

City of Cambridge, Massachusetts
Comprehensive Annual Financial Report



July 1, 1989–June 30, 1990

CITY OF CAMBRIDGE, MASSACHUSETTS

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

**For the Fiscal Year
July 1, 1989 through June 30, 1990**

**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**

Cover Photograph: View of Charles River, Weeks Footbridge and Harvard University Building.

CITY OF CAMBRIDGE, MASSACHUSETTS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 1990

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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 21, 1990

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

Dear Mr. Healy:

The Comprehensive Annual Financial Report of the City of Cambridge, Massachusetts for the Fiscal Year ended June 30, 1990 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. I 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 Fund, 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 similiar to governmental funds. The accrual basis of accounting is followed by the propriet fund types, nonexpendable trust funds and pension trust funds. Agency funds are custodial in nature and do not involve measuremen 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 my 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 deposits, 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 AND ITS SERVICE

The general purpose financial statements present information on organizations and activities of the City of Cambridge, Massachusetts for which the Mayor and the City Council have oversight responsibility. The criteria, as defined by GASB codification 2100, for the inclusion of organizations and activities in the oversight entity's general purpose financial statements are: selection of governing authority; designation of management; ability to significantly influence operations; accountability over fiscal matters; and scope of public service. The inclusion of organizations and activities in the City's general purpose financial statements does not affect their separate legal standing. These organizations and activities include the Cambridge Hospital and its affiliated Neighborhood Health Centers, the City's Water Department, the Cambridge Retirement System, the Neville Manor Nursing Home, the Cambridge Public Library System and the Cambridge Public Schools.

The financial statements of the Cambridge Retirement System are presented for the year ended December 31, 1989, which is its fiscal period for reporting to the Commissioner of Retirement of the Commonwealth of Massachusetts.

The operations of the Cambridge Housing Authority and the Cambridge Redevelopment Authority are not part of the defined reporting entity and therefore, are not included in the general purpose financial statements of the City. Both organizations are excluded because (1) neither falls within the oversight responsibility of the City, (2) they are not subject to financial controls of the City Manager or the budgetary controls of the Mayor and City Council and (3) no financial interdependency exists.

ACKNOWLEDGEMENTS

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, I 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,

A handwritten signature in black ink, appearing to read "J. Maloney". The signature is fluid and cursive, with a large loop at the end.

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

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EXECUTIVE DEPARTMENT
ROBERT W. HEALY
City Manager

CITY OF CAMBRIDGE
CAMBRIDGE, MASSACHUSETTS 02139

TEL. 349-4300
FAX. 349-4307

RICHARD C. ROSSI
Deputy City Manager

December 21, 1990

To the Honorable, the City Council:

I am pleased to submit the Comprehensive Annual Financial Report of the City of Cambridge, Massachusetts for the fiscal year ending June 30, 1990. 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. These statements 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.

This letter will present a review of the City's significant achievements, and an analysis of its financial operations, economic climate and future outlook. It is divided into the following sections: Fiscal Year 1990 In Review, Financial Summary, Economic Condition, Future Outlook and Conclusion.

FISCAL YEAR 1990 IN REVIEW: MAJOR INITIATIVES

Several important accomplishments occurred during fiscal year 1990 which enhanced Cambridge's strong financial position and its role as an innovative and efficient provider of municipal services. The most significant of these are as follows:

- Completion of a 55 acre recreational facility located on the site of the City's former landfill. The park contains softball fields, soccer fields, a football field, tot lots, bocci and horseshoe courts, a sledding area and jogging and bike paths. It also includes picnic areas and a marshland.

- Issuance of \$20,000,000 in general obligation bonds for the construction of a cover over the City's water reservoir and for various building renovations, open space improvements, hospital renovations and the purchase of the balance of an existing long-term lease obligation.
- Implementation of an increasing block rate structure for billing water/sewer usage, which replaced a flat rate. This new rate structure is designed to encourage water conservation by billing small water users at lower rates and large water users at increasingly higher rates as consumption rises.
- Receipt of the Certificate of Achievement for Excellence in Financial Reporting and the Distinguished Budget Presentation Award from the Government Finance Officers Association.

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 and Enterprise Funds. This data is included in the *Statement of Revenues and Expenditures - Budgetary Basis - Budget and Actual*, which presents financial information on the budget basis of accounting. Budget basis of accounting includes Hospital and Water Department revenues and expenditures as part of the General Fund.

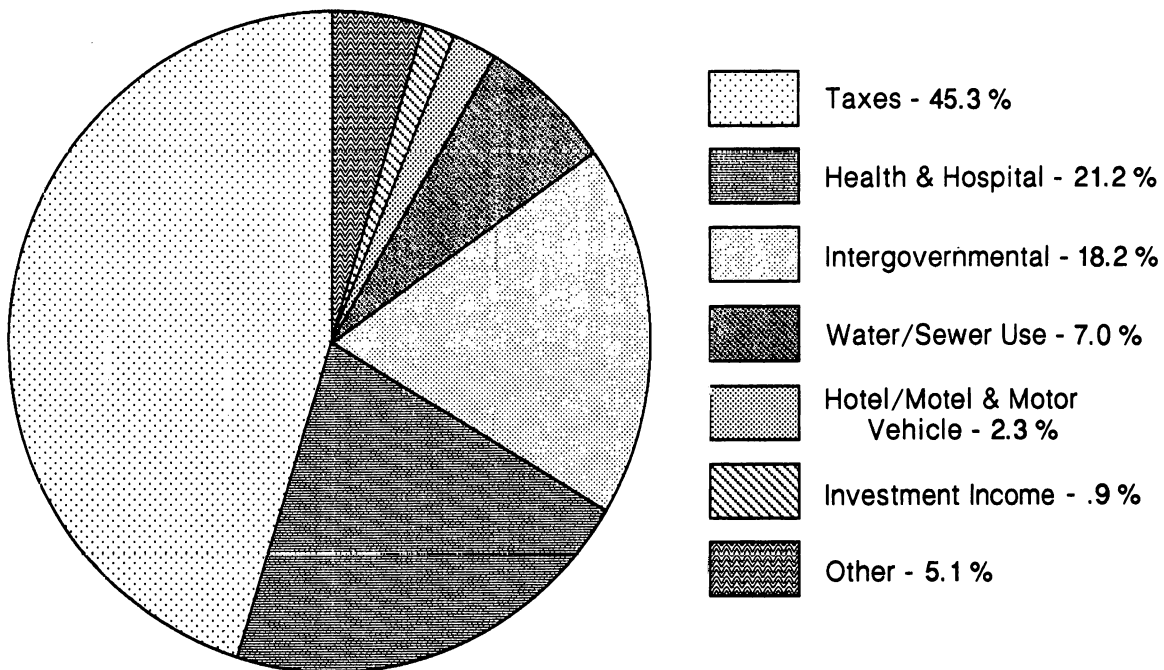
Revenues

Fiscal Year 1990 revenues totalled \$235,233,212. This represents an increase of \$23.7 million in revenue or 11 percent over fiscal year 1989. Property taxes are the single largest revenue source, representing approximately 45 percent of General Fund revenues. Real and personal property tax revenues, net of abatements, increased \$14.1 million to \$106,651,725 during fiscal 1990. Health and Hospital receipts comprise the City's next largest revenue source, representing slightly more than 21 percent of the General Fund. These revenues increased 14 percent to \$49.8 million, primarily due to a higher volume of service, a better collection rate and increased reimbursements from medicaid. Intergovernmental revenues, which totalled \$42.8 million during FY 1990, comprised 18 percent of General Fund revenues during FY 90, as compared to 20 percent during 1989. This revenue source may decrease further during the next several fiscal years due to cutbacks in state aid to cities and towns. Water and sewer receipts rose almost 20 percent to \$16.5 million during FY 1990 largely due to higher sewer rates, which were increased to offset both state charges and improvements to the City's water supply system. The Massachusetts Water Resource Authority, which is charged with the responsibility of cleaning up Boston Harbor, levies a fee on communities that use its water or sewer systems. Although the City operates its own water supply system, the sewer system is linked to the MWRA sewer system. The annual MWRA charge is passed to Cambridge sewer customers in the sewer rates. Because of the high cost of cleaning the Boston Harbor and building water and sewer treatment facilities, the MWRA levy has increased steadily during the past several years, and is expected to continue to rise.

The following table and graph display the dollar amount in thousands received from various sources of revenue for fiscal year 1990 and compares these amounts to those received in fiscal year 1989.

FY 1990 General Fund Revenues
Budget Basis
(In Thousands)

Revenue Source	Amount	Percent	Increase (Decrease) From FY 1989	
			Amount	Percent
Taxes-Net of Abatements	\$ 106,652	45.3%	\$ 14,066	15.2%
Health & Hospital	49,786	21.2	6,179	14.2
Intergovernmental	42,836	18.2	114	.3
Water/Sewer Use	16,542	7.0	2,723	19.7
Hotel/Motel & Motor Vehicle Excise	5,338	2.3	(90)	(1.6)
Investment Income	2,180	.9	322	17.3
Other	11,899	5.1	347	3.0
TOTAL	235,233	100%	23,661	11.2%
Net Transfers In (Out)	1,034		(4,757)	
Free Cash Appropriation	7,114		2,114	
GRAND TOTAL	\$ 243,381		\$ 21,018	



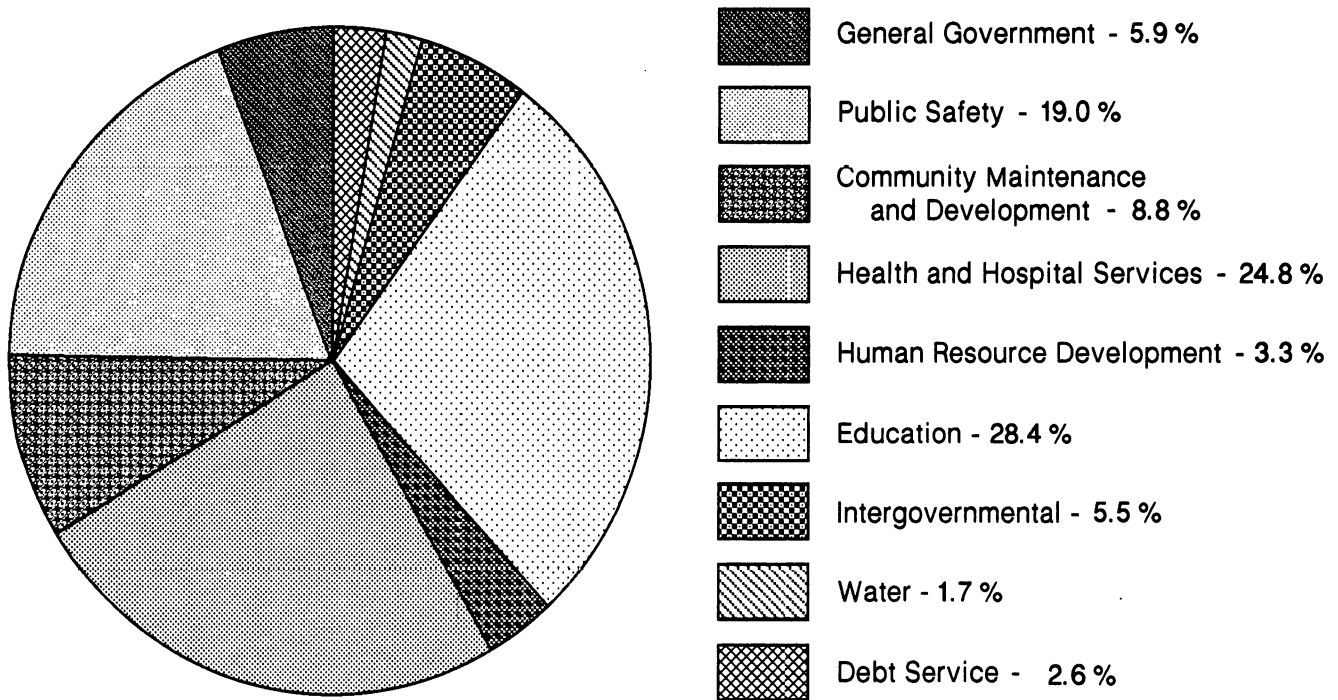
Expenditures

During fiscal year 1990, total expenditures increased 6 percent, from \$216,402,492 to \$228,869,410. The annual salary increase awarded on July 1, 1989 to most City employees and the rising cost of employee health insurance were significant parts of this increase. In addition, expenditures for Health and Hospital Services rose 8 percent, increasing to \$56.9 million. Factors that contributed to this rise in expenditures include the City's higher than average contract settlement with nursing staff, increased service volume at the hospital, and the addition of a new pediatric psychiatry unit, which became operational during FY 1990.

The following table and graph present dollar expenditures in thousands by function for fiscal 1990 and the variance from fiscal 1989.

FY 1990 General Fund Expenditures Budget Basis (In Thousands)

Expenditure Function	Amount	Percent	Increase (Decrease) From FY 1989	
			Amount	Percent
General Government	\$ 13,468	5.9%	\$ (178)	(1.3)%
Public Safety	43,625	19.0	1,915	4.6
Community Maintenance and Development	20,110	8.8	287	1.4
Health and Hospital Services	56,873	24.8	4,393	8.4
Human Resource Development	7,522	3.3	554	7.4
Education	64,938	28.4	3,421	5.6
Intergovernmental	12,486	5.5	1,508	13.7
Water	3,992	1.7	204	5.4
Debt Service	5,855	2.6	363	6.6
Total	<u>\$ 228,869</u>	<u>100%</u>	<u>\$ 12,467</u>	<u>5.8%</u>



General Fund Balances and Cash Position

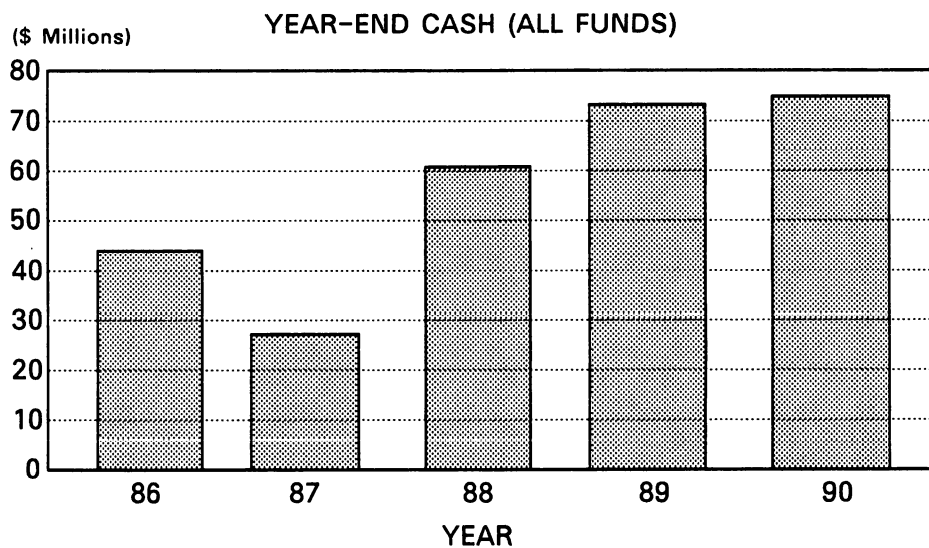
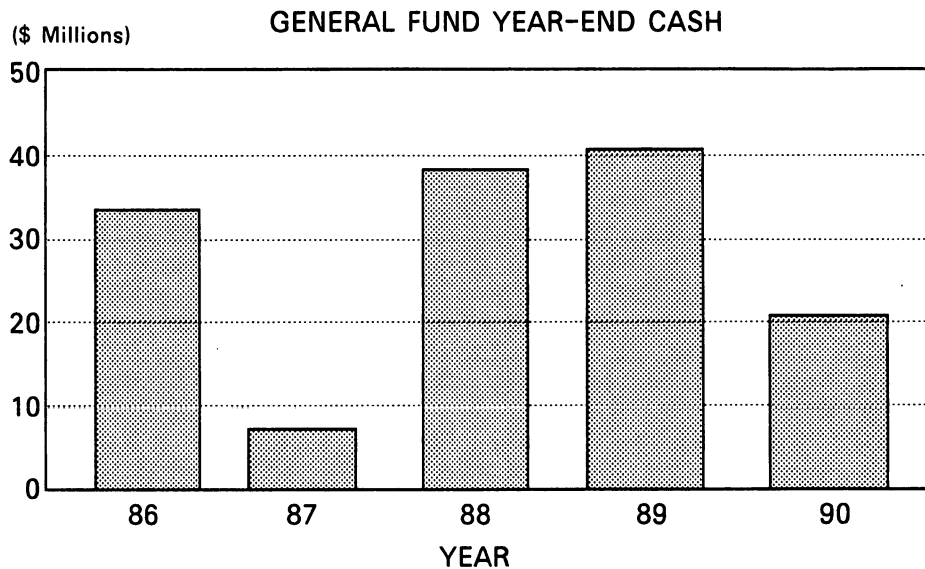
The City ended fiscal year 1990 with a total General Fund fund balance of \$ 30,555,040 which represents 17 percent of General Fund revenues. Each year, a portion of fund balance is allocated to reserve accounts. A total of \$ 3,715,100 was transferred to reserve accounts in FY 1990, leaving an unreserved fund balance of \$ 26,839,940. General Fund cash and short term investments totalled \$ 21,470,548, while the balance of all funds totalled \$ 75,014,128. 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 changes in the City's unreserved General Fund fund balance for fiscal years 1985 through 1990.

<u>Fiscal Year</u>	<u>Unreserved General Fund Balance</u>
1985	\$ 17,659,719
1986	20,226,662
1987	14,290,415
1988	17,973,421
1989	24,144,794
1990	26,839,940

The table and charts displayed below present the changes in year-end General Fund cash and total cash for all funds for the past five fiscal years. The FY 1990 cash balance does not include a FY 1990 state aid payment totalling \$ 21,118,505 that was received by the City two weeks after the close of the fiscal year.

Cash Position		
<u>Fiscal Year</u>	<u>Year-End Cash Balance General Fund</u>	<u>Year-End Cash Balance All Funds</u>
1986	\$ 33,240,193	\$ 44,408,609
1987	7,136,088	28,094,160
1988	39,364,528	60,300,159
1989	40,236,110	74,094,076
1990	21,470,548	75,014,128



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 capital 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 1991 through fiscal year 1995, which was approved by the City Council in May of 1990, has an estimated cost of \$94,203,475. Financing for the FY 1991 portion of the capital plan was appropriated with the adoption of the FY 1990 operating budget in May of 1990. Implementation of the program in the following four years, however, is contingent upon the City's continued strong financial position.

In June of 1990, both major credit rating agencies, Moody's Investors Services and Standard and Poor's Corporation, reaffirmed the City's credit ratings at Aa and AA-, respectively. These high ratings enable the City to finance its aggressive capital improvement programs at a reasonable cost. Both agencies cited the following factors as contributing to the City's rating: a comfortable margin between the actual property tax levy and legal levy limits; a sound debt management plan; improved liquidity; and carefully managed investment practices.

The City maintains a policy of issuing debt with a ten-year retirement schedule, which requires higher debt service payments in the short-term, but results in sizable interest savings. In addition, since FY 1985, the City has funded a portion of its Capital Improvement Program on a "pay-as-you-go" basis out of current revenues. As a result of these measures, the City's debt burden is relatively low in relation to the amount expended during the past 10 years. Outstanding general obligation bonds as of June 30, 1990 totalled \$67,705,000.

Key Debt Ratios

Ratio	1990	1989	1988	1987
Ratio of Bonded Debt to Assessed Value	.8	.8	.9	1.0
Bonded Debt Per Capita	\$ 750	\$ 624	\$ 592	\$ 664
Ratio of Bonded Debt Per Capita To Per Capita Income	4.80	4.62	4.38	4.92
Ratio of Debt Service To Total Expenditures	5.6	5.8	6.4	6.0

Property Valuations

Based on valuations of all real and personal property as of January 1, 1989, the total value of all property in the City is \$ 8,528,769,144. Of that total approximately \$ 3,737,488,763, or 43.8 percent, consists of industrial/commercial and personal property. Fiscal year 1991 assessments indicate an increase of approximately \$ 340,000,000 due to new construction. The table below compares FY 1990 property valuations and tax rates to FY 1989 valuations and tax rates.

Comparison of Property Valuation and Tax Rates

	Property Valuations (In Thousands)		Tax Rates	
	<u>FY 1990</u>	<u>FY 1989</u>	<u>FY 1990</u>	<u>FY 1989</u>
Commercial/Industrial	\$ 3,737,489	\$ 2,799,443	\$ 18.16	\$ 20.06
Personal Property	168,500	143,610	18.16	20.06
Residential	<u>4,622,780</u>	<u>3,835,337</u>	9.51	9.23
Total Value	<u>\$ 8,528,769</u>	<u>\$ 6,778,390</u>		

Fiduciary and Reserve Funds

The City administers more than 60 trust funds (excluding the Retirement Trust Fund and the City's Debt Stabilization Fund), the total fund balance of which was \$8,553,712 on June 30, 1990. 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 City-operated 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 FY 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 on June 30, 1990 was \$5,927,307. Employee health care deductions plus interest earnings will add approximately \$1 million to this fund during FY 1991.

The City's Debt Stabilization Fund had a balance of \$3,769,149 on June 30, 1990. This fund is a statutory reserve account which may only be used for purposes for which debt would ordinarily be used. It is anticipated that the Stabilization Fund monies will be used to finance capital projects in the future. All interest earned by this fund accrues to it.

Pension Liability

As of January 1, 1990, the City's unfunded pension benefit obligation is approximately \$123 million. In January 1990, the City established a state approved funding schedule that will eliminate the City's unfunded actuarial liabilities by June 30, 2030. The City is now eligible to receive State funding grants during the next 15 years that would offset some of the resulting increases in annual costs of the pension system.

