Development	59,604,613	23,400,662	19,557,304	9,484,154	7,162,493
Human Resource Development:					
Library	1,893,177	125,000	1,265,206	—	502,971
Human Services	95,209,924	87,242,253	5,861,682	1,286,362	819,627
Women's Commission	11,539	—	—	—	11,539
Human Rights Commission	27,941	—	—	—	27,941
Veteran Benefits	19,181	—	—	—	19,181
Health Department/School Health	8,253	—	—	—	8,253
Total Human Resource Development	97,170,015	87,367,253	7,126,888	1,286,362	1,389,512
Public School	151,585,484	55,067,765	86,776,072	923,338	8,818,309
Construction in Progress	24,988,218	—	24,988,218	—	—
Totals	$ 378,899,657	171,877,100	160,442,184	11,693,854	34,886,519

CITY OF CAMBRIDGE, MASSACHUSETTS

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

For the Fiscal Year Ended June 30, 2000

Function and Activity	General Fixed Assets June 30, 1999	Additions	Disposals	General Fixed Assets June 30, 2000
General Government:				
Control:				
Legislative	$ 297,553	—	—	297,553
Executive	150,698	—	—	150,698
Total Control	448,251	—	—	448,251
Staff Agencies:				
Elections	307,034	—	—	307,034
Law	69,552	—	—	69,552
Finance	2,299,372	297,627	(8,000)	2,588,999
Public Celebrations	147,694	—	—	147,694
Animal Commission	68,153	—	—	68,153
Total Staff Agencies	2,891,805	297,627	(8,000)	3,181,432
Total General Government	3,340,056	297,627	(8,000)	3,629,683
Public Safety:				
Fire	8,775,860	324,588	(91,000)	9,009,448
Police	7,425,325	476,354	(274,477)	7,627,202
Traffic and Parking	22,433,619	12,204	—	22,445,823
Inspectional Services	97,240	74,415	(9,300)	162,355
License	65,288	—	—	65,288
Weights and Measures	17,242	—	—	17,242
Electrical	430,221	71,172	—	501,393
Emergency Management	30,153	—	—	30,153
Emergency Communication	2,062,739	—	—	2,062,739
Total Public Safety	41,337,687	958,733	(374,777)	41,921,643
Community Maintenance and Development:				
Public Works	55,608,326	—	—	55,608,326
Community Development	4,017,080	—	(545,550)	3,471,530
Historical Commission	180,184	22,096	(5,836)	196,444
Conservation Commission	(2,247)	—	—	(2,247)
Rent Control	76,909	—	—	76,909
Cable Television	252,855	796	—	253,651
Total Community Maintenance	60,133,107	22,892	(551,386)	59,604,613
Human Resource Development:				
Library	1,850,880	44,297	(2,000)	1,893,177
Human Services	90,157,820	5,052,105	—	95,209,925
Women's Commission	11,539	—	—	11,539
Human Rights Commission	27,941	—	—	27,941
Veteran's Benefits	19,181	—	—	19,181
Health Department/School Health	8,253	—	—	8,253
Total Human Resource Development	92,075,614	5,096,402	(2,000)	97,170,016
Public Schools	132,450,965	19,134,519	—	151,585,484
Construction in Progress	21,398,613	20,140,584	(16,550,979)	24,988,218
Totals	$ 350,736,042	45,650,757	(17,487,142)	378,899,657

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
1991	$ 29,377,351	$ 45,900,338	$ 20,907,100	$ 63,015,281	$ 8,291,888	$ 68,796,729	$ 4,261,520	$ 7,799,479	$ 248,349,686
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

(1) Includes General, Hospital, Neville Manor and Water funds for fiscal years 1991 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 - GAAP Basis (1)

Last Ten Fiscal Years

(amounts in thousands)

Fiscal year	General Government	Public Safety	Community Maintenance and Development	Health	Human Resources	Education	Fuel Assistance	Judgment and Claims	State Assessments	Other	Debt Service	Totals
1991	$ 14,552	$ 45,308	$ 20,254	$ 816	$ 8,143	$ 75,089	$ 1,564	$ 1,885	$ 13,335	$ 5,477	$ 6,319	$ 192,742
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

(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 2000.

