



CITY OF CAMBRIDGE

CAMBRIDGE, MASSACHUSETTS 02139
Tel. 498-9011

EXECUTIVE DEPARTMENT
ROBERT W. HEALY
City Manager

March 11, 1985

To the Honorable, the City Council:

Enclosed for your information are copies of the "Cherry Sheet" and the "Net State Aid Analysis Sheet". The analysis sheet, however, is somewhat misleading as the Charges for MDC sewer and water are shown as a net gain to the City. In reality the City will be billed by the Massachusetts Water Resources Authority an amount greater than the \$1,389,608 that is shown as savings on the analysis.

The financial impact of the Cherry Sheets as calculated by this office shows a "real" net gain of \$2,394,891, as opposed to the \$3,992,374 that the Commonwealth's analysis indicates.

Besides the shifting of the sewer and water charges, another significant impact is the County Charge-up \$266,849, an increase of 27.5% which is the result of Cambridge's share of the County Tax increasing dramatically due to the new assessed valuation formulas.

These new estimates have impacted the "bottom line" budget provided to the School Department. The original estimate for schools was \$49,318,282. The new number is \$48,774,474. The superintendent's submitted budget of 50.9 million dollars must thus be reduced by the School Committee by 2.2 million dollars.

Additionally, the amount of money I had hoped to have available in the "pay-as-you-go" capital program will, in all likelihood, be revised downward.

Very truly yours,

Robert W. Healy
City Manager

RWH/mbf
Encs.

F-89

Re: enclosed copies of the "Cherry Sheet"
& the "Net State Aid Analysis Sheet".

*copy sent to Councilor Duchay, Chairman,
Committee on Finance - Friday, March 15, 1985
in his Council pkg. mh*
In City Council,

March 11, 1985

3/11/1985

*Referral to
the Finance
Committee
Motion of E. Duchay*