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 Peat Marwick. The independent auditors' report on the financial statements for the year ended June 30, 1990 is 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, 1990.

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

Throughout the past decade, Cambridge benefited from the strong economic performance of the Commonwealth of Massachusetts. During those years of rapid expansion, Cambridge experienced tremendous increases in property valuation, significant growth in small business establishments, growth in employment, and an increase in per capita personal income. This economic and demographic expansion enabled the City to continue to meet its fiscal responsibilities within the limits imposed by Proposition 2 1/2, a property tax limit that was imposed in 1981.

However, during the past two years, the Massachusetts economy has slowed considerably. As a result, the Commonwealth has experienced large operating deficits and the State has cut spending and increased certain taxes. Among the items cut were transfer payments to local governments during FY 1990. Because of its strong fiscal position, the City was able to withstand these state aid cuts, approximately \$3.5 million, without a significant impact on operations. However, the Massachusetts Supreme Judicial Court overturned the state aid reductions and returned the funds to the City in July of 1990.

The number of citizens employed in the City increased significantly during the 1980s. Despite a slowing area economy, the November 1990 unemployment rate, 3 percent, is still significantly lower than the state or national averages. During the 1980s, the City experienced an expansion in the number of small businesses and employment. From 1983 through 1988, the number of business establishments in Cambridge increased from 2,717 to 3,428, an increase of more than 26 percent. Concurrent with this has been a rise in total employment from 90,634 to 100,620, an 11 percent increase. During this period, manufacturing employment dropped 15 percent, while finance, insurance and real estate employment increased 15 percent and services employment increased 22 percent, representing an increase of more than 10,000 new jobs.

FUTURE OUTLOOK AND CONCLUSION

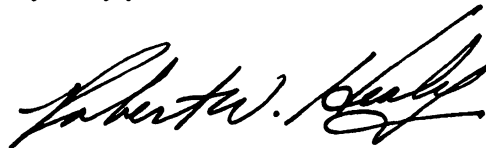
Despite the recent weakness in the Massachusetts economy, Cambridge continues to enjoy a stable, diverse economic base. The growth that has been taking place in Cambridge has contributed significantly to the strength of the City's financial operations. The City benefits directly from the dramatic increases in property values that have occurred in recent years. The upcoming fiscal years, however, will require the City to carefully monitor its fiscal health. The magnitude of the Commonwealth's financial problems has resulted in a decrease in state aid for FY 1991 of \$4.2 million, and the City anticipates that future cuts are likely. Due to the strong financial condition of the City, it was able to accommodate the FY 1991 state aid decrease without cutting services. During FY 1991, the City will closely monitor both its own revenue base and developments at the state level in order to respond, if necessary, by making appropriate adjustments in expenditures.

The tremendous growth of the 1980s enabled the City to establish a firm financial foundation, with strong fund balances and a margin between the actual levy and the Proposition 2 1/2 mandated levy limit. The challenge of the early 1990s will be to maintain that foundation during a period of economic stagnation while maintaining a high level of services for the citizens of Cambridge.

ACKNOWLEDGMENTS

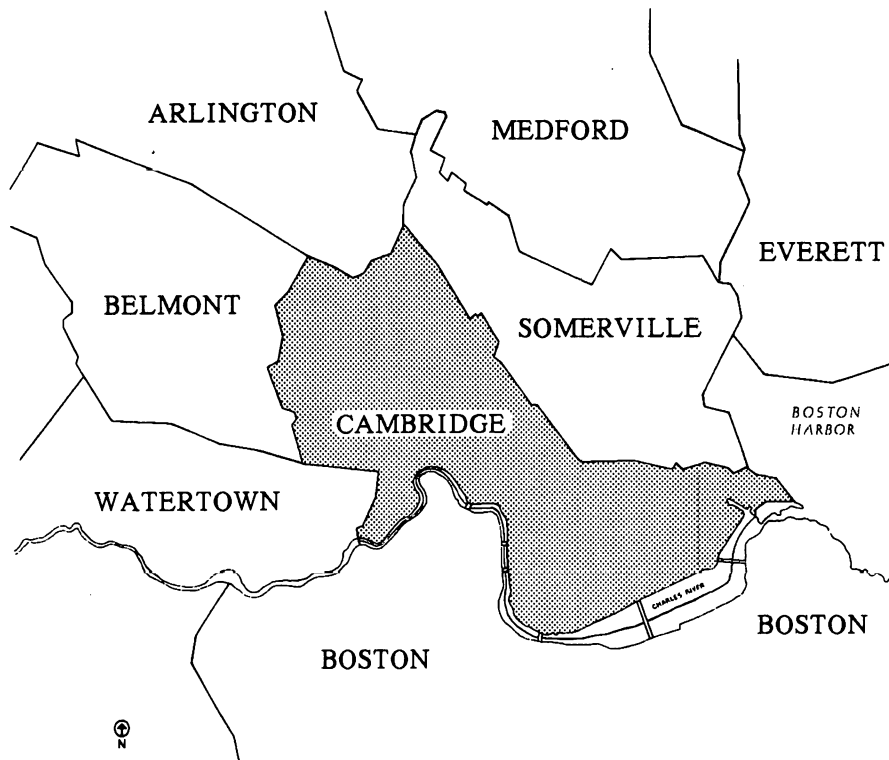
The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Finance Department. I would like to express my appreciation to all members of the Department who assisted and contributed to its preparation. I would also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

Very truly yours,

A handwritten signature in dark ink, appearing to read "Robert W. Healy", written in a cursive style.

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, and 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 94,500 in 1990.

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 Chairman 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 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, 1993.

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.

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DIRECTORY OF OFFICIALS

CITY COUNCIL

Alice K. Wolf, Mayor

Kenneth E. Reeves, Vice Mayor Sheila T. Russell

Edward N. Cyr Walter J. Sullivan

Francis H. Duehay Timothy J. Toomey, Jr.

Jonathan S. Myers William H. Walsh

SCHOOL COMMITTEE

Alice K. Wolf, Chairman

Frances H. Cooper James J. Rafferty

Henrietta Davis Alfred E. Vellucci

Alfred B. Fantini Larry Weinstein

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 Michael T. Rosenberg

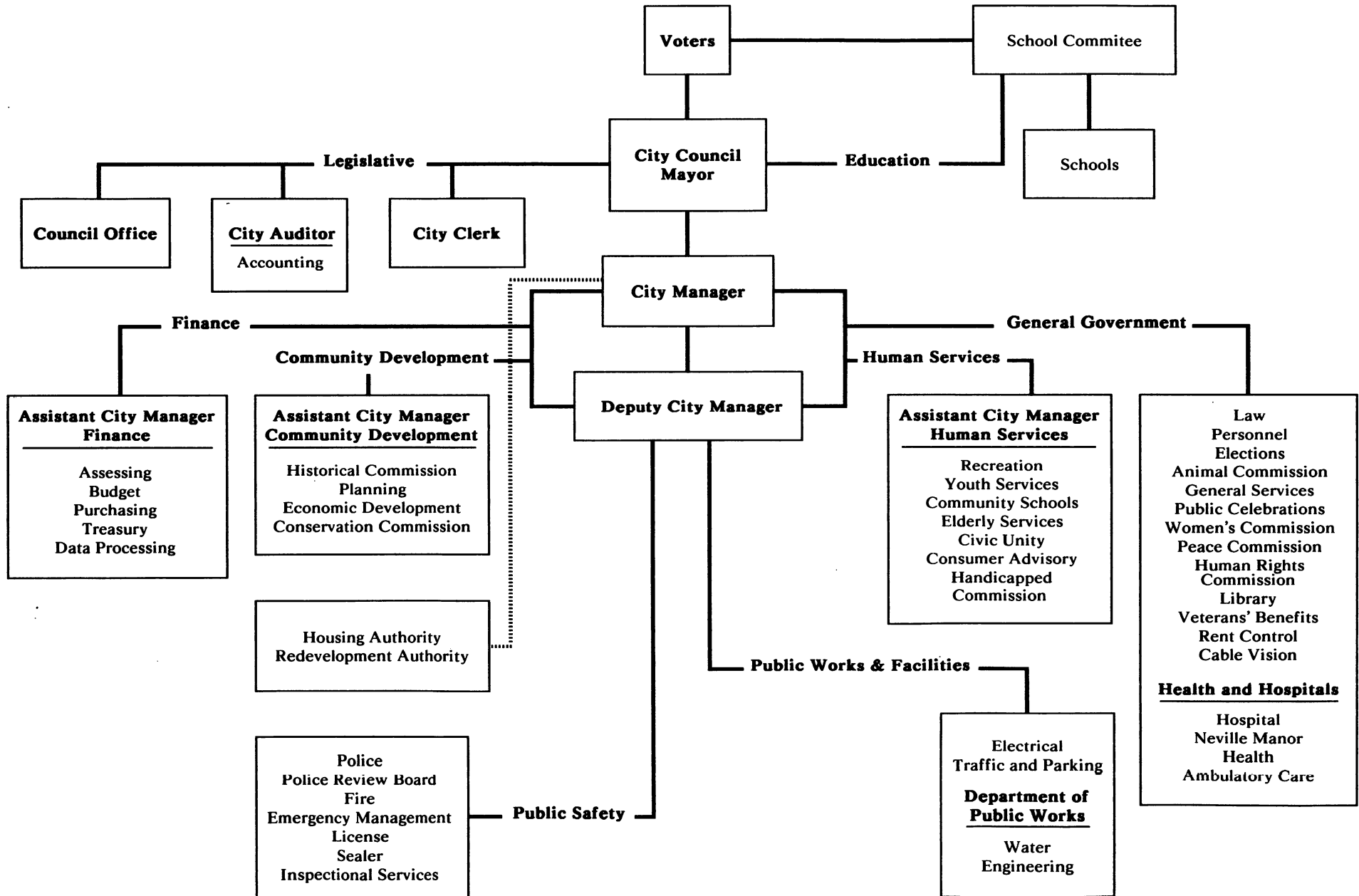
Assistant City Manager for Human Services Jill M. Herold

City Auditor Arthur F. Libitz

City Solicitor Russell B. Higley

City Clerk Joseph E. Connarton

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, 1989

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.



Gary R. Hordern

President

Jeffrey L. Esler

Executive Director

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Financial Section

INDEPENDENT AUDITORS' REPORT

The City's financial statements and accounting systems are examined each fiscal year by an independent public accounting firm. The audits are conducted in accordance with generally accepted auditing standards.

The auditors' report on their audit of the City's financial statements is contained in this section.

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Peat Marwick

Certified Public Accountants

One Boston Place
Boston, MA 02108

Telephone 617 723 7700
Telex 617 443 0082 PMMBOST

Telecopier 617 723 6864

INDEPENDENT AUDITORS' REPORT

The City Manager and Honorable Members of the City Council
City of Cambridge, Massachusetts:

We have audited the general purpose financial statements of the City of Cambridge, Massachusetts, as of and for the year ended June 30, 1990, as listed in the 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 generally accepted auditing standards and 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, 1990, and the results of its operations and cash flows of its proprietary and nonexpendable trust funds for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund, and individual account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the City of Cambridge, Massachusetts. 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.

December 14, 1990



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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 for each separate fund and account group.

CITY OF CAMBRIDGE, MASSACHUSETTS

Combined Balance Sheet All Fund Types and Account Groups

June 30, 1990

Assets and Other Debits	Governmental Fund Types			Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals
	General	Special Revenue	Capital Projects	Enterprise (note 9)	Internal Service	Trust and Agency	General Fixed Assets	General Long-term Obligations	(Memorandum Only)
Cash and short-term investments (note 4)	\$ 21,470,548	\$ 5,080,562	\$ 8,516,448	\$ 2,792,204	\$ 439,500	\$ 36,714,866	\$ -	\$ -	\$ 75,014,128
Other investments, at cost (note 4)	-	-	-	-	-	82,250,571	-	-	82,250,571
Receivables:									
Property taxes	9,115,560	-	-	-	-	-	-	-	9,115,560
Tax titles and possessions	4,169,771	-	-	-	-	-	-	-	4,169,771
Motor vehicle excise	3,408,251	-	-	-	-	-	-	-	3,408,251
Accounts	1,012,590	-	-	18,473,775	-	-	-	-	19,486,365
Allowance for uncollectible receivables	(10,388,734)	-	-	(9,418,763)	-	-	-	-	(19,807,497)
Due from third parties	-	-	-	8,288,808	-	-	-	-	8,288,808
Due from other funds (note 10)	163,325	-	-	3,110,942	-	-	-	-	3,274,267
Due from other governments (note 5)	21,531,907	613,268	3,549,017	-	-	857,031	-	-	26,551,223
Fixed assets (net, where applicable, of accumulated depreciation)(note 6)	-	-	-	74,525,746	54,316	-	263,260,040	-	337,840,102
Other assets	-	-	981,763	263,735	-	1,748,896	-	-	2,994,394
Amount to be provided for retirement of general long-term obligations	-	-	-	-	-	-	-	146,147,244	146,147,244
Total assets	\$ 50,483,218	\$ 5,693,830	\$ 13,047,228	\$ 98,036,447	\$ 493,816	\$ 121,571,364	\$ 263,260,040	\$ 146,147,244	\$ 698,733,187

See accompanying notes to general purpose financial statements.

(continued)

CITY OF CAMBRIDGE, MASSACHUSETTS

Combined Balance Sheet (Continued) All Fund Types and Account Groups

June 30, 1990

	Governmental Fund Types			Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals
	General	Special Revenue	Capital Projects	Enterprise (note 9)	Internal Service	Trust and Agency	General Fixed Assets	General Long-term Obligations	(Memorandum Only)
<u>Liabilities, Fund Equity and Other Credits</u>									
Liabilities:									
Warrants payable	\$ 3,735,104	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,735,104
Accrued liabilities:									
Tax abatement refunds	3,211,501	-	-	-	-	-	-	-	3,211,501
Guarantee deposits and amounts due to other taxing authorities	-	-	-	-	-	361,264	-	-	361,264
Compensated absences (note 7)	-	-	-	1,858,636	-	-	-	7,665,483	9,524,119
Pension costs (notes 7 and 12)	-	-	-	-	-	-	-	95,096,761	95,096,761
Other	9,780,710	136,531	2,539,056	2,545,872	-	-	-	-	15,002,169
Due to other funds (note 10)	-	323,505	2,930,762	-	-	20,000	-	-	3,274,267
Deferred revenue	3,200,863	-	-	-	-	-	-	-	3,200,863
General obligation bonds payable (note 7)	-	-	-	24,320,000	-	-	-	43,385,000	67,705,000
Total liabilities	<u>19,928,178</u>	<u>460,036</u>	<u>5,469,818</u>	<u>28,724,508</u>	<u>-</u>	<u>381,264</u>	<u>-</u>	<u>146,147,244</u>	<u>201,111,048</u>
Fund equity and other credits:									
Investment in general fixed assets	-	-	-	-	-	-	263,260,040	-	263,260,040
Retained earnings	-	-	-	69,311,939	493,816	-	-	-	69,805,755
Fund balances:									
Reserved for encumbrances	3,318,828	424,992	6,595,647	-	-	-	-	-	10,339,467
Reserved for specific purposes (note 8)	396,272	680,239	981,763	-	-	121,190,100	-	-	123,248,374
Unreserved	<u>26,839,940</u>	<u>4,128,563</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,968,503</u>
Total fund equity and other credits	<u>30,555,040</u>	<u>5,233,794</u>	<u>7,577,410</u>	<u>69,311,939</u>	<u>493,816</u>	<u>121,190,100</u>	<u>263,260,040</u>	<u>-</u>	<u>497,622,139</u>
Commitments and contingencies (note 11)									
Total liabilities, fund equity and other credits	\$ <u>50,483,218</u>	\$ <u>5,693,830</u>	\$ <u>13,047,228</u>	\$ <u>98,036,447</u>	\$ <u>493,816</u>	\$ <u>121,571,364</u>	\$ <u>263,260,040</u>	\$ <u>146,147,244</u>	\$ <u>698,733,187</u>

See accompanying notes to general purpose financial statements.

CITY OF CAMBRIDGE, MASSACHUSETTS

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

Year ended June 30, 1990

	Governmental Fund Types			Fiduciary Fund Type Expendable Trust	Totals (Memorandum Only)
	General	Special Revenue	Capital Projects		
Revenues:					
Property taxes	\$ 102,815,632	\$ -	\$ -	\$ -	\$ 102,815,632
Payments in lieu of tax receipts	2,096,485	-	-	-	2,096,485
Hotel/Motel excise tax	2,597,233	-	-	-	2,597,233
Intergovernmental	43,231,217	15,166,917	5,571,544	-	63,969,678
Infirmity and health department	8,780,123	-	-	-	8,780,123
Sewer use	10,182,371	-	-	-	10,182,371
Motor vehicle excise	2,740,736	-	-	-	2,740,736
Investment income	2,299,519	515,787	63,357	869,162	3,747,825
Other	9,671,403	11,021,260	-	958,490	21,651,153
Total revenues	<u>184,414,719</u>	<u>26,703,964</u>	<u>5,634,901</u>	<u>1,827,652</u>	<u>218,581,236</u>
Expenditures:					
Current:					
General government	12,123,234	-	-	-	12,123,234
Public safety	43,623,944	-	-	-	43,623,944
Community maintenance and development	19,960,529	-	-	-	19,960,529
Infirmity and health department	8,084,730	-	-	-	8,084,730
Human resource development	7,398,300	-	-	-	7,398,300
Education	65,652,466	5,493,751	-	-	71,146,217
Fuel assistance	-	1,936,539	-	-	1,936,539
Judgements and claims	706,121	-	-	-	706,121
State Assessments	12,485,627	-	-	-	12,485,627
Other	-	6,102,673	-	247,014	6,349,687
Capital outlay	-	-	16,758,516	-	16,758,516
Debt service:					
Principal retirement	4,160,000	-	-	-	4,160,000
Interest	1,550,290	-	-	-	1,550,290
Total expenditures	<u>175,745,241</u>	<u>13,532,963</u>	<u>16,758,516</u>	<u>247,014</u>	<u>206,283,734</u>
Excess (deficiency) of revenues over expenditures	<u>8,669,478</u>	<u>13,171,001</u>	<u>(11,123,615)</u>	<u>1,580,638</u>	<u>12,297,502</u>
Other financing sources (uses):					
Operating transfers from other funds	10,618,978	-	8,353,344	1,034,221	20,006,543
Operating transfers to other funds	(15,951,840)	(12,131,713)	-	(100,525)	(28,184,078)
Issuance of bonds	-	-	3,650,000	-	3,650,000
Total other financing sources (uses)	<u>(5,332,862)</u>	<u>(12,131,713)</u>	<u>12,003,344</u>	<u>933,696</u>	<u>(4,527,535)</u>
Excess of revenues and other financing sources over expenditures and other financing uses	3,336,616	1,039,288	879,729	2,514,334	7,769,967
Fund equity at beginning of year	<u>27,218,424</u>	<u>4,194,506</u>	<u>6,697,681</u>	<u>9,624,671</u>	<u>47,735,282</u>
Fund equity at end of year	<u>\$ 30,555,040</u>	<u>\$ 5,233,794</u>	<u>\$ 7,577,410</u>	<u>\$ 12,139,005</u>	<u>\$ 55,505,249</u>

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, 1990
(with comparative totals for 1989)

	1990 Budget (note 13)	1990 Actual	Variance Favorable (Unfavorable)	1989 Actual
Revenues:				
Property taxes	\$ 109,510,683	\$ 109,534,486	\$ 23,803	\$ 94,576,678
Provision for tax abatements and adjustments	(2,882,761)	(2,882,761)	-	(1,990,784)
Payments in lieu of tax receipts	1,500,000	2,305,758	805,758	2,111,303
Hotel/Motel excise tax	2,100,000	2,597,233	497,233	2,550,728
Intergovernmental revenue	41,283,704	42,836,437	1,552,733	42,722,387
Hospital, infirmary and health department	47,283,360	49,785,756	2,502,396	43,606,642
Sewer use	9,633,920	10,182,371	548,451	8,202,848
Water use	5,727,525	6,359,310	631,785	5,615,945
Motor vehicle excise	2,600,000	2,740,736	140,736	2,876,981
Investment income	1,160,000	2,179,875	1,019,875	1,858,397
Other	7,683,495	9,317,576	1,634,081	9,159,122
Tax title revenue	-	276,435	276,435	281,636
Total revenues	<u>225,599,926</u>	<u>235,233,212</u>	<u>9,633,286</u>	<u>211,571,883</u>
Expenditures:				
Current:				
General government	14,488,110	13,467,497	1,020,613	13,645,027
Public safety	44,848,441	43,625,473	1,222,968	41,710,216
Community maintenance and development	20,744,247	20,110,302	633,945	19,822,690
Health and hospital services	57,257,455	56,872,974	384,481	52,480,973
Human resource development	7,679,642	7,522,121	157,521	6,968,342
Education	64,939,425	64,938,390	1,035	61,516,982
Intergovernmental	13,039,405	12,485,533	553,872	10,977,906
Water	4,062,430	3,991,687	70,743	3,787,693
Debt Service:				
Principal retirement	4,708,430	4,097,681	610,749	3,964,874
Interest	1,980,100	1,757,752	222,348	1,527,789
Total expenditures	<u>233,747,685</u>	<u>228,869,410</u>	<u>4,878,275</u>	<u>216,402,492</u>
Excess (deficiency) of revenues over expenditures	<u>(8,147,759)</u>	<u>6,363,802</u>	<u>14,511,561</u>	<u>(4,830,609)</u>
Operating transfers in (out):				
Special Revenue Funds	12,131,713	12,131,713	-	10,110,354
Capital Project Funds	(11,178,829)	(11,178,829)	-	(4,420,935)
Trust Funds	81,125	81,125	-	101,125
Total Operating Transfers	<u>1,034,009</u>	<u>1,034,009</u>	<u>-</u>	<u>5,790,544</u>
Excess (deficiency) of revenues and operating transfers in over expenditures and operating transfers out	<u>(7,113,750)</u>	<u>7,397,811</u>	<u>14,511,561</u>	<u>959,935</u>
Other Budget Items:				
Free Cash Appropriations	7,113,750	7,113,750	-	5,000,000
Net Budget and Actual	<u>\$ -</u>	<u>\$ 14,511,561</u>	<u>\$ 14,511,561</u>	<u>\$ 5,959,935</u>

See accompanying notes to general purpose financial statements.