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
1991	$ 122,112,209	$ 2,796,254	$ 38,128,709	$ 88,004,301	$ 7,503,100	$ 8,608,149	$ 267,152,722
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

(1) Includes General, Hospital, Neville Manor, and Water Funds for fiscal years 1991 through 1995 and the General Fund for fiscal years 1996 through 2000.

(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: $7,086,473 in 1991, $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, and $6,620,191 in 2000.

CITY OF CAMBRIDGE, MASSACHUSETTS

Property Tax Levies and Collections (1)

Last Ten Fiscal Years

Fiscal year	Net tax (2) levy	Current tax (3) collections	Percent of net levy collected	Prior year tax collections (refunds) (4)	Total tax collections	Total collections as a % of net levy	Outstanding and/or delinquent taxes (5)	Outstanding delinquent taxes as a % of net levy
1991	$ 115,000,000	$ 109,346,157	95.08	$ 1,580,810	$ 110,926,967	$ 96.46	$ 9,895,076	8.60
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	5,305,916	3.32

(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
1991	$ 8,482,806,830	$ 180,100,000	$ 8,662,906,830	$ 8,777,325,000	98.7
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

(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 and 1998, 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
1991	$	10.13	$	19.15	$	19.15	$	25.00
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

(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
1991	95,802	$ 8,662,906,830	$ 63,985,000	0.7%	$ 668
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	6,789,993,612	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

(1) Population estimates are from U.S. Department of Commerce, Bureau of Census, Current Population Reports, Local Population Estimates for 1991 through 1999. The estimate for 2000 is from the Massachusetts Institute for Social and Economic Research.

(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
1991	$ 11,030,000	$ 4,256,198	$ 15,286,198	$ 248,349,686	6.2%
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	6,230,968	22,295,348	261,568,990	8.5

(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 1991 to 1995 and General Fund expenditures from 1996 to 2000.

Source: City Department of Finance.

CITY OF CAMBRIDGE, MASSACHUSETTS

Computation of Legal Debt Margin

June 30, 2000

Fiscal year 1999 equalized valuation (1)	$ 8,505,892,500
Normal debt limit (2-1/2% of equalized valuation)	212,647,313
Amount of debt applicable to debt limit:	
Total bonded debt	156,852,807
Total authorized/unissued	88,105,694
Less:	
General obligation bonds exempted by authority of the state legislature	104,782,618
Amount within debt limit	140,175,883
Legal debt margin	$ 72,471,430

(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, 1998.

Source: City Department of Finance.

CITY OF CAMBRIDGE, MASSACHUSETTS

Computation of Direct and Overlapping Debt

June 30, 2000

Name of unit	Direct debt (1)	Outstanding overlapping debt	Percentage applicable to City of Cambridge	Total City of Cambridge direct and overlapping debt
City of Cambridge	$ 157,832,807	$ —	100.00%	$ 157,832,807
Massachusetts Water Resources Authority	—	4,257,231,000	4.68	199,238,411
Massachusetts Bay Transportation Authority	—	361,436,000	4.69	16,951,348
Total direct and overlapping debt	$ 157,832,807	$ 4,618,667,000		$ 374,022,566

(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) Residential	Commercial	Bank deposits (2)
1991	$ 8,662,907	1,979	$ 93,961	33%	67%	$ 2,259,264
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