CITY OF CAMBRIDGE, MASSACHUSETTS

Combined Statement of Revenues, Expenses, and Changes in Retained Earnings/Fund Equity All Proprietary Fund Types and Similar Trust Funds

Year ended June 30, 1990

	<u>Proprietary Fund Types</u>		<u>Fiduciary Fund Types</u>		<u>Totals</u>
	<u>Enterprise</u>	<u>Internal</u>	<u>Pension</u>	<u>Non-</u>	<u>(Memorandum</u>
	<u>(note 9)</u>	<u>Service</u>	<u>Trust</u>	<u>Expendable</u>	<u>Only)</u>
				<u>Trust</u>	
Operating revenues:					
Patient service revenue, net of allowances and uncollectible accounts	\$ 44,613,506	\$ -	\$ -	\$ -	\$ 44,613,506
Charges for services	6,275,207	107,167	-	-	6,382,374
Income from employer and member contributions	-	-	18,855,530	-	18,855,530
Donations	-	-	-	1,505	1,505
Investment income	-	-	7,943,168	14,221	7,957,389
Bond amortization	-	-	580,484	-	580,484
Net gain on sale of investments	-	-	1,476,882	-	1,476,882
Other	<u>1,562,663</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,562,663</u>
Total operating revenues	<u>52,451,376</u>	<u>107,167</u>	<u>28,856,064</u>	<u>15,726</u>	<u>81,430,333</u>
Operating expenses:					
Administration	6,297,123	-	-	-	6,297,123
Finance	4,399,484	-	-	-	4,399,484
Service and support programs	32,737,641	69,989	-	-	32,807,630
General services	5,179,840	-	-	-	5,179,840
Depreciation	1,811,865	10,221	-	-	1,822,086
Pension plan benefit payments	-	-	16,109,170	-	16,109,170
Other	<u>2,694,925</u>	<u>-</u>	<u>183,625</u>	<u>-</u>	<u>2,878,550</u>
Total operating expenses	<u>53,120,878</u>	<u>80,210</u>	<u>16,292,795</u>	<u>-</u>	<u>69,493,883</u>
Operating income (loss)	(669,502)	26,957	12,563,269	15,726	11,936,450
Non-operating revenues and expenses:					
Interest expense	<u>559,322</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>559,322</u>
Net income (loss) before operating transfers	(1,228,824)	26,957	12,563,269	15,726	11,377,128
Operating transfers from other funds	8,619,656	-	-	-	8,619,656
Operating transfers to other funds	<u>(427,900)</u>	<u>-</u>	<u>-</u>	<u>(14,221)</u>	<u>(442,121)</u>
Net income	6,962,932	26,957	12,563,269	1,505	19,554,663
Retained Earnings / Fund Equity:					
Beginning of year	62,349,007	466,859	96,323,970	162,351	159,302,187
End of year	\$ <u>69,311,939</u>	\$ <u>493,816</u>	\$ <u>108,887,239</u>	\$ <u>163,856</u>	\$ <u>178,856,850</u>

See accompanying notes to general purpose financial statements.

CITY OF CAMBRIDGE, MASSACHUSETTS

Combined Statement of Cash Flows All Proprietary Fund Types and Nonexpendable Trust Funds

Year ended June 30, 1990

	Proprietary Fund Types		Fiduciary Fund Types	Totals (Memorandum Only)
	Enterprise (note 9)	Internal Service	Non- expendable Trust	
Cash flows from operating activities:				
Operating income (loss)	\$ (669,502)	\$ 26,957	\$ 15,726	\$ (626,819)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	1,811,865	10,221	-	1,822,086
Provision for uncollectible accounts	3,908,094	-	-	3,908,094
Change in assets and liabilities:				
Increase in due from third parties	(3,790,925)	-	-	(3,790,925)
Increase in accounts receivable	(4,418,480)	-	-	(4,418,480)
Decrease in interfund receivables	439,029	-	-	439,029
Decrease in other assets	10,483	-	-	10,483
Increase in accrued liabilities	674,615	-	-	674,615
Decrease in interfund payables	(243,857)	-	-	(243,857)
Increase in accrued compensated absences	437,592	-	-	437,592
Net cash provided (used) by operating activities	<u>(1,841,086)</u>	<u>37,178</u>	<u>15,726</u>	<u>(1,788,182)</u>
Cash flows from noncapital financing activities:				
Operating transfer - in from General Fund	8,619,656	-	-	8,619,656
Operating transfer - out to General Fund	(240,095)	-	-	(240,095)
Operating transfer - out to Capital Projects Fund	(187,805)	-	-	(187,805)
Operating transfer - out to Expendable Trust Funds	-	-	(14,221)	(14,221)
Net cash provided (used) by noncapital financing activities	<u>8,191,756</u>	<u>-</u>	<u>(14,221)</u>	<u>8,177,535</u>
Cash flows from capital and related financing activities:				
Proceeds from sale of bonds	16,350,000	-	-	16,350,000
Acquisition of capital assets	(19,953,954)	(1,150)	-	(19,955,104)
Principal paid on revenue bonds	(1,280,000)	-	-	(1,280,000)
Interest paid on revenue bonds	(559,322)	-	-	(559,322)
Net cash used for capital and related financing activities	<u>(5,443,276)</u>	<u>(1,150)</u>	<u>-</u>	<u>(5,444,426)</u>
Net increase in cash and cash equivalents	<u>907,394</u>	<u>36,028</u>	<u>1,505</u>	<u>944,927</u>
Cash and cash equivalents at beginning of year	<u>1,884,810</u>	<u>403,472</u>	<u>158,332</u>	<u>2,446,614</u>
Cash and cash equivalents at end of year	<u>\$ 2,792,204</u>	<u>\$ 439,500</u>	<u>\$ 159,837</u>	<u>\$ 3,391,541</u>

See accompanying notes to general purpose financial statements.

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NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

This section explains the accounting principles used in the preparation of the 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

June 30, 1990

(1) Definition of Reporting Entity

The combined financial statements present information on organizations and activities of the City of Cambridge, Massachusetts for which the Mayor and City Council have oversight responsibility. The criteria, as defined by GASB codification 2100, for inclusion of organizations and activities in the oversight entity's combined financial statements are: selection of governing authority; designation of management; ability to significantly influence operations; accountability over fiscal matters; and scope of public service. The inclusion of organizations and activities in the City's combined financial statements does not affect their separate legal standing.

These organizations and activities include the Cambridge City Hospital and its affiliated Neighborhood Health Centers, the City's Water Department, the Cambridge Retirement System, the Neville Manor Nursing Home, the Cambridge Public Library System and the Cambridge Public School System since the City controls their operations.

The financial statements of the Cambridge Retirement System are presented for the year ended December 31, 1989, which is its fiscal period for reporting to the Retirement Law Commission of the Commonwealth of Massachusetts.

The operations of the Cambridge Housing Authority and the Cambridge Redevelopment Authority are not part of the defined reporting entity and therefore, are not included in the combined financial statements of the City. Both organizations are excluded because (1) neither falls within the oversight responsibility of the City, (2) they are not subject to the financial controls of the City Manager or the budgetary controls of the Mayor and City Council and (3) no financial interdependency exists.

(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:

(a) Basis of Presentation--Fund Accounting

The activities of the City are accounted for through the use of several funds and two account groups, each of which is a separate accounting entity. The operations of each fund and account group are accounted for through a separate set of self-balancing accounts which are summarized by type in the financial statements. The following fund types and account groups are used by the City:

GOVERNMENTAL FUND TYPES

Governmental Funds are those through which most governmental functions of the City are financed. The acquisition, use, and balances of the City's expendable financial resources and the related liabilities (except those accounted for in proprietary funds and the long-term obligations account group) are accounted for through governmental funds. The measurement focus is based upon determination of changes in financial position, rather than upon net income determination. The following are the City's governmental fund types:

General Fund --This 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.

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 1990

Special Revenue Funds --These 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 Projects Fund --This fund is 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 upon determination of net income and capital maintenance. The following are the City's proprietary fund types:

Enterprise Funds --These funds are used to account for City 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; or (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 or agency to other departments or agencies of the City, or to other governmental units, on a cost-reimbursement basis.

FIDUCIARY FUND TYPES

Fiduciary Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. These include (1) expendable trust funds, (2) nonexpendable trust funds, (3) pension trust funds, and (4) agency funds. Expendable trust funds are accounted for similar to governmental funds. Nonexpendable trust funds and pension trust funds are accounted for similar to proprietary funds. Agency funds are custodial in nature and do not involve measurement of results of operations.

ACCOUNT GROUPS

Account groups are used to establish accounting control and accountability for the City's general fixed assets and general long-term obligations. 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, except for fixed assets purchased through proprietary funds.

General Long-term Obligations Account Group --This account group is used to account for all long-term obligations of the City except for debt issued for enterprise funds.

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 1990

(b) Basis of Accounting by Fund

The basis of accounting used for each fund is as follows:

Governmental Funds, Expendable Trust and Agency Funds

The modified accrual basis of accounting is applied in all governmental fund types and expendable trust and agency funds. Accordingly, revenues are recorded when susceptible to accrual, that is, both measurable and available to finance expenditures of the current period. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers property taxes as available if they are collected within 60 days after year end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. 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 accrued pension costs and accrued vacation and sick leave, which are recorded as liabilities of the general long-term obligations account group.

Those revenues susceptible to accrual are property taxes, investment income and intergovernmental revenue. Motor vehicle excise taxes, licenses and permits, charges for services, fines and forfeits, and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are essentially two types of these revenues: (1) revenues recognized based upon the expenditures recorded and (2) revenues recognized at the time of receipt or earlier, if the susceptible to accrual criteria are met.

Proprietary, Pension and Nonexpendable Trust Funds

The accrual basis of accounting is used by proprietary, pension, and nonexpendable trust funds.

Patient service revenue of the Cambridge Hospital is recorded at established rates charged less provisions for charity allowances and uncollectible accounts which are deducted to arrive at net patient service revenue. Patient service revenue received under certain cost reimbursement agreements is subject to audit and adjustments by third party payors. Provisions for estimated adjustments under these agreements are accrued in the period in which the related services are rendered and adjusted in future periods as final settlements are determined.

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 1990

Third-Party Reimbursements

Effective July 1, 1983, Massachusetts payment legislation Chapter 372 was enacted to govern the establishment of hospital charges and government rates of payment. Chapter 372 established a prospective payment system for substantially all payors and adopted the Blue Cross basis of payment as the basis for determining the approved level of gross patient service revenue and Medicaid and Medicare rates of payment. Effective July 1, 1986, the payment system established pursuant to the Chapter 372 legislation was amended for a two-year period by Chapter 574. The two principal modifications were the exclusion of Medicare reimbursement from the Massachusetts system and the establishment of an uncompensated care pool to uniformly fund free care and bad debts incurred by hospitals. Effective July 1, 1988, the Massachusetts legislature enacted Chapter 23 to govern hospital charges through June 30, 1992. The system established under Chapter 23 continues the methodology established under Chapters 372/574 with some modifications including a discontinuance of the productivity factors after fiscal 1988 which reduced hospital payments under Chapters 372/574; greater incentives for changes in volume and case mix and a rebasing of the fiscal 1988 inpatient volume allowance; and the establishment of a statewide cap on the amount of uncompensated care costs that can be recovered through hospital charges.

For fiscal 1990 and 1989, pursuant to Hospital Agreements HA-31 and HA-30, respectively, Blue Cross paid the Hospital a proportionate share of the substantially fixed Maximum Allowable Costs (MAC) as well as their share of the statewide uniform uncompensated care allowance. The MAC is based upon base year (fiscal 1981) patient care costs with annual adjustments for inflation, an add-on to inflation and changes in volume and case mix, and, with certain items, principally depreciation, interest and malpractice insurance, reimbursed on a cost basis outside the MAC. The current agreement, HA-31, expires on June 30, 1992. In fiscal 1988, the Blue Cross basis of payment was reduced by a 6% productivity factor as mandated by Chapters 372/574. This reduced basis of payment served as the base for determining the fiscal 1990 Blue Cross basis of payment.

Under Chapters 372/574, Medicaid reimbursement is based upon Medicaid's proportionate share of the Blue Cross MAC basis of payment reduced by a fixed discount to maintain Medicaid's discount at the fiscal 1982 level. In fiscal 1988, the basis of payment for Medicaid was reduced by an 8% productivity factor as mandated by Chapters 372/574. Under Chapter 23, Medicaid reimbursement in fiscal 1990 was based upon approved charges less a discount which reflected the fiscal 1988 relationship between Medicaid reimbursement and approved charges.

The Hospital is reimbursed for services during the year at interim rates by Blue Cross, Medicaid and Medicare with differences between Hospital charges and estimated final reimbursement recorded as contractual adjustments.

Also under Chapter 23 and Chapters 372/574, gross patient service revenue is limited to a maximum level based upon the Blue Cross basis of payment. Any under or over-generation of revenue in one year results in an increase or reduction in approved charges in the succeeding year. Any over-generation is deferred by the Hospital.

The Hospital is required to prepare and file certain compliance reports pursuant to the Blue Cross agreement, Chapters 23 and 372/574, and Medicare regulations. The Hospital is current with respect to all compliance filings.

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 1990

(c) Investments

Investments, other than those of the Pension Trust Fund, are carried at cost or amortized cost which approximates market value. The accounting policy for investments of the Pension Trust Fund is described in note 12.

(d) Cash Equivalents

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

(e) 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 balance sheet because they do not constitute expenditures or liabilities. Encumbrances and continuing appropriations are combined with expenditures for budgetary comparison purposes.

(f) Vacation and Sick Leave

City employees are granted vacation and sick leave in varying amounts. Upon retirement, termination or death, certain employees are compensated for unused vacation and sick leave (subject to certain limitations) at their then current rates of pay. The noncurrent portion of this unused vacation and sick leave which is expected to be paid from future financial resources, is accounted for as a liability of the General Long-term Obligation Account Group. The liability for sick and vacation pay of the Hospital Fund is recorded as a liability of that fund.

(g) Judgments and Claims

Expenditures for judgments and claims are recorded in the governmental funds to the extent they are expected to be paid from expendable available resources. Estimated liabilities for judgments and claims of Proprietary Funds are recorded as liabilities of those funds.

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 1990

(h) 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 an estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value at the time received.

Fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems, have not been capitalized. Such assets normally are immovable and of value only to the City. Therefore, the purpose of stewardship for capital expenditures is satisfied without recording these assets.

No depreciation has been provided on general fixed assets, nor has interest been capitalized.

(i) Property, Plant and Equipment - Enterprise and Internal Service Funds

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	10-20	years
Equipment	5-30	years

(j) Self-insurance

The City has established a self-insured medical program for all employees not participating in various Health Maintenance Organizations (HMO's). Both employees and the City contribute to the fund based upon a 99% (City) and 1% (employee) primary care premium formula. The purpose of this program is to pay medical claims of the City's employees and their covered dependents.

(k) Total Columns - Memorandum Only

Total columns on the general purpose financial statements are captioned "Total 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 changes in financial position in conformity with generally accepted accounting principles. Such data are not comparable to a consolidation since interfund eliminations have not been made.

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 1990

(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. In fiscal 1990, real estate and personal property taxes were assessed and billed in accordance with this timetable. 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, net of estimated uncollectibles, 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) Deposits 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 and units in the Massachusetts Municipal Depository Trust ("MMDT").

In addition, the City's Pension Trust Fund has additional investment powers, most notably the ability to invest in common stocks, corporate bonds and other specified investments.

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, 1990.

	<u>Bank Balances</u>			<u>Total Bank Balance</u>	<u>Carrying Amount</u>
	<u>Category</u>				
	<u>1</u>	<u>2</u>	<u>3</u>		
Cash	\$ 805,620	-	3,700,245	4,505,865	6,454,853
Money Market	<u>24,811,587</u>	<u>-</u>	<u>14,976,395</u>	<u>39,787,982</u>	<u>33,172,286</u>
Total	<u>\$ 25,617,207</u>	<u>-</u>	<u>18,676,640</u>	<u>44,293,847</u>	<u>39,627,139</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 1990

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 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, a pooled fund, are not categorized.

	Category			Not	Carrying	Estimated
	1	2	3	Categorized	Amount	Market Value
MMDT	\$ -	-	-	35,386,989	35,386,989	35,386,989
U.S. Treasury obligations	2,159,068	-	-	-	2,159,068	2,223,399
Common stocks	13,127,651	-	34,043,597	-	47,171,248	47,939,319
Corporate bonds	31,870,512	-	1,049,743	-	32,920,255	33,674,806
Total	\$ <u>47,157,231</u>	<u>-</u>	<u>35,093,340</u>	<u>35,386,989</u>	<u>117,637,560</u>	<u>119,224,513</u>

Of the investments reflected in the preceding table investments of the City's Pension Fund constitute 99% and 100% of the amount in Category 1 and 3, respectively.

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.

(5) Due From Other Governments

The following is a summary of amounts due from other governments as of June 30, 1990:

Due from Commonwealth of Massachusetts	\$ 21,975,536
U.S. Department of Housing and Urban Development	3,316,461
Other Federal and State Agencies	<u>1,259,226</u>
	<u>\$ 26,551,223</u>

(6) Fixed Assets

A summary of general fixed assets activity for the year ended June 30, 1990 follows:

	Balance <u>June 30, 1989</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 1990</u>
Land	\$ 168,997,884	492,651	-	169,490,535
Buildings	68,134,724	-	-	68,134,724
Improvements other than buildings	1,493,149	-	-	1,493,149
Equipment	14,902,154	2,015,558	475,390	16,442,322
Construction in progress	<u>3,126,275</u>	<u>5,065,686</u>	<u>492,651</u>	<u>7,699,310</u>
	<u>\$ 256,654,186</u>	<u>7,573,895</u>	<u>968,041</u>	<u>263,260,040</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 1990

The City initiated a fixed assets system in fiscal 1986 for its general fixed assets, and arrived at amounts as of the end of the fiscal year. These amounts are based on actual costs wherever possible. Land and building costs are based on current appraised value adjusted to estimated cost at date of purchase. Improvements other than buildings and equipment are valued at estimated cost when actual cost information was impractical to obtain. Construction in progress is valued at cost.

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

Construction in progress at June 30, 1990 is composed of the following:

	Project <u>Authorization</u>	<u>Expended</u>	<u>Committed</u>
General Fixed Assets:			
Danehy Park	\$ 12,015,000	5,619,959	6,395,041
Fire Headquarters	1,063,155	-	1,063,155
Porter Square Fire Station	1,200,000	778,030	421,970
Public Works Garage Renovations	1,570,000	1,032,275	537,725
Lechmere Canal Park	<u>600,000</u>	<u>269,046</u>	<u>330,954</u>
	<u>16,448,155</u>	<u>7,699,310</u>	<u>8,748,845</u>
Water Fund:			
Payson Park Reservoir Cover	<u>18,000,000</u>	<u>5,865,442</u>	<u>12,134,558</u>
	<u>\$ 34,448,155</u>	<u>13,564,752</u>	<u>20,883,403</u>

As of June 30, 1990 there is no required future financing for these construction projects.

A summary of proprietary fund type property, plant, and equipment at June 30, 1990 follows:

	Hospital and Neighborhood <u>Health Centers</u>	<u>Water</u>	<u>Total Enterprise</u>	<u>Internal Service</u>
Land	\$ -	39,264,325	39,264,325	-
Buildings	19,698,108	8,527,921	28,226,029	-
Improvements other than buildings	2,855	56,863	59,718	-
Equipment	16,811,775	5,207,626	22,019,401	156,131
Construction in progress	<u>-</u>	<u>5,865,442</u>	<u>5,865,442</u>	<u>-</u>
	36,512,738	58,922,177	95,434,915	156,131
Less accumulated depreciation	<u>(12,779,323)</u>	<u>(8,129,846)</u>	<u>(20,909,169)</u>	<u>(101,815)</u>
	<u>\$ 23,733,415</u>	<u>50,792,331</u>	<u>74,525,746</u>	<u>54,316</u>

For the year ended June 30, 1990, \$43,540 of interest cost has been capitalized in the Water Fund.

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 1990

(7) Long-term Debt

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both general government and proprietary activities. 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.

The following is a summary of general obligation bond transactions of the City for the year ended June 30, 1990:

	<u>General Obligation</u>	<u>Enterprise Funds</u>	<u>Total</u>
Bonds payable at June 30, 1989	\$ 47,700,000	9,250,000	56,950,000
New debt issued: Municipal Purpose Loans	3,650,000	16,350,000	20,000,000
Debt retired: Serial bonds	<u>7,965,000</u>	<u>1,280,000</u>	<u>9,245,000</u>
Bonds payable at June 30, 1990	\$ <u>43,385,000</u>	<u>24,320,000</u>	<u>67,705,000</u>

Principal retirement of general obligation bonds is recorded in the financial statements as debt service expenditures of \$4,160,000, education expenditures of \$3,805,000, and operating transfers to other funds of \$1,280,000 totalling \$9,245,000 of principal retirement costs.

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

The following is a summary of the composition of general long-term obligations outstanding at June 30, 1989 and 1990:

<u>Description and Repayment Terms</u>	<u>Date of Obligation</u>	<u>Original Issue</u>	<u>Maturity Date</u>	<u>Interest Rates</u>	<u>Outstanding June 30, 1989</u>	<u>Additions</u>	<u>Retirements</u>	<u>Outstanding June 30, 1990</u>
Bonds:								
General purpose, serial maturities through June 15, 1997	6/15/87 to 6/15/88	\$ 3,975,000	6/15/97	5.6% to 6.4%	\$ 2,845,000	-	725,000	2,120,000
Urban redevelopment, serial maturities through June 15, 2000	6/1/82 to 6/15/90	20,910,000	6/15/00	5.9% to 11.6%	13,370,000	3,650,000	1,875,000	15,145,000
Schools, serial maturities through June 15, 1998	11/1/69 to 6/15/87	54,075,000	6/15/98	5.3% to 11.6%	20,900,000	-	3,805,000	17,095,000
Street reconstruction, serial maturities through June 15, 1999	6/15/87 to 6/15/89	6,500,000	6/15/99	5.6% to 6.5%	5,800,000	-	650,000	5,150,000
Water, serial maturities through October 15, 1996	9/1/72 to 12/15/82	<u>13,165,000</u>	10/15/96	4.7% to 9.2%	<u>4,785,000</u>	<u>-</u>	<u>910,000</u>	<u>3,875,000</u>
Total bonds		<u>\$98,625,000</u>			<u>47,700,000</u>	<u>3,650,000</u>	<u>7,965,000</u>	<u>43,385,000</u>
Accrued compensated absences					<u>8,246,674</u>	<u>-</u>	<u>581,191</u>	<u>7,665,483</u>
Accrued pension costs					<u>90,312,752</u>	<u>4,784,009</u>	<u>-</u>	<u>95,096,761</u>
Total general long-term obligations					<u>\$ 146,259,426</u>	<u>8,434,009</u>	<u>8,546,191</u>	<u>146,147,244</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

The annual requirements to amortize all general long-term obligation debt outstanding as of June 30, 1990 are as follows:

<u>Year Ending</u> <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
1991	\$ 8,115,000	2,686,081	10,801,081
1992	7,195,000	2,151,508	9,346,508
1993	6,500,000	1,659,588	8,159,588
1994	5,805,000	1,247,568	7,052,568
1995	4,420,000	922,766	5,342,766
Thereafter	<u>11,350,000</u>	<u>1,465,055</u>	<u>12,815,055</u>
	<u>\$ 43,385,000</u>	<u>10,132,566</u>	<u>53,517,566</u>

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

The City is subject to the Municipal Finance Law of Massachusetts which limits the amount of net bonded debt the City may have outstanding to 2-1/2 percent of assessed property value. The City may incur debt outside this limit for purposes as described in Section 8 of Chapter 44 of the Massachusetts Municipal Finance Laws. At June 30, 1990, the City had available borrowings inside the debt margin of \$132,957,650. Authorized and unissued debt at June 30, 1990 was \$26,210,000.

At June 30, 1990, the City had grants receivable from the School Building Assistance Bureau (SBAB) of \$10,846,266 to defray principal and interest costs related to \$16,405,000 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. Assuming satisfactory audit results and annual appropriations by the State legislature, \$2,466,226 will be received in 1991, \$2,409,667 in 1992 and the balance will be received in subsequent years.

Enterprise Fund Serial bond issues outstanding at June 30, 1990 were \$15,420,000 and \$8,900,000 for the Cambridge Hospital and Water Fund, respectively. Interest rates range from 5.6% to 7.0% for the Hospital and 6.4% to 6.6% for the Water Fund. The Hospital and Water weighted average interest rates were 6.4% and 6.5%, respectively. Outstanding debt matures in subsequent fiscal years as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
1991	\$ 2,915,000	1,570,118	4,485,118
1992	2,915,000	1,378,828	4,293,828
1993	2,615,000	1,192,253	3,807,253
1994	2,615,000	1,022,478	3,637,478
1995	2,385,000	860,753	3,245,753
Thereafter	<u>10,875,000</u>	<u>2,021,670</u>	<u>12,896,670</u>
	<u>\$ 24,320,000</u>	<u>8,046,100</u>	<u>32,366,100</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 1990

The Massachusetts Water Resources Authority (MWRA), the Massachusetts Bay Transportation Authority (MBTA), and Middlesex County 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, 1990 and the City's 1990 assessment from each entity:

	Long-term debt <u>outstanding</u>	The City's estimated <u>share</u>	The City's estimated <u>indirect debt</u>	Assessment including <u>debt service</u>
MBTA	\$ 1,283,765,000	4.9%	\$ 63,064,956	\$ 5,547,406
MWRA	919,120,663	4.2	38,422,776	6,297,375
Middlesex County	4,050,000	7.1	289,170	102,779

(8) Fund Balances Reserved for Specific Purposes

Fund balances are reserved for the following purposes as of June 30, 1990:

General Fund:

Sale of Real Estate (section 63 of Chapter 44 Massachusetts General Laws)	\$ 48,157
Other	<u>348,115</u>
	<u>\$ 396,272</u>

Special Revenue Funds:

School Grants	\$ 379,194
Fuel Assistance Grants	110,548
Other Grants	<u>190,497</u>
	<u>\$ 680,239</u>

Capital Project Fund:

Long-term Loan Receivable	\$ <u>981,763</u>
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Trust Funds:

Retirement	\$ 108,887,239
Stabilization	3,769,149
Cemetery Perpetual Care	1,321,373
Health Claims	5,927,307
School	98,238
Neville Manor	69,390
Library	102,187
Bridge Charitable	15,097
Charles Bullock	191,433
Facade Preservation	20,602
Housing	522,912
Smith-Hughes	5,700
John Kinnear	12,421
Melville Shoe	946
Bridget McGuire	6,574
Cambridge Plant and Garden	19,186
Molly Ramsey	16,993
Soldier's Monument	963
Sheehan War Memorial	7,355
Daniel White/Warren Merrill	21,517
Mary Conlon Park	921
Special Law Enforcement	<u>172,597</u>
	<u>\$ 121,190,100</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 1990

(9) Segment Information for Enterprise Funds

The City maintains Enterprise Funds which provide water and hospital services. Segment information for the year ended June 30, 1990 follows:

	Hospital and Neighborhood Health Centers	Water	Total
Operating revenues	\$ <u>45,800,565</u>	<u>6,650,811</u>	<u>52,451,376</u>
Operating income (loss)	<u>(2,878,022)</u>	<u>2,208,520</u>	<u>(669,502)</u>
Net operating transfers	<u>8,619,656</u>	<u>(427,900)</u>	<u>8,191,756</u>
Depreciation Expense	<u>1,458,337</u>	<u>353,528</u>	<u>1,811,865</u>
Net income	<u>5,203,672</u>	<u>1,759,260</u>	<u>6,962,932</u>
Fixed assets	<u>23,733,415</u>	<u>50,792,331</u>	<u>74,525,746</u>
Net working capital	<u>13,671,033</u>	<u>5,435,160</u>	<u>19,106,193</u>
Total assets	<u>41,681,454</u>	<u>56,354,993</u>	<u>98,036,447</u>
Long-term obligations	<u>15,420,000</u>	<u>8,900,000</u>	<u>24,320,000</u>
Retained earnings	\$ <u>21,984,448</u>	<u>47,327,491</u>	<u>69,311,939</u>

(10) Individual Fund Receivables/Payables and Deficits

Individual balances of amounts due from and to other funds at June 30, 1990 are as follows:

	Due from other funds	Due to other funds
General Fund	\$ 163,325	-
Special Revenue Fund - Other Grants	-	323,505
Capital Projects Fund	-	2,930,762
Enterprise Funds:		
Hospital and Neighborhood Health Centers Fund	1,155,341	-
Water Fund	1,955,601	-
Expendable Trust Fund - School Trust	-	20,000
	\$ <u>3,274,267</u>	<u>3,274,267</u>

There were no individual fund deficits or significant operating deficits for fiscal year 1990.

(11) Commitments and Contingencies

See note 7 for a discussion of commitments by the City to the MWRA, MBTA, and Middlesex County.

There are numerous cases pending in courts throughout the Commonwealth where the City of Cambridge is a defendant. 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.

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 1990

The Cambridge Hospital self-insures against losses from claims for alleged malpractice. In the opinion of counsel for the Hospital, no asserted or unasserted claims for malpractice are likely to result in final judgments that would materially affect the financial condition of the Hospital.

The City participates in a number of federal financial assistance programs, principal of which are the Community Development Block Grant, Low Income Home Energy Assistance, National School Lunch, and numerous Education Grant programs. Although the City's grant programs have been audited in accordance with the provisions of the Single Audit Act through June 30, 1990, these programs are still subject to financial and compliance audits and resolution of previously identified questioned costs. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

(12) Pension Plan

(a) Plan Description

The City contributes to the City of Cambridge Employees' Retirement System ("System"), a single employer public employee retirement system that acts as the investment and administrative agent for the City. The City's payroll for employees covered by the System for the year ended June 30, 1990 was \$95,138,123. Public school teachers are covered by the Commonwealth of Massachusetts Teachers' Retirement System (TRS) to which the City of Cambridge, Massachusetts does not contribute. The City's payroll for teachers covered by the TRS for the year ended June 30, 1990 was \$33,415,498. The total payroll for the City was \$128,553,621.

The System and the TRS are contributory defined benefit plans covering all City employees and teachers deemed eligible.

Instituted in 1939, the System is a member of the Massachusetts Contributory System and is governed by M.G.L. Chapte 32 of the Massachusetts General Laws (MGL). Membership in the System is mandatory immediately upon the commencement of employment for all permanent, full-time employees. Current members of the System consist of the following:

Retired and Inactive	1,548
Active:	
Vested	1,286
Nonvested employees covered by the Plan	<u>1,285</u>
Total	<u>4,119</u>

The System and TRS provide for retirement allowance benefits up to a maximum of 80% of a member's highest three-year average annual rate of regular compensation. Benefit payments are based upon a member's age, length of creditable service, level of compensation and group classification. Members joining the System after January 1, 1979 are subject to a cap of \$30,000 on the level of compensation upon which their benefit is calculated.

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 1990

Members of both systems become vested after 10 years of creditable service. A retirement allowance may be received upon reaching age 65 or upon attaining 20 years of service. The System and the TRS also provide for early retirement at age 55 if the participant (1) has a record of 10 years of creditable service, (2) was on the City payroll on January 1, 1973, (3) voluntarily left City employment on or after that date, and (4) left accumulated annuity deductions in the fund. Active members contribute either 5, 7, or 8% of their gross regular compensation depending on the date upon which their membership began. The City is required to contribute the remaining amounts necessary to pay benefits when due.

The System also provides death and disability benefits.

(b) Significant Accounting Policies and Plan Assets

The accounting records of the System are maintained on a calendar year basis in accordance with the standards and procedures established by the Commissioner of the Public Employee Retirement Administration (PERA).

The investments of the System are valued as follows:

Bonds are valued at amortized cost which is the original cost of the investment plus or minus any bond discount or bond premium calculated ratably to maturity.

Stocks are reflected at the lower of cost or market.

Cash and investments of the System at December 31, 1989, are summarized as follows:

	<u>Book Value</u>	<u>Market Value</u>
Cash	\$ 24,843,604	24,843,604
Bonds	34,397,460	35,161,337
Stocks	47,171,248	47,937,319
Total	\$ <u>106,412,312</u>	<u>107,942,260</u>

(c) Funding Status and Progress

The amount shown below as the "Pension Benefit Obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess the funding status of the system on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among employers. The measure is the actuarial present value of credited projected benefits and is independent of the funding method used to determine contributions to the System.

The pension benefit obligation was computed as part of an actuarial valuation performed as of January 1, 1988 (which was updated as of January 1, 1990 due to delays in receiving a more recent valuation from PERA). Significant actuarial assumptions used in the valuation include (a) a rate of return on the investment of present and future assets of 8% a year compounded annually, (b) projected salary increases of 2% a year compounded annually, attributed to inflation, (c) additional projected salary increases of 4% a year, attributable to seniority/merit, and (d) no post-retirement benefit increases.

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 1990

Total unfunded pension benefit obligation applicable to the City's employees was \$122,913,000 at December 31, 1989 as follows (in thousands):

Pension Benefit Obligation

Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	\$ 106,100
Current employees:	
Accumulated employee contributions, including allocated investment earnings	48,441
Employer-financed vested	27,059
Employer-financed nonvested	<u>50,200</u>
Total pension benefit obligation	<u>231,800</u>
Net assets available for benefits, at cost	<u>108,887</u>
Unfunded pension benefit obligation	<u>\$ 122,913</u>

(d) Contribution Requirements and Contribution Made

The City is required to contribute, each fiscal year, an amount approximating the pension benefits (less certain interest credits) expected to be paid during the year ("pay-as-you-go" method). This amount is determined in advance by the Public Employees Retirement Administration (PERA) and is based in part on the previous year's benefit payout. No actuarial information is used in determining this amount. The Commonwealth of Massachusetts currently reimburses the System on a quarterly basis for the portion of benefit payments owing to cost-of-living increases granted after the implementation of Proposition 2-1/2.

The City's required minimum contribution to the system was \$ 11,435,659 for the year ended December 31, 1989. The City actually contributed \$ 11,439,460 (12% of covered payroll) and the employees contributed \$ 5,352,653 (6% of covered payroll) for a total contribution of \$ 16,792,113.

(e) Trend Information

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Ten-year trend information may be found in the required supplementary schedules on pages 34 and 35 of the City's Comprehensive Annual Financial Report. For the years ended December 31, 1989, 1988 and 1987, available assets were sufficient to fund \$108,887,239, \$96,323,970 and \$89,361,520 or 46%, 45% and 44% of the Pension Benefit Obligation, respectively. Unfunded Pension Benefit Obligation represented 129%, 132% and 162% of the annual payroll for employees covered by the system for 1990, 1989 and 1988, respectively. Showing unfunded pension benefit obligation as a percentage of annual covered payroll approximately adjusts for the effects of inflation for analysis purposes. In addition, for the three years ended June 30, 1990, 1989 and 1988, the City's contributions to the system, all made in accordance with the above requirements, were \$11,439,460, \$10,877,135 and \$10,315,154 which is 12%, 12% and 15% respectively, of annual covered payroll.

It is the City's policy to charge expenditures with the amount of pension costs actually funded. The City records the unfunded accumulated benefit obligation as a liability of the general long-term obligations account group.

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 1990

All retired employees eligible for pension benefits as well as teachers covered under the Commonwealth of Massachusetts Teacher's Retirement System receive certain post-retirement benefits including major health, dental, and life insurance. The cost of the health insurance premiums is the City's responsibility. The City funds 75% of life insurance premiums, with the remaining 25% paid by the retiree. Dental insurance premiums are the retiree's responsibility but are available at the reduced group rate. The City's cost of these post-retirement benefits for fiscal 1990 was \$4,226,540 and is funded and accounted for on a pay-as-you-go basis.

(13) Budget Basis of Accounting

The City's budget as presented in the statement of Revenues and Expenditures Budgetary Basis - General Fund was developed as follows:

City Council authorizations	\$ 235,799,765
Supplemental appropriations and budget transfers	(2,052,080)
	<u>\$ 233,747,685</u>

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 Mayor. School Department appropriations are acted upon directly by the School Committee up to the level of certain prior year school appropriations. The Mayor may recommend additional sums for school purposes. In addition, the Mayor may submit to the City Council such supplementary appropriation orders as are deemed necessary. The Mayor 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 Mayor but may not increase or add items without the recommendation of the Mayor. Supplemental appropriations for the year ended June 30, 1990, after the setting of the tax rate, were \$ 524,010 and are included in the budgetary comparison 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.

CITY OF CAMBRIDGE, MASSACHUSETTS

Notes to General Purpose Financial Statements

June 30, 1990

The City's General Fund budget is prepared on a basis other than generally accepted accounting principles (GAAP basis). The actual results of operations in the statement of Revenues and Expenditures Budgetary Basis - General Fund, are presented on a "budget 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).
- (c) The Cambridge City Hospital and its affiliated Neighborhood Health Centers and the Water Department are budgeted departments of the City's General Fund. However, for financial statement purposes, these entities are reported in enterprise funds and not as a part of the General Fund.

A summary of the differences between the results of operations presented on a budgeted basis and those presented in accordance with generally accepted accounting principles is as follows:

	Revenues	Expenditures	Other Financing Sources (Uses)
As reported on a budgetary basis	\$ 235,233,212	228,869,410	1,034,009
To reclassify Hospital operations to enterprise fund	(41,419,035)	(48,681,259)	(6,606,366)
To reclassify Water Department operations to enterprise fund	(6,359,310)	(3,991,687)	1,404,995
To record revenue and other financing sources on a modified accrual basis of accounting	(3,040,148)	-	(1,165,500)
To record 1989 encumbrances and continuing appropriations paid during 1990	-	2,903,955	-
To eliminate 1990 encumbrances and continuing appropriations	-	(3,355,178)	-
As reported on GAAP basis	\$ <u>184,414,719</u>	<u>175,745,241</u>	<u>(5,332,862)</u>

REQUIRED SUPPLEMENTARY INFORMATION

The following two schedules present historical trend information for the City of Cambridge, Massachusetts Employees' Retirement System. The information is presented in accordance with the requirements of Statement No. 5 of the Governmental Accounting Standards Board, "Disclosure of Pension Information by Public Employee Retirement Systems and State and Local Government Employers."

CITY OF CAMBRIDGE, MASSACHUSETTS

Employees' Retirement System

Required Supplementary Information

Analysis of Funding Progress (in thousands)

June 30, 1990

Fiscal year	(1) Net assets available for benefits	(2) Pension benefit obligation	(3) Percentage funded <u>(1)/(2)</u>	(4) Unfunded pension benefit obligation <u>(2)-(1)</u>	(5) Annual covered payroll	(6) Unfunded Pension benefit obligation as a percentage of covered payroll <u>(4)/(5)</u>
1990	\$ 108,887	\$ 231,800	46%	\$ 122,913	\$ 95,138	129%
1989	96,324	212,083	45	115,759	87,919	132
1988	89,362	202,771	44	113,409	69,965	162

Isolated analysis of the dollar amounts of net assets available for benefits, pension benefit obligation, and unfunded pension benefit obligation can be misleading. Expressing the net assets available for benefits as a percentage of the pension benefit obligation provides an indication of the City's funding status on a going-concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the Public Employee Retirement System (PERS). Trends in unfunded pension benefit obligation and annual covered payroll are both affected by inflation. Expressing the unfunded pension benefit obligation as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of the progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the PERS.

Note: Information prior to 1988 not available.

CITY OF CAMBRIDGE, MASSACHUSETTS

Employees' Retirement System

Required Supplementary Information Revenues by Source and Expenses by Type (unaudited)

June 30, 1990

Revenues by Source					
<u>Employer Contributions</u>					
<u>Year</u>	<u>Employee contributions</u>	<u>Dollar amount</u>	<u>Percentage of annual covered payroll</u>	<u>Investment income</u>	<u>Total</u>
1990	\$ 5,352,653	\$ 11,439,460	12 %	\$ 10,000,534	\$ 26,792,647
1989	4,788,252	10,877,135	12	5,792,612	21,457,999
1988	4,530,895	10,315,154	15	8,316,275	23,162,324
1987	4,128,139	10,867,977	12	8,383,230	23,379,346
1986	3,902,428	8,871,703	-	6,092,556	18,866,687
1985	3,496,863	8,975,097	-	4,930,030	17,401,990
1984	3,268,040	8,016,833	-	4,218,225	15,503,098
1983	2,875,600	7,153,573	-	3,410,962	13,440,135
1982	2,718,565	6,578,758	-	2,844,091	12,141,414
1981	2,590,840	6,079,460	-	2,323,245	10,993,545

Expenses by Type				
<u>Fiscal year</u>	<u>Administrative</u>			<u>Total</u>
	<u>Benefits</u>	<u>expenses</u>	<u>Refunds</u>	
1990	\$ 14,874,275	\$ 183,625	\$ 1,234,895	\$ 16,292,795
1989	14,724,007	177,040	1,515,602	16,416,649
1988	13,429,757	180,155	1,303,227	14,913,839
1987	13,164,057	163,714	1,211,495	14,539,266
1986	11,539,930	164,664	898,077	12,602,671
1985	10,720,775	148,425	972,267	11,841,467
1984	9,930,933	139,281	832,712	10,902,926
1983	9,170,655	112,309	885,179	10,168,143
1982	8,201,743	95,335	1,240,296	9,537,374
1981	7,337,259	100,573	693,507	8,131,339

Note: Annual covered payroll information is not available for years prior to 1987.

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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. Also, information on real, personal, and excise tax collections, as well as a schedule of the long-term debt obligations and general fixed assets of the City is provided in this section.