(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, 2000

Name	Nature of business	Assessed valuation	Amount of tax	% of total tax levy
Mass. Institute of Technology	Educational	$ 375,629,900	$ 8,917,064 (2)	5.4 %
Beacon Capital Partners	Commercial	303,571,200	7,625,715	4.6
Boston Properties	Commercial	297,302,400	7,480,128	4.6
Commonwealth Energy/Gas	Utility	235,764,660	5,927,731	3.6
BRE/Blackstone Corp.	Commercial	192,950,200	4,854,627	3.0
New England Development	Commercial	131,236,600	2,939,133	1.8
Presidents & Fellows of Harvard College	Educational	182,040,500	2,934,517 (2)	1.8
Spaulding & Slye Corp.	Commercial	87,297,400	2,196,403	1.3
GE Capital Investment Advisors	Commercial	83,414,800	2,098,716	1.3
Zoll/Beacon Companies	Commercial	82,309,900	2,070,917	1.3
Totals		$ 1,971,517,560	$ 47,044,951	28.7 %

(1) As of January 1, 1999.
(2) Excludes in lieu payments on exempt property.

Source: City Department of Finance.

CITY OF CAMBRIDGE, MASSACHUSETTS

Salaries of Principal Officials

June 30, 2000

City Council:		
Chairman (Mayor)	$	63,508
Members		42,518
City Clerk		74,856
City Auditor		68,614
Executive:		
City Manager		145,315
Deputy City Manager		126,257
Assistant City Manager/Fiscal Affairs		95,991
Assistant City Manager/Community Development		91,778
Assistant City Manager/Human Services		95,991
Budget Director		75,098
Personnel Director		87,650
Director of Assessment		81,543
City Solicitor		72,835
Commissioner of Public Works		85,955
Commissioner of Inspectional Services		81,005
Superintendent of Schools		131,906
Police Commissioner		119,141
Fire Chief		104,965
Director of Libraries/Communications		81,005

Source: City Department of Finance.

CITY OF CAMBRIDGE, MASSACHUSETTS

Miscellaneous Statistics

Characteristic	Cambridge	Massachusetts	United States
Population (1):	95,802	6,016,425	248,709,873
Median age (1):			
1990	31.1	33.6	32.9
1980	28.6	31.2	30
1970	26.8	29	28.1
1960	29.6	32.1	29.5
Age group (1):			
5-17	9.3 %	15.6 %	15.5 %
25-44	41.1	33.6	32.6
65 and over	10.4	13.6	12.5
Median family income (1):			
1999	$ 33,140	$ 35,551	$ 28,542
1989	39,990	22,458	18,566
1979	17,845	9,472	9,230
1969	9,815	4,207	3,846
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):			
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	4.9
1996	2.7	4.3	5.4
1995	3.5	5.4	5.6
1994	3.8	6	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 %

Public school enrollments (4):	K-8	9-12	Special	Total
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) Source: U.S. Department of Commerce, Bureau of Census, 1990 STF 3A

(2) Source: U.S. Department of Commerce, Bureau of Census, 1990 STF 3A and Bureau of Economic Analysis, Personal Income for States 1958-1999

(3) Source: Massachusetts Division of Labor and Industries

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

CITY OF CAMBRIDGE, MASSACHUSETTS

COMPREHENSIVE
ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended
June 30, 2000

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

1.

cambridge 2001

CITY OF CAMBRIDGE • EXECUTIVE DEPARTMENT

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

February 12, 2001

To The Honorable, The City Council:

Please find attached for your information the City's FY2000 Comprehensive Annual Financial Report.

Very truly yours,

Robert W. Healy
City Manager

RWH/mec

795 Massachusetts Avenue, Cambridge, Massachusetts 02139 Voice: 617.349.4300 Fax: 617.349.4307 TTY: 617.349.4242 Web: www.ci.cambridge.ma.us

Cal 1
24F

Consent Agenda #1

City's FY2000 Comprehensive
Annual Financial Report.

In City Council February 12, 2001

CHARTER RIGHT
BY Mayor Galluccio

In City Council
February 26, 2001
PLACED ON FILE