CITY OF CAMBRIDGE, MASSACHUSETTS

General Fund

Schedule of Expenditures - Budgetary Basis

Year ended June 30, 1990

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
General Government:			
Mayor:			
Salaries and wages	\$ 230,670	208,737	21,933
Other ordinary maintenance	55,570	53,191	2,379
Travel and training	11,630	8,901	2,729
Extraordinary expenditures	-	-	-
Total Mayor	<u>297,870</u>	<u>270,829</u>	<u>27,041</u>
City Manager:			
Salaries and wages	373,960	373,895	65
Other ordinary maintenance	174,620	173,192	1,428
Travel and training	18,165	18,059	106
Extraordinary expenditures	-	-	-
Total City Manager	<u>566,745</u>	<u>565,146</u>	<u>1,599</u>
City Council:			
Salaries and wages	442,970	442,925	45
Other ordinary maintenance	75,120	74,001	1,119
Travel and training	12,125	11,272	853
Extraordinary expenditures	-	-	-
Total City Council	<u>530,215</u>	<u>528,198</u>	<u>2,017</u>
City Clerk:			
Salaries and wages	289,387	280,794	8,593
Other ordinary maintenance	46,709	42,382	4,327
Travel and training	1,523	1,522	1
Extraordinary expenditures	-	-	-
Total City Clerk	<u>337,619</u>	<u>324,698</u>	<u>12,921</u>
Law:			
Salaries and wages	506,145	503,354	2,791
Other ordinary maintenance	490,035	484,842	5,193
Travel and training	259,860	228,770	31,090
Extraordinary expenditures	<u>10,500</u>	<u>10,352</u>	<u>148</u>
Total Law	<u>1,266,540</u>	<u>1,227,318</u>	<u>39,222</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

General Fund

Schedule of Expenditures - Budgetary Basis, Continued

Year ended June 30, 1990

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
Finance:			
Salaries and wages	\$ 2,950,955	2,950,917	38
Other ordinary maintenance	1,176,010	1,076,336	99,674
Travel and training	108,615	86,427	22,188
Extraordinary expenditures	<u>74,800</u>	<u>73,558</u>	<u>1,242</u>
Total Finance	<u>4,310,380</u>	<u>4,187,238</u>	<u>123,142</u>
Employee Benefits:			
Salaries and wages	1,794,466	1,129,475	664,991
Other ordinary maintenance	3,733,650	3,626,469	107,181
Travel and training	-	-	-
Extraordinary expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Total Employee Benefits	<u>5,528,116</u>	<u>4,755,944</u>	<u>772,172</u>
General Services:			
Salaries and wages	335,290	335,191	99
Other ordinary maintenance	386,545	384,432	2,113
Travel and training	610	610	-
Extraordinary expenditures	<u>32,325</u>	<u>32,158</u>	<u>167</u>
Total General Services	<u>754,770</u>	<u>752,391</u>	<u>2,379</u>
Election Commission:			
Salaries and wages	309,530	309,524	6
Other ordinary maintenance	122,275	121,678	597
Travel and training	3,625	2,213	1,412
Extraordinary expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Total Election Commission	<u>435,430</u>	<u>433,415</u>	<u>2,015</u>
Public Celebrations:			
Salaries and wages	47,810	47,783	27
Other ordinary maintenance	269,745	246,014	23,731
Travel and training	375	375	-
Extraordinary expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Total Public Celebrations	<u>317,930</u>	<u>294,172</u>	<u>23,758</u>
Reserve:			
Salaries and wages	-	-	-
Other ordinary maintenance	10,100	-	10,100
Travel and training	-	-	-
Extraordinary expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Total Reserve	<u>10,100</u>	<u>-</u>	<u>10,100</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

General Fund

Schedule of Expenditures - Budgetary Basis, Continued

Year ended June 30, 1990

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
Animal Commission:			
Salaries and wages	\$ 108,950	106,529	2,421
Other ordinary maintenance	22,945	21,506	1,439
Travel and training	500	113	387
Extraordinary expenditures	-	-	-
Total Animal Commission	<u>132,395</u>	<u>128,148</u>	<u>4,247</u>
Total General Government	<u>14,488,110</u>	<u>13,467,497</u>	<u>1,020,613</u>
Public Safety:			
Fire:			
Salaries and wages	16,177,413	15,756,407	421,006
Other ordinary maintenance	371,913	312,161	59,752
Travel and training	88,575	82,236	6,339
Extraordinary expenditures	<u>33,000</u>	<u>31,490</u>	<u>1,510</u>
Total Fire	<u>16,670,901</u>	<u>16,182,294</u>	<u>488,607</u>
Police:			
Salaries and wages	17,352,655	16,789,449	563,206
Other ordinary maintenance	709,225	691,204	18,021
Travel and training	69,750	50,447	19,303
Extraordinary expenditures	<u>126,200</u>	<u>125,793</u>	<u>407</u>
Total Police	<u>18,257,830</u>	<u>17,656,893</u>	<u>600,937</u>
Traffic and Parking:			
Salaries and wages	2,810,009	2,810,004	5
Other ordinary maintenance	2,395,318	2,395,218	100
Travel and training	57,252	56,861	391
Extraordinary expenditures	<u>21,676</u>	<u>21,115</u>	<u>561</u>
Total Traffic and Parking	<u>5,284,255</u>	<u>5,283,198</u>	<u>1,057</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

General Fund

Schedule of Expenditures - Budgetary Basis, Continued

Year ended June 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
Police Review and Advisory Board:			
Salaries and wages	\$ 40,535	23,128	17,407
Other ordinary maintenance	19,600	2,807	16,793
Travel and training	1,000	858	142
Extraordinary expenditures	-	-	-
Total Police Review and Advisory Board	<u>61,135</u>	<u>26,793</u>	<u>34,342</u>
Inspectional Services:			
Salaries and wages	1,135,393	1,135,247	146
Other ordinary maintenance	211,057	154,960	56,097
Travel and training	40,175	30,491	9,684
Extraordinary expenditures	-	-	-
Total Inspectional Services	<u>1,386,625</u>	<u>1,320,698</u>	<u>65,927</u>
License:			
Salaries and wages	323,470	323,373	97
Other ordinary maintenance	94,385	78,177	16,208
Travel and training	6,930	6,926	4
Extraordinary expenditures	-	-	-
Total License	<u>424,785</u>	<u>408,476</u>	<u>16,309</u>
Weights and Measures:			
Salaries and wages	109,410	109,319	91
Other ordinary maintenance	2,960	1,652	1,308
Travel and training	285	285	-
Extraordinary expenditures	-	-	-
Total Weights and Measures	<u>112,655</u>	<u>111,256</u>	<u>1,399</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

General Fund

Schedule of Expenditures - Budgetary Basis, Continued

Year ended June 30, 1990

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
Electrical:			
Salaries and wages	\$ 1,144,271	1,143,751	520
Other ordinary maintenance	1,388,224	1,377,351	10,873
Travel and training	5,370	5,078	292
Extraordinary expenditures	<u>24,000</u>	<u>22,485</u>	<u>1,515</u>
Total Electrical	<u>2,561,865</u>	<u>2,548,665</u>	<u>13,200</u>
Emergency Management:			
Salaries and wages	71,755	71,742	13
Other ordinary maintenance	13,085	11,958	1,127
Travel and training	50	-	50
Extraordinary expenditures	<u>3,500</u>	<u>3,500</u>	<u>-</u>
Total Emergency Management	<u>88,390</u>	<u>87,200</u>	<u>1,190</u>
Total Public Safety	<u>44,848,441</u>	<u>43,625,473</u>	<u>1,222,968</u>
Community Maintenance and Development:			
Public Works:			
Salaries and wages	9,682,990	9,681,953	1,037
Other ordinary maintenance	6,234,434	6,155,879	78,555
Travel and training	272,050	265,810	6,240
Extraordinary expenditures	<u>291,723</u>	<u>291,345</u>	<u>378</u>
Total Public Works	<u>16,481,197</u>	<u>16,394,987</u>	<u>86,210</u>
Community Development:			
Salaries and wages	1,764,552	1,738,544	26,008
Other ordinary maintenance	584,072	345,938	238,134
Travel and training	10,200	9,291	909
Extraordinary expenditures	<u>249,356</u>	<u>-</u>	<u>249,356</u>
Total Community Development	<u>2,608,180</u>	<u>2,093,773</u>	<u>514,407</u>
Historical Commission:			
Salaries and wages	120,300	115,253	5,047
Other ordinary maintenance	49,940	49,937	3
Travel and training	800	800	-
Extraordinary expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Total Historical Commission	<u>171,040</u>	<u>165,990</u>	<u>5,050</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

General Fund

Schedule of Expenditures - Budgetary Basis, Continued

Year ended June 30, 1990

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
Conservation Commission:			
Salaries and wages	\$ 37,895	37,893	2
Other ordinary maintenance	2,305	2,291	14
Travel and training	515	495	20
Extraordinary expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Total Conservation Commission	<u>40,715</u>	<u>40,679</u>	<u>36</u>
Peace Commission:			
Salaries and wages	21,500	21,476	24
Other ordinary maintenance	2,450	2,450	-
Travel and training	150	-	150
Extraordinary expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Total Peace Commission	<u>24,100</u>	<u>23,926</u>	<u>174</u>
Rent Control:			
Salaries and wages	1,074,645	1,069,483	5,162
Other ordinary maintenance	138,424	123,246	15,178
Travel and training	1,321	1,207	114
Extraordinary expenditures	<u>14,500</u>	<u>14,500</u>	<u>-</u>
Total Rent Control	<u>1,228,890</u>	<u>1,208,436</u>	<u>20,454</u>
Cable Vision:			
Salaries and wages	80,690	80,663	27
Other ordinary maintenance	71,705	66,060	5,645
Travel and training	1,500	1,127	373
Extraordinary expenditures	<u>36,230</u>	<u>34,661</u>	<u>1,569</u>
Total Cable Vision	<u>190,125</u>	<u>182,511</u>	<u>7,614</u>
Total Community Maintenance and Development	<u>20,744,247</u>	<u>20,110,302</u>	<u>633,945</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

General Fund

Schedule of Expenditures - Budgetary Basis, Continued

Year ended June 30, 1990

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
Health and Hospital Services:			
Health:			
Salaries and wages	\$ 712,850	712,780	70
Other ordinary maintenance	152,456	123,428	29,028
Travel and training	3,200	1,982	1,218
Extraordinary expenditures	<u>2,500</u>	<u>2,500</u>	<u>-</u>
Total Health	<u>871,006</u>	<u>840,690</u>	<u>30,316</u>
Neville Manor:			
Salaries and wages	5,305,931	5,229,324	76,607
Other ordinary maintenance	2,182,575	2,015,009	167,566
Travel and training	132,700	77,899	54,801
Extraordinary expenditures	<u>47,400</u>	<u>28,793</u>	<u>18,607</u>
Total Neville Manor	<u>7,668,606</u>	<u>7,351,025</u>	<u>317,581</u>
Hospital:			
Salaries and wages	30,208,450	30,208,368	82
Other ordinary maintenance	16,580,617	16,549,309	31,308
Travel and training	233,776	228,582	5,194
Extraordinary expenditures	<u>1,695,000</u>	<u>1,695,000</u>	<u>-</u>
Total Hospital	<u>48,717,843</u>	<u>48,681,259</u>	<u>36,584</u>
Total Health and Hospital Services	<u>57,257,455</u>	<u>56,872,974</u>	<u>384,481</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

General Fund

Schedule of Expenditures - Budgetary Basis, Continued

Year ended June 30, 1990

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
Human Resource Development:			
Library:			
Salaries and wages	\$ 2,076,128	2,025,017	51,111
Other ordinary maintenance	463,365	460,503	2,862
Travel and training	4,152	4,042	110
Extraordinary expenditures	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Total Library	<u>2,563,645</u>	<u>2,509,562</u>	<u>54,083</u>
Human Services:			
Salaries and wages	3,298,839	3,296,802	2,037
Other ordinary maintenance	1,225,763	1,153,167	72,596
Travel and training	8,335	8,097	238
Extraordinary expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Total Human Services	<u>4,532,937</u>	<u>4,458,066</u>	<u>74,871</u>
Human Rights:			
Salaries and wages	68,665	67,935	730
Other ordinary maintenance	22,935	19,185	3,750
Travel and training	2,600	1,987	613
Extraordinary expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Total Human Rights	<u>94,200</u>	<u>89,107</u>	<u>5,093</u>
Veterans Benefits:			
Salaries and wages	195,160	195,131	29
Other ordinary maintenance	181,195	159,114	22,081
Travel and training	33,105	32,664	441
Extraordinary expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Total Veterans Benefits	<u>409,460</u>	<u>386,909</u>	<u>22,551</u>
Women's Commission:			
Salaries and wages	68,760	68,662	98
Other ordinary maintenance	10,140	9,580	560
Travel and training	500	235	265
Extraordinary expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Total Women's Commission	<u>79,400</u>	<u>78,477</u>	<u>923</u>
Total Human Resource Development	<u>7,679,642</u>	<u>7,522,121</u>	<u>157,521</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

General Fund

Schedule of Expenditures - Budgetary Basis, Continued

Year ended June 30, 1990

	<u>Budget</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
Education:			
Salary and wages	\$ 48,906,143	48,905,535	608
Other ordinary maintenance	10,341,193	10,341,010	183
Travel and training	277,489	277,250	239
Extraordinary expenditures	<u>5,414,600</u>	<u>5,414,595</u>	<u>5</u>
Total Education	<u>64,939,425</u>	<u>64,938,390</u>	<u>1,035</u>
Water:			
Salaries and wages	2,843,210	2,836,510	6,700
Other ordinary maintenance	1,151,720	1,090,431	61,289
Travel and training	22,500	19,746	2,754
Extraordinary expenditures	<u>45,000</u>	<u>45,000</u>	<u>-</u>
Total Water	<u>4,062,430</u>	<u>3,991,687</u>	<u>70,743</u>
Debt Principal:			
Salaries and wages	-	-	-
Other ordinary maintenance	-	-	-
Travel and training	-	-	-
Extraordinary expenditures	<u>4,708,430</u>	<u>4,097,681</u>	<u>610,749</u>
Total Debt Principal	<u>4,708,430</u>	<u>4,097,681</u>	<u>610,749</u>
Interest:			
Salaries and wages	-	-	-
Other ordinary maintenance	79,600	65,614	13,986
Travel and training	-	-	-
Extraordinary expenditures	<u>1,900,500</u>	<u>1,692,138</u>	<u>208,362</u>
Total Interest	<u>1,980,100</u>	<u>1,757,752</u>	<u>222,348</u>
Intergovernmental:			
MBTA:			
Salaries and wages	-	-	-
Other ordinary maintenance	5,645,970	5,549,505	96,465
Travel and training	-	-	-
Extraordinary expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Total MBTA	<u>5,645,970</u>	<u>5,549,505</u>	<u>96,465</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

General Fund

Schedule of Expenditures - Budgetary Basis, Continued

Year ended June 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
County Tax:			
Salaries and wages	\$ -	-	-
Other ordinary maintenance	102,780	102,779	1
Travel and training	-	-	-
Extraordinary expenditures	-	-	-
Total County Tax	<u>102,780</u>	<u>102,779</u>	<u>1</u>
MWRA:			
Salaries and wages	-	-	-
Other ordinary maintenance	6,756,281	6,298,875	457,406
Travel and training	-	-	-
Extraordinary expenditures	-	-	-
Total MWRA	<u>6,756,281</u>	<u>6,298,875</u>	<u>457,406</u>
Other State Assessments:			
Salaries and wages	-	-	-
Other ordinary maintenance	534,374	534,374	-
Travel and training	-	-	-
Extraordinary expenditures	-	-	-
Total Other State Assessments	<u>534,374</u>	<u>534,374</u>	<u>-</u>
Total Intergovernmental:	<u>13,039,405</u>	<u>12,485,533</u>	<u>553,872</u>
Total General Fund	\$ <u>233,747,685</u>	<u>228,869,410</u>	<u>4,878,275</u>

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SPECIAL REVENUE FUNDS

Community Development Block Grant

Revenues from the Community Development Block Grant Program, which are used to support both operating and capital improvement programs, are recorded in this fund. A transfer is made at the end of the fiscal year to the General and Capital Projects Funds to cover Block Grant-related expenditures in these funds during that fiscal year.

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 in 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, Library, and Hospital. 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, 1990

<u>Assets</u>	<u>School Grants</u>	<u>Fuel Assistance</u>	<u>Parking Fund</u>	<u>Other Grants</u>	<u>Total</u>
Cash and short-term investments	\$ 600,179	130,855	4,128,563	220,965	5,080,562
Due from other governments	-	-	-	613,268	613,268
Total assets	<u>600,179</u>	<u>130,855</u>	<u>4,128,563</u>	<u>834,233</u>	<u>5,693,830</u>
<u>Liabilities and Fund Equity</u>					
Accrued liabilities	101,672	-	-	34,859	136,531
Due to other funds	-	-	-	323,505	323,505
Total liabilities	<u>101,672</u>	<u>-</u>	<u>-</u>	<u>358,364</u>	<u>460,036</u>
Fund equity:					
Reserved for encumbrances	119,313	20,307	-	285,372	424,992
Reserved for specific purposes	379,194	110,548	-	190,497	680,239
Unreserved	-	-	4,128,563	-	4,128,563
Total fund equity	<u>498,507</u>	<u>130,855</u>	<u>4,128,563</u>	<u>475,869</u>	<u>5,233,794</u>
Total liabilities and fund equity	<u>\$ 600,179</u>	<u>130,855</u>	<u>4,128,563</u>	<u>834,233</u>	<u>5,693,830</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

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

Special Revenue Funds

Year ended June 30, 1990

	Community Development Block Grants	School Grants	Fuel Assistance	Parking Fund	Other Grants	Total
Revenues:						
Intergovernmental	\$ 2,776,058	4,693,082	1,849,339	-	5,848,438	15,166,917
Investment income	-	-	14,032	501,755	-	515,787
Other	-	479,075	-	10,542,185	-	11,021,260
Total revenues	<u>2,776,058</u>	<u>5,172,157</u>	<u>1,863,371</u>	<u>11,043,940</u>	<u>5,848,438</u>	<u>26,703,964</u>
Expenditures:						
Education	-	5,493,751	-	-	-	5,493,751
Fuel assistance	-	-	1,936,539	-	-	1,936,539
Other	-	-	-	-	6,102,673	6,102,673
Total expenditures	<u>-</u>	<u>5,493,751</u>	<u>1,936,539</u>	<u>-</u>	<u>6,102,673</u>	<u>13,532,963</u>
Excess (deficiency) of revenues over expenditures	2,776,058	(321,594)	(73,168)	11,043,940	(254,235)	13,171,001
Other financing (uses):						
Operating transfers to other funds	(2,776,058)	-	-	(9,355,655)	-	(12,131,713)
Excess (deficiency) of revenues over expenditures and transfers	-	(321,594)	(73,168)	1,688,285	(254,235)	1,039,288
Fund equity at beginning of year	-	820,101	204,023	2,440,278	730,104	4,194,506
Fund equity at end of year	<u>\$ -</u>	<u>498,507</u>	<u>130,855</u>	<u>4,128,563</u>	<u>475,869</u>	<u>5,233,794</u>

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ENTERPRISE FUNDS

Hospital and Neighborhood Health Centers Fund

This fund is used to account for the operations of the Cambridge City Hospital and its affiliated Neighborhood Health Centers. The accrual basis of accounting requires that Hospital revenues be recorded at established rates charged less certain allowances and uncollectible amounts. Expenses are recorded as liabilities as incurred. Debt Service on general obligation bonds issued to finance the construction of the hospital as well as building renovations and the acquisition of medical equipment is also included in this fund.

Water Fund

This fund is used to account for the operations and maintenance of the City's water system. Revenues are recorded primarily on the basis of charges issued for water services. Expenses for water department capital improvements as well as debt service on any bonds issued to finance those improvements are included in the Water Enterprise Fund.

CITY OF CAMBRIDGE, MASSACHUSETTS

Combining Balance Sheet

Enterprise Funds

June 30, 1990

<u>Assets</u>	Hospital and Neighborhood Health Centers	<u>Water</u>	<u>Total</u>
Cash and short-term investments	\$ -	2,792,204	2,792,204
Accounts receivable	17,562,480	911,295	18,473,775
Allowance for uncollectible receivables	(9,322,325)	(96,438)	(9,418,763)
Due from third parties	8,288,808	-	8,288,808
Due from other funds	1,155,341	1,955,601	3,110,942
Property, plant and equipment, net of accumulated depreciation	23,733,415	50,792,331	74,525,746
Other assets	263,735	-	263,735
Total assets	<u>41,681,454</u>	<u>56,354,993</u>	<u>98,036,447</u>
<u>Liabilities and Retained Earnings/Fund Equity</u>			
Accrued liabilities:			
Compensated absences	1,858,636	-	1,858,636
Other	2,418,370	127,502	2,545,872
General obligation bonds payable	<u>15,420,000</u>	<u>8,900,000</u>	<u>24,320,000</u>
Total liabilities	<u>19,697,006</u>	<u>9,027,502</u>	<u>28,724,508</u>
Retained Earnings/Fund Equity	<u>21,984,448</u>	<u>47,327,491</u>	<u>69,311,939</u>
Total liabilities and Retained Earnings/Fund Equity	<u>\$ 41,681,454</u>	<u>56,354,993</u>	<u>98,036,447</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

Combining Statement of Revenues, Expenses, and Changes in Retained Earnings/Fund Equity

Enterprise Funds

Year ended June 30, 1990

	Hospital and Neighborhood Health Centers	Water	Total
Operating revenues:			
Patient service revenue, net of allowances and uncollectible accounts	\$ 44,613,506	-	44,613,506
Charges for services	-	6,275,207	6,275,207
Other	<u>1,187,059</u>	<u>375,604</u>	<u>1,562,663</u>
Total operating revenues	<u>45,800,565</u>	<u>6,650,811</u>	<u>52,451,376</u>
Operating expenses:			
Administration	5,189,617	1,107,506	6,297,123
Finance	4,399,484	-	4,399,484
Service and support programs	29,818,352	2,919,289	32,737,641
General services	5,179,840	-	5,179,840
Depreciation	1,458,337	353,528	1,811,865
Other	<u>2,632,957</u>	<u>61,968</u>	<u>2,694,925</u>
Total operating expenses	<u>48,678,587</u>	<u>4,442,291</u>	<u>53,120,878</u>
Operating income (loss)	(2,878,022)	2,208,520	(669,502)
Non-operating revenues and expenses:			
Interest expense	<u>537,962</u>	<u>21,360</u>	<u>559,322</u>
Net income (loss) before operating transfers	(3,415,984)	2,187,160	(1,228,824)
Operating transfers from other funds	8,619,656	-	8,619,656
Operating transfers to other funds	-	<u>(427,900)</u>	<u>(427,900)</u>
Net income (loss)	5,203,672	1,759,260	6,962,932
Retained Earnings/Fund Equity:			
Beginning of year	<u>16,780,776</u>	<u>45,568,231</u>	<u>62,349,007</u>
End of year	<u>\$ 21,984,448</u>	<u>47,327,491</u>	<u>69,311,939</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

Combining Statement of Cash Flows

Enterprise Funds

Year ended June 30, 1990

	Hospital and Neighborhood Health Centers	Water	Total
Cash flows from operating activities:			
Operating Income (Loss)	\$ (2,878,022)	\$ 2,208,520	\$ (669,502)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	1,458,337	353,528	1,811,865
Provision for uncollectible accounts	3,902,154	5,940	3,908,094
Change in assets and liabilities:			
Increase in due from third parties	(3,790,925)	-	(3,790,925)
Increase in accounts receivable	(4,142,398)	(276,082)	(4,418,480)
Decrease (increase) in interfund receivables	2,394,630	(1,955,601)	439,029
Decrease in other assets	10,483	-	10,483
Increase in accrued liabilities	547,113	127,502	674,615
Decrease in interfund payables	-	(243,857)	(243,857)
Increase in accrued uncompensated absences	437,592	-	437,592
Net cash provided (used) by operating activities	<u>(2,061,036)</u>	<u>219,950</u>	<u>(1,841,086)</u>
Cash flows from noncapital financing activities:			
Operating transfer-in from General Fund	8,619,656	-	8,619,656
Operating transfer-out to General Fund	-	(240,095)	(240,095)
Operating transfer-out to Capital Projects Fund	<u>-</u>	<u>(187,805)</u>	<u>(187,805)</u>
Net cash provided (used) for noncapital financing activities	<u>8,619,656</u>	<u>(427,900)</u>	<u>8,191,756</u>
Cash flows from capital and related financing activities:			
Proceeds from sale of bonds	8,350,000	8,000,000	16,350,000
Acquisition of capital assets	(13,190,658)	(6,763,296)	(19,953,954)
Principal paid on bonds	(1,180,000)	(100,000)	(1,280,000)
Interest paid on bonds	<u>(537,962)</u>	<u>(21,360)</u>	<u>(559,322)</u>
Net cash provided used for capital and related financing activities	<u>(6,558,620)</u>	<u>1,115,344</u>	<u>(5,443,276)</u>
Net increase in cash and cash equivalents	-	907,394	907,394
Cash and cash equivalents at beginning of year	<u>-</u>	<u>1,884,810</u>	<u>1,884,810</u>
Cash and cash equivalents at end of year	<u>\$ -</u>	<u>\$ 2,792,204</u>	<u>\$ 2,792,204</u>

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 four categories, School Trust Funds, Neville Manor Nursing Home Trust Funds, Library Trust Funds, and Other Trust Funds. The last sentence of each Trust Fund narrative lists the expendable balances which represents 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, 1990

	Pension Trust Funds	Nonexpendable Trust Funds				Expendable Trust Funds								Total
	Retirement Trust Fund	School Fund	Neville Manor Fund	Library Fund	Other Funds	School Fund	Neville Manor Fund	Library Fund	Cemetery Fund	Health Claims Trust Fund	Stabilization Trust Fund	Other Funds	Agency Funds	
Assets														
Cash and short-term investments	\$ 24,843,604	24,164	25,733	49,840	60,100	94,074	43,657	38,328	653,529	5,927,307	3,769,149	824,117	361,264	36,714,866
Other investments	81,568,708	-	-	4,019	-	-	-	10,000	667,844	-	-	-	-	82,250,571
Due from other governments	857,031	-	-	-	-	-	-	-	-	-	-	-	-	857,031
Other assets	<u>1,617,896</u>	-	-	-	-	-	-	-	-	-	-	<u>131,000</u>	-	<u>1,748,896</u>
Total assets	<u>108,887,239</u>	<u>24,164</u>	<u>25,733</u>	<u>53,859</u>	<u>60,100</u>	<u>94,074</u>	<u>43,657</u>	<u>48,328</u>	<u>1,321,373</u>	<u>5,927,307</u>	<u>3,769,149</u>	<u>955,117</u>	<u>361,264</u>	<u>121,571,364</u>
Liabilities and Fund Equity														
Guarantee deposits and amounts due to other taxing authorities	-	-	-	-	-	-	-	-	-	-	-	-	361,264	361,264
Due to other funds	-	-	-	-	-	20,000	-	-	-	-	-	-	-	20,000
Total liabilities	-	-	-	-	-	20,000	-	-	-	-	-	-	361,264	381,264
Fund equity - reserved for specific purposes	108,887,239	24,164	25,733	53,859	60,100	74,074	43,657	48,328	1,321,373	5,927,307	3,769,149	955,117	-	121,190,100
Total liabilities and fund equity	<u>\$ 108,887,239</u>	<u>24,164</u>	<u>25,733</u>	<u>53,859</u>	<u>60,100</u>	<u>94,074</u>	<u>43,657</u>	<u>48,328</u>	<u>1,321,373</u>	<u>5,927,307</u>	<u>3,769,149</u>	<u>955,117</u>	<u>361,264</u>	<u>121,571,364</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

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

Pension and Nonexpendable Trust Funds

Year ended June 30, 1990

	<u>Pension Trust Funds</u>	<u>Nonexpendable Trust Funds</u>				
	<u>Retirement Trust Fund</u>	<u>School Fund</u>	<u>Neville Manor Fund</u>	<u>Library Fund</u>	<u>Other Funds</u>	<u>Total</u>
Revenues:						
Income from employer and member contributions	\$ 18,855,530	-	-	-	-	-
Donations	-	875	-	630	-	1,505
Investment income	7,943,168	2,312	2,462	3,697	5,750	14,221
Bond amortization	580,484	-	-	-	-	-
Net gain on sale of investments	<u>1,476,882</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>28,856,064</u>	<u>3,187</u>	<u>2,462</u>	<u>4,327</u>	<u>5,750</u>	<u>15,776</u>
Expenses:						
Pension plan benefit payments	16,109,170	-	-	-	-	-
Other:	<u>183,625</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Income before operating transfers	12,563,269	3,187	2,462	4,327	5,750	15,726
Transfers to other funds	<u>-</u>	<u>(2,312)</u>	<u>(2,462)</u>	<u>(3,697)</u>	<u>(5,750)</u>	<u>(14,221)</u>
Net income	12,563,269	875	-	630	-	1,505
Fund equity at beginning of year	<u>96,323,970</u>	<u>23,289</u>	<u>25,733</u>	<u>53,229</u>	<u>60,100</u>	<u>162,351</u>
Fund equity at end of year	<u>\$ 108,887,239</u>	<u>24,164</u>	<u>25,733</u>	<u>53,859</u>	<u>60,100</u>	<u>163,856</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

Combining Statement of Cash Flows

Nonexpendable Trust Funds

Year ended June 30, 1990

	Nonexpendable Trust Funds				
	<u>School Fund</u>	<u>Neville Manor Fund</u>	<u>Library Fund</u>	<u>Other Fund</u>	<u>Total</u>
Cash flows from operating activities:					
Operating income	<u>\$ 3,187</u>	<u>2,462</u>	<u>4,327</u>	<u>5,750</u>	<u>15,726</u>
Cash flows from noncapital financing activities					
Operating transfer - out to Expendable trusts	<u>(2,312)</u>	<u>(2,462)</u>	<u>(3,697)</u>	<u>(5,750)</u>	<u>(14,221)</u>
Net increase in cash and cash equivalents	<u>875</u>	<u>-</u>	<u>630</u>	<u>-</u>	<u>1,505</u>
Cash and cash equivalents at beginning of year	<u>23,289</u>	<u>25,733</u>	<u>49,210</u>	<u>60,100</u>	<u>158,332</u>
Cash and cash equivalents at end of year	<u>\$24,164</u>	<u>25,733</u>	<u>49,840</u>	<u>60,100</u>	<u>159,837</u>

CITY OF CAMBRIDGE

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

Expendable Trust Funds

Year ended June 30, 1990

	Expendable Trust Funds							
	School Fund	Neville Manor Fund	Library Fund	Cemetery Fund	Health Claims Trust Fund	Stabilization Trust Fund	Other Funds	Total
Revenues:								
Investment income	\$ 6,561	3,538	4,669	134,042	362,356	292,207	65,789	869,162
Donations	23,707	-	6,898	-	-	-	336,423	367,028
Contributions	-	-	-	-	563,062	-	-	563,062
Cemetery deposits	-	-	-	28,400	-	-	-	28,400
	<u>30,268</u>	<u>3,538</u>	<u>11,567</u>	<u>162,442</u>	<u>925,418</u>	<u>292,207</u>	<u>402,212</u>	<u>1,827,652</u>
					-			
Expenditures:								
Other	<u>5,912</u>	<u>2,911</u>	<u>16,410</u>	<u>-</u>	<u>33,208</u>	<u>-</u>	<u>188,573</u>	<u>247,014</u>
Excess (deficiency) of revenues over expenditures	24,356	627	(4,843)	162,442	892,210	292,207	213,639	1,580,638
Operating transfers from other funds	22,312	2,462	3,697	-	1,000,000	-	5,750	1,034,221
Operating transfers to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>(100,000)</u>	<u>-</u>	<u>-</u>	<u>(525)</u>	<u>(100,525)</u>
Excess (deficiency) of revenue over expenditures and transfers	46,668	3,089	(1,146)	62,442	1,892,210	292,207	218,864	2,514,334
Fund equity at beginning of year	<u>27,406</u>	<u>40,568</u>	<u>49,474</u>	<u>1,258,931</u>	<u>4,035,097</u>	<u>3,476,942</u>	<u>736,253</u>	<u>9,624,671</u>
Fund equity at end of year	<u>\$74,074</u>	<u>43,657</u>	<u>48,328</u>	<u>1,321,373</u>	<u>5,927,307</u>	<u>3,769,149</u>	<u>955,117</u>	<u>12,139,005</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

Combining Statement of Changes in Assets and Liabilities Agency Funds

Year ended June 30, 1990

<u>Assets</u>	Balance June 30, 1989	<u>Additions</u>	<u>Deductions</u>	Balance June 30, 1990
Cash:				
Contract bids	\$ 11,680	-	-	11,680
Plans	2,003	162	-	2,165
Tree removals	485	-	-	485
Driveways	164,561	87,496	250,879	1,178
Street openings	211,032	49,164	260,196	-
Sidewalk openings	150	-	-	150
In lieu of bond	70,645	-	-	70,645
License commission	45,000	5,705	5,090	45,615
Cambridge police detail	(252,245)	3,072,950	2,965,887	(145,182)
Cambridge fire detail	146	38,668	39,724	(910)
Dog licenses	(911)	-	-	(911)
Sporting licenses	4	10,506	10,545	(35)
Dog officer	570	-	-	570
Constable fees	(3,271)	115,393	116,443	(4,321)
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	2,334	13,356	-	15,690
Accident & Life Insurance	44,287	101,911	27	146,171
Medicare	2,206	900	145	2,961
Car seat program	1,539	-	-	1,539
Deferred compensation	1,409	-	-	1,409
Commonwealth Health	5,925	4,780	10,703	2
Legal fees	21,993	5,360	20,000	7,353
Retirement office payroll	125,878	172,227	169,750	128,355
Optional Boston Mutual	1,807	110,582	172,846	(60,457)
New England Life	8,657	6,547	1,050	14,154
Continental Casualty	136	8,435	8,903	(332)
Teacher Insurance Reimbursement	4,940	-	-	4,940
Teachers Retirement	12,910	29,811	-	42,721
Excise Registry Fees	4,265	-	-	4,265
3 Bigelow Contingency Fund	3,922	2,204	315	5,811
Retroactive Wages	480	1,305	-	1,785
Land Court Fees	615	1,025	-	1,640
Total	<u>\$555,280</u>	<u>3,838,487</u>	<u>4,032,503</u>	<u>361,264</u>

(continued)

CITY OF CAMBRIDGE, MASSACHUSETTS

Combining Statement of Changes in Assets and Liabilities Agency Funds, continued

Year ended June 30, 1990

<u>Liabilities</u>	Balance June 30, 1989	<u>Additions</u>	<u>Deductions</u>	Balance June 30, 1990
Guarantee deposits and amounts due other taxing authorities:				
Contract bids	\$ 11,680	-	-	11,680
Plans	2,003	162	-	2,165
Tree removals	485	-	-	485
Driveways	164,561	87,496	250,879	1,178
Street openings	211,032	49,164	260,196	-
Sidewalk openings	150	-	-	150
In lieu of bond	70,645	-	-	70,645
License commission	45,000	5,705	5,090	45,615
Cambridge police detail	(252,245)	3,072,950	2,965,887	(145,182)
Cambridge fire detail	146	38,668	39,724	(910)
Dog licenses	(911)	-	-	(911)
Sporting licenses	4	10,506	10,545	(35)
Dog officer	570	-	-	570
Constable fees	(3,271)	115,393	116,443	(4,321)
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	2,334	13,356	-	15,690
Accident & Life Insurance	44,287	101,911	27	146,171
Medicare	2,206	900	145	2,961
Car seat program	1,539	-	-	1,539
Deferred compensation	1,409	-	-	1,409
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Legal fees	21,993	5,360	20,000	7,353
Retirement office payroll	125,878	172,227	169,750	128,355
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New England Life	8,657	6,547	1,050	14,154
Continental Casualty	136	8,435	8,903	(332)
Teacher Insurance Reimbursement	4,940	-	-	4,940
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Excise Registry Fees	4,265	-	-	4,265
3 Bigelow Contingency Fund	3,922	2,204	315	5,811
Retroactive Wages	480	1,305	-	1,785
Land Court Fees	615	1,025	-	1,640
Total	\$ <u>555,280</u>	<u>3,838,487</u>	<u>4,032,503</u>	<u>361,264</u>

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CITY OF CAMBRIDGE, MASSACHUSETTS

DESCRIPTION OF TRUST FUNDS

School Trust Funds

Robert Calef Children 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 shall be used at the direction of a board of six trustees to be composed of six primary teachers of the Cambridge Public School system which shall include three designees of the Superintendent of Schools and three of the President of the Cambridge Teacher's Association. Expenditures may be made from principal and interest, except that the balance shall not fall below \$ 2,000. As of June 30, 1990, the expendable balance was \$ 6,590.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 7,841	\$ 0	\$ 749	\$ 8,590

Cambridge Public School Fund

In February of 1986, the City accepted a \$ 10,000 gift from Amelia Peabody Foundation to establish the Cambridge Public School Trust. This initial gift was to provide for the expansion of the computer capability at the Graham and Parks Alternative Public School, so that students with limited English speaking ability can 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. As of June 30, 1990, the expendable balance was \$ 162.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 1,636	\$ 1,495	\$ 21	\$ 162

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. As of June 30, 1990, the expendable balance was \$ 510.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 1,239	\$ 542	\$ 67	\$ 764

Georgia Hardy Spelling Contest

This fund was a gift from Georgia Hardy which consisted of one share of American Telephone and Telegraph Common Stock. Over the years this stock was split into 6 shares, and recently was redeemed because of the A T & T break-up. The income is to be expended for one or more books, which are to be awarded as prizes to the winners 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. As of June 30, 1990, the expendable balance was \$ 898.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 869	\$ 50	\$ 79	\$ 898

Charity of Edward Hopkins Fund

This "charity" represents the oldest continuous scholarship in the United States, with the history 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 consideration, the interest of the trust was never carried out. On March 7, 1710, Head Keeper Harcourt decreed that the 500 pounds, with interest from June 10, 1700 to March 7, 1710, should be used to purchase land in New England under the name of the corporation for the propagation of the Gospel. The revenue from the land was to be used for the benefit of the college and grammar school at Cambridge in New England. The trustees and the City have agreed to expend 1/4 of the net income for classical instruction and scholarship prizes at the Cambridge Rindge and Latin High School. As of June 30, 1990, the expendable balance was \$ (1,026).

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ (1,026)	\$ 0	\$ 0	\$ (1,026)

Edward Kingman Scholarship Fund

The sum of \$ 1,700 was donated to Cambridge to form the Edward Kingman Scholarship. This scholarship fund was established to award a prize during the first year of college to a student who graduated from Cambridge Rindge and Latin High School with the highest grade and who attends college the next year. As of June 30, 1990, the expendable balance was \$ 7,198.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 8,621	\$ 500	\$ 777	\$ 8,898

Longfellow School Fund

The Longfellow School Fund is of unknown origin. It is to be held in trust for the students of the Longfellow School. As of June 30, 1990, the expendable balance was \$ 2,033.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 1,855	\$ 0	\$ 178	\$ 2,033

Massachusetts Society of Cincinnati Fund

In 1969, the Massachusetts Society of Cincinnati gave \$ 300 to the Cambridge School Department staff for training and the purchase of materials related to minorities to be used in United States History and Political Science courses. As of June 30, 1990, the expendable balance was \$ 737.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 672	\$ 0	\$ 65	\$ 737

Charles Merrill Fund

On October 2, 1972, the City Council accepted a gift of \$ 25,000 from the Charles E. Merrill Trust. This amount was to be used for the support of the special expenses of the Cambridge Alternative Public School. As of June 30, 1990, the expendable balance was \$ 4,260.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 4,888	\$ 1,000	\$ 372	\$ 4,260

Thomas McCann Fund

In 1969 the McCann Company established a fund to reimburse teachers who participate in training workshops on minorities and poverty. Part of this money was applied to the purchase of social studies materials. As of June 30, 1990, the expendable balance was \$ 1,245.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 1,136	\$ 0	\$ 109	\$ 1,245

Edward J. Shea Memorial Fund

In June of 1965, the City Council accepted the Edward Shea Memorial Fund. The annual income from the principal of \$ 300 was 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 to 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. As of June 30, 1990, the expendable balance was \$ 711.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 998	\$ 75	\$ 88	\$ 1,011

Webster H. Thierry Historic Prize Fund

This fund was established through a \$ 300 donation by Adelaide R. Thierry. 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. As of June 30, 1990, the expendable balance was \$ 2,089.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 2,231	\$ 50	\$ 208	\$ 2,389

J. Maxwell Joseph Memorial Writing Award Trust Fund

The J. Maxwell Joseph Memorial Writing Award Trust Fund was established to commemorate J. Maxwell Joseph, a 1988 graduate of Cambridge Rindge and Latin High School, who died on August 26, 1988. The purpose of the Trust is to provide an annual Writing Center Award at Cambridge Rindge and Latin High School (CRLS). The CRLS Writing Center provides students with the opportunity to develop writing skills. This award will be granted to the graduating senior who makes the best use of the Writing Center. As of June 30, 1990, the expendable balance was \$ 798.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 19,735	\$ 2,200	\$ 2,373	\$ 19,908

School Textbook Trust Fund

This trust fund was established during fiscal year 1990 to provide funds for the purchase of textbooks. As of June 30, 1990, the expendable balance was \$ 47,821.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 0	\$ 0	\$ 47,821	\$ 47,821

Henry Wise Book Prize Trust Fund

This fund was established during 1990 by the Cambridge Police Association in memory of Henry Wise, who served as legal counsel to the Association for many years. The purpose of the fund is to provide annual book prizes to graduating seniors from Cambridge Ringe and Latin High School who have demonstrated exemplary community or school service. As of June 30, 1990, the expendable balance was \$ 48.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 0	\$ 0	\$ 548	\$ 548

Neville Manor Nursing Home Trust Funds

Anna D. Behlen Fund

Under the terms of Anna D. Behlen's will, accepted by the Council on March 11, 1974, 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. As of June 30, 1990, the expendable balance was \$ 809.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 3,593	\$ 1,213	\$ 229	\$ 2,609

Anna Burke Fund

In 1971, the City Council accepted \$ 2,500 as a partial distribution of the estate of Anna Burke. The final distribution amounted to \$ 5,028.70. 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. As of June 30, 1990, the expendable balance was \$ 2,179.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 6,578	\$ 0	\$ 629	\$ 7,207

Reverend Patrick H. Callahan Fund

A gift in the amount 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. As of June 30, 1990, the expendable balance was \$ 3,544.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 5,060	\$ 0	\$ 484	\$ 5,544

John Harty Fund

Margaret A. Harty bequeathed to the City the sum of \$ 5,000 in memory of her brother John Harty. The interest of the trust is to provide "entertainment and comfort" for the residents of the Neville Manor. As of June 30, 1990, the expendable balance was \$ 3,422.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 3,172	\$ 0	\$ 250	\$ 3,422

John W. Hodge Fund

Under the terms of the will of John W. Hodge, Neville Manor received the sum of \$ 1,786.67 to serve as the principal of the John W. Hodge Fund. The income from this fund is used to provide a Christmas of "good cheer" for the residents. As of June 30, 1990, the expendable balance was \$ 3,238.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 5,974	\$ 1,698	\$ 462	\$ 4,738

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 of which the income can be used for Christmas and Easter parties. As of June 30, 1990, the expendable balance was \$ 12,434.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 18,279	\$ 0	\$ 1,745	\$ 20,024

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 Neville Manor received. The trust stipulates that the annual income should be expended for entertainment and gifts for the residents of Neville Manor. As of June 30, 1990, the expendable balance was \$ 5,495.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 9,635	\$ 0	\$ 860	\$ 10,495

Sarah E. Russell Fund

As provided in the will of Sarah E. Russell, who died Oct 6, 1897, 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." As of June 30, 1990, the expendable balance was \$ 2,550.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 3,071	\$ 0	\$ 294	\$ 3,365

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. As of June 30, 1990, the expendable balance was \$ 9,986.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 10,939	\$ 0	\$ 1,047	\$ 11,986

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 will be used to develop a special children's book collection and to cover any unbudgeted or unexpected maintenance costs for the bookmobile. As of June 30, 1990, the expendable balance was \$ (225).

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ (248)	\$ 0	\$ 23	\$ (225)

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. As of June 30, 1990, the expendable balance was \$ 10,415.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 9,264	\$ 1,810	\$ 2,961	\$ 10,415

Cambridge History Fund

The City Council accepted a gift of \$ 10,000 in February 1979 to be used by the Cambridge Public Library to produce a series of publications whose story constitutes the history of Cambridge. In addition, funds are to be used to expand and preserve the holdings of the Cambridge Memorial Room at the Library. As of June 30, 1990, the expendable balance was \$ 553.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 18,934	\$ 11,947	\$ 3,766	\$ 10,753

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. As of June 30, 1990, the expendable balance was \$ 1,873.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 2,191	\$ 2,628	\$ 2,310	\$ 1,873

Citizens of Cambridge Fund

An anonymous citizen of Cambridge donated \$ 3,000 in 1923 and 1924 and \$ 2,400 in 1926 to the Cambridge Public Library. Income from these gifts was to be used for books on Americanization, the fine arts, general nature, and binding. As of June 30, 1990, the expendable balance was \$ 3,906.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 10,324	\$ 0	\$ 982	\$ 11,306

Citizens Subscription Fund

In 1899, a citizens committee raised funds for books for the newly opened public library. An unexpended balance of \$ 5,000 was placed in trust in a U.S. Treasury Bond, No. 3867, due 1998, with the resulting income to be used for the same purpose. As of June 30, 1990, the expendable balance was \$ 1,044.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 6,255	\$ 0	\$ 289	\$ 6,544

Daniel P. Cummings Fund

Daniel P. Cummings bequeathed to the trustees of the Cambridge Public Library in 1899 the sum of \$ 2,000. Income was to be used for the purchase of non-sectarian books for the library. As of June 30, 1990, the expendable balance was \$ 1,104.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 2,834	\$ 0	\$ 270	\$ 3,104

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. As of June 30, 1990, the expendable balance was \$ 343.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 1,226	\$ 0	\$ 117	\$ 1,343

Harry Futterman Fund

Since 1958, the Cambridge Public Library has been the recipient of a grant from the Harry Futterman Fund. This fund was established to assist existing libraries to lend classical music records to the public. Annually, the Cambridge Public Library submits an application to the Harry Futterman Fund to qualify for the grant, with any proceeds to be used for the purchase of classical records. As of June 30, 1990, the expendable balance was \$ 47.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 43	\$ 0	\$ 4	\$ 47

William Penn Harding Fund

William Penn Harding at the time of his death 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." As of June 30, 1990, the expendable balance was \$ 602.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 1,463	\$ 0	\$ 139	\$ 1,602

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. As of June 30, 1990, the expendable balance was \$ 1,383.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 4,002	\$ 0	\$ 381	\$ 4,383

Gertrude E. Kirkley Fund

In January of 1987, the Cambridge Public Library was the recipient of a \$ 1000 gift from a Cambridge citizen who wished to remain anonymous 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. As of June 30, 1990 the expendable balance was \$ 335.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 1,219	\$ 0	\$ 116	\$ 1,335

Jeanne Kantor Landon Fund

In August of 1983, the City Council accepted a gift of \$ 500 to establish a James 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 from the principal is unrestricted. As of June 30, 1990, the expendable balance was \$ 603.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 550	\$ 0	\$ 53	\$ 603

Maria Murdock Fund

In 1922, Maria Murdock left to the Cambridge Public Library an unrestricted gift of \$ 2,000. As of June 30, 1990, the expendable balance was \$ 842.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 2,595	\$ 0	\$ 247	\$ 2,842

Carrie Saunders Fund

A sum of \$ 1,500 was placed in trust by the family of Carrie Saunders with the resulting interest to be used for the purchase of books on art. As of June 30, 1990, the expendable balance was \$ 2,990.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 4,100	\$ 0	\$ 390	\$ 4,490

William E. Saunders Fund

In accordance with the will of Abigail L. Prentiss, the residue of her estate, \$ 7,350.39, was placed in trust for the Cambridge Public Library, principal as well as interest is to be used to purchase books and maintain the William E. Saunders alcove. The Saunders Fund owns a \$ 5,000 Atcheson, Topeka and Sante Fe Railroad Company Bond, due in 1995. As of June 30, 1990, the expendable balance was \$ 5,127.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 11,308	\$ 0	\$ 819	\$ 12,127

Webster H. Thierry Library Fund

In 1956, Adelaide R. Thierry donated the sum of \$ 1,128 the City of Cambridge to establish the "Webster H. Thierry Shelf." The income is to be used to provide low cost book plates and purchase books. As of June 30, 1990, the expendable balance was \$ 4,221.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 4,910	\$ 25	\$ 465	\$ 5,350

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. As of June 30, 1990, the expendable balance was \$ 7,954.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 10,915	\$ 0	\$ 1,039	\$ 11,954

Mehitable C.C. Wilson Fund

According to the terms of Mehitable Wilson's will, the Cambridge Public Library received \$ 500. This sum was a gift to be used by the trustees for the benefit of the library. As of June 30, 1990, the expendable balance was \$ 922.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 2,212	\$ 0	\$ 210	\$ 2,422

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 expended for the purchase of books that are designated by an appropriate plate or card. As of June 30, 1990, the expendable balance was \$ 4,229.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 8,606	\$ 0	\$ 623	\$ 9,229

Eleanor Collins Burke Trust Fund

The Eleanor Collins Burke Trust Fund was established during 1990 by co-workers and friends of Mrs. Burke in recognition of her dedicated service to the City of Cambridge. 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. As of June 30, 1990, the expendable balance was \$ 60.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 0	\$ 0	\$ 690	\$ 690

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 are able to allow distribution of the funds to referral clients of reputable social services agencies such as the Department of Public Welfare. As of June 30, 1990, the expendable balance was \$ 10,891.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 13,779	\$ 0	\$ 1,318	\$ 15,097

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. As of June 30, 1990, the expendable balance was \$ 161,433.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 176,706	\$ 0	\$ 14,727	\$ 191,433

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. As of June 30, 1990, the expendable balance was \$ 20,602.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 18,804	\$ 0	\$ 1,798	\$ 20,602

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 that obtain a special permit authorizing an increase in the permissible density of population or intensity of a particular use in a proposed development, are required either to create housing or to contribute an amount based on square footage to the Affordable Housing Trust. As of June 30, 1990, the expendable balance was \$ 522,912.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 505,464	\$ 49,132	\$ 66,580	\$ 522,912

Smith Hughes Fund

The Smith Hughes Fund consists of the unexpended balance of the gift the City received some years ago. As of June 30, 1990, the expendable balance was \$ 5,700.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 5,203	\$ 0	\$ 497	\$ 5,700

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. As of June 30, 1990, the expendable balance was \$ 2,421.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 12,683	\$ 1,347	\$ 1,085	\$ 12,421

Melville Shoe Fund

In 1969, the Melville Shoe Company set up a fund to support a program for training retarded young adults. As of June 30, 1990, the expendable balance was \$ 946.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 863	\$ 0	\$ 83	\$ 946

Bridget McGuire Fund

In 1974, 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. As of June 30, 1990, the expendable balance was \$ 6,574.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 6,000	\$ 0	\$ 574	\$ 6,574

Cambridge Plant & Garden Club Tree Fund

In the spring of 1963, the City accepted a gift of \$ 300 to establish the Tree Fund. This fund has been used to augment the City's program of tree planting and other various conservation activities. The fund receives occasional deposits from the Cambridge Plant and Garden Club. There are no restrictions on the amount that can be spent; only that it should be used for conservation and horticultural activities. As of June 30, 1990, the expendable balance was \$ 19,186.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 13,197	\$ 0	\$ 5,989	\$ 19,186

Mary "Molly" Ramsey Fund

In October of 1963, the City accepted a gift of \$ 5,000 from the estate of Mary "Molly" Ramsey. The income from this fund is to be 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 any or all of the principal may 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. As of June 30, 1990, the expendable balance was \$ 11,993.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 16,425	\$ 525	\$ 1,093	\$ 16,993

Completion of the Soldiers Monument Fund

This trust consists of the residue 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. As of June 30, 1990, the expendable balance was \$ 963.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 879	\$ 0	\$ 84	\$ 963

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. As of June 30, 1990 the expendable balance was \$ 7,355.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 6,712	\$ 0	\$ 643	\$ 7,355

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 1959, the City Council combined the trusts. Under the new terms of the fund, the City administers the trust for "deservingly poor of Cambridge who are not recipients of public welfare." As of June 30, 1990, the expendable balance was \$ 10,623.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 19,638	\$ 0	\$ 1,879	\$ 21,517

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 1990. As of June 30, 1990, the expendable balance was \$ 921.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 0	\$ 0	\$ 921	\$ 921

Cambridge Special Law Enforcement Trust Fund

This trust fund was established pursuant to Massachusetts General Laws, Chapter 94, Section 47. The purpose of the trust 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. As of June 30, 1990, the expendable balance was \$ 172,597.

FY 1990 Opening Balance	FY 1990 Expenditures	FY 1990 Income	FY 1990 Closing Balance
\$ 0	\$ 138,094	\$ 310,691	\$ 172,597

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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, 1990.

CITY OF CAMBRIDGE, MASSACHUSETTS

Schedule of Real Estate, Personal Property, and Motor Vehicle Excise Taxes Year ended June 30, 1990

	Uncollected June 30, 1989	Commitments	Abatements	Transfers to Tax Title	Refunds	Collections	Adjustments Increase (decrease)	Uncollected June 30, 1990
Real estate taxes:								
1979 and prior	\$ 191,804	-	14,717	-	-	1,117	1,306	177,276
1980	77,313	-	-	-	-	2,255	(20,450)	54,608
1981	58,506	-	-	-	-	2,999	(3,273)	52,234
1982	68,495	-	-	-	1,233	8,579	(6,613)	54,536
1983	117,564	-	-	-	3	5,280	(3,585)	108,702
1984	75,472	-	14,179	-	14,106	5,163	(6,185)	64,051
1985	95,738	-	17,209	-	11,965	23,146	(10,796)	56,552
1986	46,215	-	12,133	-	15,151	24,738	4,182	28,677
1987	83,739	-	41,838	-	45,136	67,718	22,534	41,853
1988	71,651	-	63,517	16,011	87,274	108,098	46,204	17,503
1989	3,786,638	-	211,838	1,848,282	289,164	1,940,139	(45,509)	30,034
1990	-	106,464,478	2,348,944	-	307,110	98,257,325	466,093	6,631,412
	<u>\$ 4,673,135</u>	<u>106,464,478</u>	<u>2,724,375</u>	<u>1,864,293</u>	<u>771,142</u>	<u>100,446,557</u>	<u>443,908</u>	<u>7,317,438</u>
Personal property taxes:								
1979 and prior	\$ 204,535	-	-	-	-	-	-	204,535
1980	58,528	-	-	-	-	-	-	58,528
1981	71,221	-	-	-	-	-	-	71,221
1982	85,147	-	-	-	-	-	-	85,147
1983	103,931	-	-	-	-	-	-	103,931
1984	69,824	-	-	-	-	-	12,011	81,835
1985	79,889	-	-	-	-	-	-	79,889
1986	68,064	-	-	-	-	-	392	68,456
1987	473,237	-	-	-	4,265	-	(6,970)	470,532
1988	185,247	-	3,594	-	5,631	806	11,616	198,094
1989	163,306	-	4,202	-	16,513	16,816	5,165	163,966
1990	-	3,070,008	23,848	-	2,728	2,862,904	26,004	211,988
	<u>\$ 1,562,929</u>	<u>3,070,008</u>	<u>31,644</u>	<u>-</u>	<u>29,137</u>	<u>2,880,526</u>	<u>48,218</u>	<u>1,798,122</u>
Motor vehicle excise taxes:								
1979 and prior	\$ 1,258,214	-	997	-	1	12,742	44	1,244,520
1980	329,523	-	910	-	40	11,471	-	317,182
1981	132,237	-	518	-	97	4,557	(28)	127,231
1982	131,656	-	338	-	81	4,676	22	126,745
1983	112,667	-	136	-	10	4,670	234	108,105
1984	108,160	-	178	-	110	5,885	168	102,375
1985	167,910	262	249	-	111	29,443	211	138,802
1986	145,077	238	797	-	646	7,928	372	137,608
1987	266,870	3,308	3,559	-	1,330	34,491	214	233,672
1988	317,868	132,530	13,124	-	4,415	175,876	63	265,876
1989	364,943	690,476	40,252	-	19,242	697,921	(13,685)	322,803
1990	-	2,133,865	73,550	-	18,802	1,795,785	-	283,332
	<u>\$ 3,335,125</u>	<u>2,960,679</u>	<u>134,608</u>	<u>-</u>	<u>44,885</u>	<u>2,785,445</u>	<u>(12,385)</u>	<u>3,408,251</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

Schedule of Bonds Payable

June 30, 1990

	<u>Interest Rates</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Balance June 30, 1989</u>	<u>Additions</u>	<u>Retired</u>	<u>Balance June 30, 1990</u>
Inside Debt Limit:							
Surface drainage loan	4.7%	9/1/72	9/1/92	\$ 60,000	-	15,000	45,000
Surface drainage loan	5.38%	10/15/76	10/15/96	600,000	-	75,000	525,000
Multi-purpose	11.4-11.6%	6/1/82	6/1/92	150,000	-	50,000	100,000
Multi-purpose	5.6-5.7%	6/15/87	6/15/97	7,175,000	-	1,205,000	5,970,000
Multi-purpose	6.4-6.5%	6/15/89	6/15/99	12,015,000	-	1,205,000	10,810,000
Multi-purpose	6.4-6.6%	6/15/90	6/15/00	-	20,000,000	-	20,000,000
Sewer loan	9.1-9.2%	12/15/82	12/15/92	2,000,000	-	500,000	1,500,000
Lechmere Canal Park Loan	7.0%	7/1/85	7/1/95	3,100,000	-	450,000	2,650,000
Public Building Renovation	7.0%	7/1/85	7/1/90	600,000	-	300,000	300,000
Hospital loan (Boiler renovations)	7.0%	7/1/85	7/1/93	1,150,000	-	230,000	920,000
Lechmere Parking Garage	6.1-6.2%	7/1/86	7/1/94	530,000	-	85,000	445,000
Building Renovations	5.9-6.35%	6/15/88	6/15/98	2,720,000	-	305,000	2,415,000
Streets and Sidewalks	5.9-6.35%	6/15/88	6/15/98	900,000	-	100,000	800,000
Radio Equipment	5.9-6.35%	6/15/88	6/15/98	645,000	-	325,000	320,000
				<u>31,645,000</u>	<u>20,000,000</u>	<u>4,845,000</u>	<u>46,800,000</u>
Outside Debt Limit:							
School Project Loan	5.8%	11/1/69	11/1/89	200,000	-	200,000	-
School Project Loan	5.7%	9/1/70	9/1/90	600,000	-	300,000	300,000
School Project Loan	5.25%	7/1/71	7/1/91	570,000	-	190,000	380,000
School Project Loan	11.4-11.6%	6/1/82	6/1/92	750,000	-	250,000	500,000
High School Loan	5.7%	6/15/78	6/15/98	10,395,000	-	1,155,000	9,240,000
School Project Loan	7.2%	2/15/84	11/15/93	1,000,000	-	200,000	800,000
School Project Loan	9%	8/1/84	8/1/93	4,925,000	-	1,000,000	3,925,000
School Building Renovation	5.6-5.7%	6/15/87	6/15/97	1,445,000	-	185,000	1,260,000
				<u>19,885,000</u>	<u>-</u>	<u>3,480,000</u>	<u>16,405,000</u>
Parking:							
Lechmere Parking Garage	7.0%	7/1/85	7/1/93	1,305,000	-	265,000	1,040,000
Lechmere Parking Garage	6.1-6.2%	7/1/86	7/1/94	1,990,000	-	335,000	1,655,000
				<u>3,295,000</u>	<u>-</u>	<u>600,000</u>	<u>2,695,000</u>
Sewer Projects:							
Sewer Loan	5.38%	10/15/76	10/15/96	1,725,000	-	220,000	1,505,000
Sewer Loan	4.70%	9/1/72	9/1/92	400,000	-	100,000	300,000
				<u>2,125,000</u>	<u>-</u>	<u>320,000</u>	<u>1,805,000</u>
				<u>\$ 56,950,000</u>	<u>20,000,000</u>	<u>9,245,000</u>	<u>67,705,000</u>

CITY OF CAMBRIDGE, MASSACHUSETTS

Schedule of General Fixed Assets - by Function and Activity

Year Ended June 30, 1990

Function and Activity	Total	Land	Buildings	Improvements Other Than Buildings	Machinery and Equipment
General Government:					
Control:					
Legislative	\$ 41,716	-	-	-	41,716
Executive	59,333	-	-	-	59,333
Total Control	<u>101,049</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>101,049</u>
Staff Agencies:					
Elections	18,110	-	-	-	18,110
Finance	1,504,828	-	-	-	1,504,828
Law	24,583	-	-	-	24,583
Employee Benefits	1,036	-	-	-	1,036
Animal Commission	5,429	-	-	-	5,429
Public Celebrations	3,322	-	-	-	3,322
Total Staff Agencies	<u>1,557,308</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,557,308</u>
Total General Government	<u>1,658,357</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,658,357</u>
Public Safety:					
Building Inspection	10,459	-	-	-	10,459
License	20,124	-	-	-	20,124
Weights & Measures	10,219	-	-	-	10,219
Emergency Management	23,351	-	-	-	23,351
Fire Protection	8,483,357	3,274,675	1,806,228	-	3,402,454
Police Protection	2,821,474	999,803	483,994	-	1,337,677
Traffic and Parking	20,721,047	1,952,080	18,095,215	-	673,752
Electrical	500,021	50,000	147,315	-	302,706
Total Public Safety	<u>32,590,052</u>	<u>6,276,558</u>	<u>20,532,752</u>	<u>-</u>	<u>5,780,742</u>
Community Maintenance and Development:					
Public Works	24,584,590	15,226,777	5,548,768	-	3,809,045
Community Development	134,197	-	-	-	134,197
Historical Commission	13,889	-	-	-	13,889
Conservation Commission	2,975	-	-	-	2,975
Rent Control	59,009	-	-	-	59,009
Cable Television	86,508	-	-	-	86,508
Total Community Maintenance and Development	<u>24,881,168</u>	<u>15,226,777</u>	<u>5,548,768</u>	<u>-</u>	<u>4,105,623</u>
Human Resource Development:					
Library	1,559,790	125,000	1,098,556	-	336,234
Human Services	88,826,897	87,242,253	327,377	967,281	289,986
Human Rights Commission	4,129	-	-	-	4,129
Women's Commission	4,332	-	-	-	4,332
Health Dept./School Health	5,671	-	-	-	5,671
Veteran's Benefits	4,285	-	-	-	4,285
Total Human Resources	<u>90,405,104</u>	<u>87,367,253</u>	<u>1,425,933</u>	<u>967,281</u>	<u>644,637</u>
Public Schools	<u>99,491,065</u>	<u>55,067,765</u>	<u>39,808,074</u>	<u>525,868</u>	<u>4,089,358</u>
Neville Manor	<u>6,534,984</u>	<u>5,552,182</u>	<u>819,197</u>	<u>-</u>	<u>163,605</u>
Construction in Progress	<u>7,699,310</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total General Fixed Assets	\$ <u>263,260,040</u>	<u>169,490,535</u>	<u>68,134,724</u>	<u>1,493,149</u>	<u>16,442,322</u>

CITY OF CAMBRIDGE MASSACHUSETTS

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

Year Ended June 30, 1990

Function and Activity	General Fixed Assets June 30, 1989	Additions	Deductions	General Fixed Assets June 30, 1990
General Government				
Control:				
Legislative	\$ 34,487	7,229	-	41,716
Executive	60,765	12,087	13,519	59,333
Total Control	95,252	19,316	13,519	101,049
Staff Agencies:				
Elections	17,323	5,585	4,798	18,110
Finance	1,327,236	181,280	3,688	1,504,828
Law	12,855	19,950	8,222	24,583
Employee Benefits	9,201	-	8,165	1,036
Animal Commission	5,429	-	-	5,429
Public Celebrations	3,322	-	-	3,322
Total Staff Agencies	1,375,366	206,815	24,873	1,557,308
Total General Government	1,470,618	226,131	38,392	1,658,357
Public Safety:				
Building Inspection	9,799	660	-	10,459
License	14,611	6,175	662	20,124
Weights & Measures	-	10,794	575	10,219
Emergency Management	43,937	728	21,314	23,351
Fire Protection	7,776,693	706,664	-	8,483,357
Police Protection	2,673,359	376,865	228,750	2,821,474
Traffic and Parking	20,699,033	22,014	-	20,721,047
Electrical	388,415	135,606	24,000	500,021
Total Public Safety	31,605,847	1,259,506	275,301	32,590,052
Community Maintenance and Development:				
Public Works	23,855,973	794,768	66,151	24,584,590
Community Development	116,225	19,297	1,325	134,197
Historical Commission	15,389	-	1,500	13,889
Conservation Commission	2,975	-	-	2,975
Rent Control	36,434	28,415	5,840	59,009
Cable Television	72,292	14,216	-	86,508
Total Community Maintenance and Development	24,099,288	856,696	74,816	24,881,168
Human Resource Development:				
Library	1,610,631	28,560	79,401	1,559,790
Human Services	88,817,529	14,243	4,875	88,826,897
Human Rights Commission	2,130	1,999	-	4,129
Women's Commission	6,937	-	2,605	4,332
Health Dept./School Health	-	5,671	-	5,671
Veteran's Benefits	4,285	-	-	4,285
Total Human Resource	90,441,512	50,473	86,881	90,405,104
Public Schools	99,385,766	105,299	-	99,491,065
Neville Manor	6,524,880	10,104	-	6,534,984
Construction in Progress	3,126,273	5,063,686	492,651	7,699,310
Total General Fixed Assets	\$ 256,654,186	7,573,895	968,041	263,260,040

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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. Some tables may reflect less than the required ten year history due to the unavailability of certain information. However, an attempt to present information on a ten year basis is being made on an on-going basis.

CITY OF CAMBRIDGE, MASSACHUSETTS

General Government Expenditures by Function(1)

General Fund--Budget Basis

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>General Government and Intergovernmental</u>	<u>Public Safety</u>	<u>Community Maintenance and Development</u>	<u>Health and Hospital</u>	<u>Human Resource Development</u>	<u>Education</u>	<u>Water</u>	<u>Debt Services</u>	<u>Total</u>
1981	16,456,090	18,734,915	18,612,684	22,994,865	10,151,500	38,105,235	3,149,746	3,485,440	131,690,475
1982	17,109,699	19,070,531	18,218,424	25,052,675	6,469,580	36,610,665	3,697,546	3,806,780	130,035,900
1983	24,589,098	20,914,709	18,140,537	28,399,895	3,523,666 (2)	38,654,703	3,724,923	5,163,610	143,111,141
1984	27,118,518	23,032,520	17,875,362	30,585,285	3,692,420	43,079,170	4,527,783	4,847,265	154,803,323
1985	25,661,735	24,788,805	18,778,919	32,619,000	3,947,640	46,132,435	3,259,991	3,938,160	159,126,685
1986	21,217,535(3)	28,590,055	20,220,685	39,487,585	4,866,860	48,988,761	3,587,600	4,045,605	171,004,686
1987	20,988,685	32,032,930	22,737,335	42,298,735	5,303,640	51,799,155	3,549,650	3,896,035	182,705,175
1988	22,211,019	33,028,045	22,556,414	45,031,381	6,187,260	56,488,499	3,932,794	4,814,157	194,249,569
1989	24,622,933	41,710,216	19,822,690	52,480,973	6,968,342	61,516,982	3,787,693	5,492,663	216,402,492
1990	25,953,030	43,625,473	20,110,302	56,872,974	7,522,121	64,938,390	3,991,687	5,855,433	228,869,410

(1) Includes expenditures of the general, hospital and water funds.

(2) Eastern Middlesex Human Resource Development Agency, which was part of the City budget appropriation, became a separate entity which reduced the overall Human Resources budget.

(3) Beginning in fiscal year 1986, the State absorbed within their budget of the City's portion of Metropolitan District Commission (MDC) park assessments. However, the City was made responsible for assessments imposed by the newly established Massachusetts Water Resources Authority (MWRA).

CITY OF CAMBRIDGE, MASSACHUSETTS

General Revenues By Source

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Taxes (1)</u>	<u>Licenses and Permits</u>	<u>Inter- Govern- mental Revenue</u>	<u>Charges for Service</u>	<u>Fines and Forfeits</u>	<u>Miscellaneous Revenues</u>	<u>Total</u>
1981	72,700,235	808,735	26,095,110	28,363,025	1,323,500	2,399,870	131,690,475
1982	66,288,660	1,103,975	25,077,155	31,874,515	2,350,500	3,341,095	130,035,900
1983	66,252,456	1,636,485	30,971,610	36,351,370	4,256,500	3,642,720	143,111,141
1984	67,414,826	2,442,405	36,633,272	38,657,665	5,447,150	4,208,005	154,803,323
1985	67,804,185	2,456,460	39,310,730	40,654,845	4,903,080	3,997,385	159,126,685
1986	73,559,104	2,509,785	40,396,690	44,595,510	5,364,105	4,579,492	171,004,686
1987	75,528,975	2,708,410	44,158,875	48,729,970	5,849,765	5,729,180	182,705,175
1988	93,735,914	2,962,445	40,679,645	50,972,397	6,566,875 (2)	11,330,614	206,247,890 (2)
1989	100,124,906	3,990,544	42,722,387	57,425,435	7,172,974 (2)	6,870,904	218,307,150 (2)
1990	114,295,452	4,210,888	42,836,437	66,327,437	7,630,193 (2)	7,141,029	242,441,436 (2)

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

(2) Includes \$ 6,250,555 \$ 6,735,267 and \$7,208,224 for 1988, 1989 and 1990, respectively, from parking fines reported in the Special Revenue Fund.

CITY OF CAMBRIDGE, MASSACHUSETTS

Property Tax Levies and Collections(1)

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Net Tax(2) Levy</u>	<u>Current Tax(3) Collections</u>	<u>Percent of Net Levy Collected</u>	<u>Prior Year Tax Collections (4)</u>	<u>Total Tax Collections</u>	<u>Total Collections as a % of Net Levy</u>	<u>Outstanding and/or Delinquent Taxes(5)</u>	<u>Outstanding Delinquent Taxes as a % of Net Levy</u>
1981	78,146,189	75,899,959	97.13	1,373,948	77,273,907	98.88	2,821,733	3.61
1982	66,128,390	64,802,471	97.99	1,507,189	66,309,660	100.27	2,898,372	4.38
1983	66,128,389	63,435,268	95.93	2,262,042	65,697,310	99.35	2,764,035	4.18
1984	67,744,879	64,090,340	94.61	3,390,421	67,480,761	99.61	4,393,372	6.49
1985	70,319,998	67,886,871	96.54	2,285,178	70,172,049	99.79	4,320,173	6.14
1986	72,361,512	71,158,036	98.33	2,408,143	73,566,179	101.66	4,109,527	5.68
1987(6)	80,310,585	40,330,344	50.21	2,038,870	42,369,214	52.76	43,753,074	54.48
1988	85,233,221	82,438,677	96.72	40,680,470(7)	123,119,147	144.35	6,582,533	7.72
1989	92,585,894	89,210,379	96.35	2,050,244	91,260,623	98.57	6,236,064	6.74
1990	106,651,725	100,810,391	94.52	1,716,413	102,526,804	96.13	9,115,560	8.55

(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 that 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 related refunds.

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

(6) Fiscal year 1987 collections are lower in comparison to other years due to the late issuance of tax bills for the second half of the year. The amount outstanding at fiscal year 1987 was not delinquent since tax bills were due after the fiscal year end.

(7) Prior year tax collections are higher in comparison to previous years due to the late issuance, and correspondingly late collection, of fiscal year 1987 tax bills for the second half of the year.

Source: Audit reports for the City of Cambridge for fiscal years 1981, 1982, 1983, 1984, 1985, 1986, 1987, 1988, 1989, and 1990.

CITY OF CAMBRIDGE, MASSACHUSETTS

Assessed 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
1981	290,196,900	56,857,900	347,054,800	1,291,000,000	26.9
1982	282,030,000	58,145,236	340,176,236	1,291,000,000	26.3
1983	288,733,100	54,535,600	343,268,700	2,004,000,000	17.1
1984	2,793,448,787	108,181,902	2,901,630,689	2,004,000,000	144.8 (3)(4)
1985	2,973,620,466	109,798,700	3,083,419,166	2,918,829,043	105.6
1986	3,505,211,487	111,000,000	3,616,211,487	2,918,829,043	123.9
1987	5,825,497,020	149,534,722	5,975,031,742	4,192,316,000	142.5
1988	6,000,944,260	147,000,000	6,147,944,260	4,192,316,000	146.6
1989	7,183,753,910	144,093,012	7,327,846,922	7,190,306,000	101.9
1990	8,360,269,144	168,500,000	8,528,769,144	7,190,306,000	118.6%

(1) As of January 1, 1980, 1981, 1982, 1983, 1984, 1985, 1986, 1987 1988, and 1989 respectively.

(2) As of January 1, 1978, 1980, 1982, 1984, 1986 and 1988 respectively. Equalized valuations are determined biennially by the Commissioner of Revenue.

(3) The high percentage of assessed valuation to equalized valuation is the result of equalized valuations being as of January 1, 1982, while assessed valuations are as of January 1, 1983. In addition, estimates determined by the Department of Revenue are more conservative than actual assessments.

(4) Effective fiscal year 1984, assessed valuation was increased to 100 percent of fair market value. Prior year assessments were based on a percentage of market 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

<u>Fiscal Year</u>	<u>Population(1)</u>	<u>Assessed Value(2)</u>	<u>Net Bonded Debt(3)</u>	<u>Ratio of Net Bonded Debt to Assessed Valuation</u>	<u>Net Bonded Debt Per Capita</u>
1981	95,322	347,054,800	42,220,000	12.2	443
1982	93,841	340,176,236	38,740,000	11.4	413
1983	93,841	343,268,700	39,780,000	11.6	424
1984	92,535	2,901,630,689	40,450,000	1.4	437
1985	92,535	3,083,419,166	40,935,000	1.3	442
1986	86,868	3,616,211,487	44,830,000	1.2	516
1987	86,868	5,975,031,742	57,665,000	1.0	664
1988	91,260	6,147,944,260	54,070,000	.9	592
1989	91,260	7,327,846,922	56,950,000	.8	624
1990	90,290	8,528,769,144	67,705,000	.8	749

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

(2) Fiscal year 1984 assessed valuation reflects full market value. Prior year assessed valuations were based on a percentage of full market value.

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

Source: City Department of Finance.

CITY OF CAMBRIDGE, MASSACHUSETTS

Computation of Legal Debt Margin

June 30, 1990

Fiscal year 1989 equalized valuation (1)	\$ 7,190,306,000
Normal debt limit (2-1/2% of equalized valuation)	\$ 179,757,650
Amount of debt applicable to debt limit:	
Total bonded debt	\$ 67,705,000
Less:	
General obligation bonds exempted by authority of the state legislature	<u>(20,905,000)</u>
Amount within debt limit	<u>46,800,000</u>
Legal Debt Margin	<u>\$ 132,957,650</u>

- (1) In order to determine appropriate relative values for the purposes of certain distributions to and assessments upon cities and towns, the Commissioner of Revenue biennially 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 January 1, 1988.

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

<u>Fiscal Year</u>	<u>Principal(3)</u>	<u>Interest(3)</u>	<u>Total Debt Service(1)</u>	<u>Total Expenditures(2)</u>	<u>Ratio of Debt Service To Total Expenditures</u>
1981	3,480,000	2,224,755	5,704,755	131,690,475	4.3
1982	3,480,000	2,044,970	5,524,970	130,035,900	4.2
1983	4,330,000	2,384,235	6,714,235	143,111,141	4.7
1984	4,830,000	2,537,190	7,367,190	154,803,323	4.7
1985	5,030,000	2,555,095	7,585,095	159,126,685	4.8
1986	5,830,000	2,975,755	8,805,755	171,004,686	5.1
1987	7,500,000	3,414,400	10,914,400	182,705,175	6.0
1988	8,595,000	3,843,586	12,438,586	194,249,569	6.4
1989	9,135,000	3,349,109	12,484,109	216,402,492	5.8
1990	9,245,000	3,568,731	12,813,731	228,869,410	5.6

(1) As of June 30, the previous fiscal year. Does not include debt service on short-term borrowing, such as revenue anticipation notes which are retired during the fiscal year.

(2) Includes all categories of expenditures as presented in the first table.

(3) Includes principal and interest on all general obligation bonds outstanding, including bonds payable reported in the Enterprise Funds.

Source: City Department of Finance.

CITY OF CAMBRIDGE, MASSACHUSETTS

Property Tax Rates (1)

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>Vehicles(2)</u>
1981	230.40	230.40	25.00
1982	199.80	199.80	25.00
1983	198.00	198.00	25.00
1984(3)	17.00 Residential 33.12 Commercial	33.12	25.00
1985	15.26 Residential 34.60 Commercial	34.69	25.00
1986	14.29 Residential 30.83 Commercial	30.83	25.00
1987	9.81 Residential 20.76 Commercial	20.76	25.00
1988	9.79 Residential 21.15 Commercial	21.15	25.00
1989	9.23 Residential 20.06 Commercial	20.06	25.00
1990	9.51 Residential 18.16 Commerical	18.16	25.00

(1) Real and personal property tax rate applicable to each \$1,000 of assessed value.

(2) Motor vehicle excise tax is assessed on a calendar year. The rate was reduced to \$25 per 1,000 of assessed value due to the passage of "Proposition 2-1/2".

(3) Beginning in fiscal year 1984 the tax rate on real and personal property was based on 100 percent of fair market value. Tax rates for fiscal years prior to 1984 were established prior to the implementation of property classification. Thus, a single rate was set for all categories of property.

Source: City Department of Finance.

CITY OF CAMBRIDGE, MASSACHUSETTS

Computation of Direct and Overlapping Debt

June 30, 1990

<u>Name of Unit</u>	<u>Direct Debt(1)</u>	<u>Outstanding Overlapping Debt</u>	<u>Percentage Applicable to City of Cambridge</u>	<u>Total City of Cambridge Direct and Overlapping Debt</u>
City of Cambridge	\$ 67,705,000	\$ -	100%	\$ 67,705,000
Middlesex County	-	4,050,000	7.14	289,170
Massachusetts Water Resources Authority				
Sewer	-	780,565,957	4.91	38,325,788
Water	-	138,554,706	.07	96,988
Massachusetts Bay Transportation Authority	<u>-</u>	<u>1,283,765,000</u>	4.91	<u>63,064,956</u>
Total direct and overlapping debt	\$ <u>67,705,000</u>	\$ <u>2,206,935,663</u>		\$ <u>169,481,902</u>

Source: City Department of Finance.

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

CITY OF CAMBRIDGE, MASSACHUSETTS

Principal Taxpayers(1)

June 30, 1990

<u>Name</u>	<u>Nature of Business</u>	<u>Assessed Valuation</u>	<u>Amount of Tax</u>	<u>% of Total Tax Levy</u>
Commonwealth Energy	Utility	278,154,900	5,049,362	4.7%
Boston Properties	Commercial	215,696,800	3,917,053	3.7
Massachusetts Institute of Technology	Education	206,268,700	3,537,040	3.3
Asahi Seimei Prudential Associates	Commercial	172,935,700	3,140,512	2.9
Robert A. Jones and K. George Najarian	Commercial	152,560,900	2,770,505	2.6
Spaulding & Slye Corp.	Commercial	151,590,400	2,752,881	2.6
Harvard College	Education	163,587,006	2,339,678	2.2
The Congress Group	Commercial	81,057,300	1,472,000	1.3
EMI Cambridge Limited Partnership	Commercial	76,282,100	1,385,282	1.4
Cabot, Cabot & Forbes	Commercial	<u>63,200,000</u>	<u>1,147,712</u>	<u>1.1</u>
Totals		<u>\$1,561,333,806</u>	<u>\$ 27,512,025</u>	<u>25.8%</u>

(1) For fiscal year 1990 (as of January 1, 1989)

Source: City Department of Finance.

CITY OF CAMBRIDGE, MASSACHUSETTS

Salaries of Principal Officials

June 30, 1990

<u>Official Title</u>	<u>Annual Salary</u>
City council:	
Chairman (Mayor)	\$ 34,232
Members	33,232
City Clerk	53,789
City Auditor	53,789
Executive:	
City Manager	108,959
Deputy City Manager	90,044
Assistant City Manager/Fiscal Affairs	71,719
Assistant City Manager/Community Development	71,719
Assistant City Manager/Human Services	71,719
Budget Director	53,789
Personnel Director	66,588
Director of Assessment	61,939
City Solicitor	53,789
Commissioner of Health, Hospitals and Welfare	78,782
Commissioner of Public Works	73,639
Commissioner of Inspectional Services	65,410
Superintendent of Schools	95,000
Police Chief	67,372
Fire Chief	67,372
Director of Libraries/Communications	68,550

(1) Does not include educational incentives.

Source: City Department of Finance.

CITY OF CAMBRIDGE, MASSACHUSETTS
PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS
LAST SEVEN FISCAL YEARS

(Dollars in thousands)

<u>Fiscal Year</u>	<u>Real Property Assessed Value</u>	<u>Building Permits Issued(1)</u>	<u>Construction Value(1)</u>	<u>% Distribution(1)</u>		<u>Bank Deposits(2)</u>
				<u>Residential</u>	<u>Commercial</u>	
1984	\$2,796,449	*	\$127,597	20%	80%	\$1,353,731
1985	2,973,620	1,845	142,382	27	73	1,476,968
1986	3,505,211	1,866	133,090	44	56	1,655,522
1987	5,825,497	2,982	201,222	46	54	1,929,282
1988	6,000,944	2,021	208,230	22	78	1,232,253
1989	7,183,754	1,590	256,953	14	86	2,288,062
1990	8,360,269	1,590	229,124	27	73	*

* Not available

(1) Source: Inspectional Services Department

(2) Source: Federal Deposit Insurance Corporation

CITY OF CAMBRIDGE, MASSACHUSETTS

Miscellaneous Statistics

<u>Characteristic</u>	<u>Cambridge</u>	<u>Boston SMSA</u>	<u>Massachusetts</u>	<u>United States</u>
Population (1):	94,500	2,820,700	5,797,582	236,495,000
Median age (2):				
1980	28.6	31.3	31.2	30.0
1970	26.8	29.1	29.0	28.0
1960	29.6	32.0	32.1	29.5
Age group (3):				
5-17	11.6%	19.1%	20.1%	20.9%
25-34	25.5	17.0	16.3	16.4
65 and over	11.4	12.5	12.7	11.3
Median family income (2):				
1988	\$ 33,926	\$ 45,000	\$ 48,296	\$ 39,051
1979	17,845	22,848	21,166	19,917
1969	9,815	11,449	10,981	9,590
Per capita income (2):				
1989	\$ 15,613	\$ *	\$ 14,389	\$ 11,923
1985	13,494	10,774	16,324	13,908
1983	11,403	9,100	10,517	9,496
1981	9,755	7,881	9,101	8,476
1979	7,957	6,555	7,458	7,313
1969	3,899	3,897	3,425	3,119
Unemployment rates (4):				
1990	3.0%	4.1%	5.0%	5.9%
1989	2.8	3.4	4.0	5.3
1988	2.4	2.8	3.3	5.5
1987	2.4	3.1	3.8	6.2
1986	3.2	3.5	3.8	7.0
1985	3.3	3.4	3.9	7.2
1984	4.0	4.1	4.8	7.5
1983	5.8	5.8	6.9	9.6
Four or more years of college education 25 years old and over (3)	43.1%	28.8%	20.0%	16.3%
High school graduates 25 years old and over (3)	76.2%	76.4%	72.2%	66.3%
	<u>K-8</u>	<u>9-12</u>	<u>Special</u>	<u>Total</u>
Public school enrollments (5):				
1990	4,796	2,136	703	7,635
1989	4,657	2,253	743	7,653
1988	4,584	2,400	721	7,705
1987	4,631	2,541	648	7,820
1986	4,686	2,619	582	7,885
1985	4,760	2,671	566	7,997
1984	4,795	2,621	577	7,993
1983	4,930	2,606	616	8,152

(1) Source: U.S. Department of Commerce, Bureau of Census, Current Population Reports, "Local Population Estimates," 1988, and City of Cambridge Community Development Department.

(2) Source: U.S. Department of Commerce, Bureau of Census, and the Bureau of Economic Analysis, and City of Cambridge Community Development Department.

(3) Source: U.S. Department of Commerce, Bureau of Census, 1980 Census of Population.

(4) Source: Department of Labor, Bureau of Labor Statistics and Massachusetts Division of Employment Security.

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

* Unavailable

CITY OF CAMBRIDGE, MASSACHUSETTS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

**For the Fiscal Year
July 1, 1989 through June 30, 1990**

Electronic Publishing	Advanced Data Reprographics, Inc.
Paper	70 pound Finch
Covers and Dividers	80 pound coated
Printing - Laser Printing/text	Advanced Data Reprographics, Inc.
Printing - Covers and Dividers	Quality Business Forms
Composing	Finance Department
Cover and Divider Design	Claudia Sharon Chanzit
Photograph	Claire Spinner



CITY OF CAMBRIDGE

CAMBRIDGE, MASSACHUSETTS 02139

TEL 349-4300

FAX 349-4307

EXECUTIVE DEPARTMENT
ROBERT W. HEALY
City Manager

RICHARD C. ROSSI
Deputy City Manager

January 28, 1991

To the Honorable, the City Council,

Attached is the City's Comprehensive Financial Report (CAFR) for the year ending June 30, 1990. 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. This report includes a summary of the City's financial operations, as well as the audited general purpose financial statements prepared by the independent public accounting firm of KPMG Peat Marwick. Every attempt is made to prepare a detailed report in a readable format that will meet the needs of many persons and groups with an interest in the financial affairs of the City of Cambridge.

The City annually submits the CAFR to the Government Finance Officers Association (GFOA) for review and has received the GFOA's Certificate of Achievement for Excellence in Financial Reporting for the past four fiscal years (FY 1985-86, FY 1986-87 FY 1987-88 FY 1989-90). The City of Cambridge is the only city in the Commonwealth to receive this award.

Additional copies of the CAFR may be obtained by contacting the Finance Department at 349-4212.

Very Truly Yours,

Robert W. Healy,
City Manager

Agenda # 31

F- 85

City's Comprehensive Financial Report
(CAFR)

In City Council,

January 28, 1991

Placed on file