City of Cambridge.

In Common Council, ~~June~~ September 11 1861

Ordered

That the commissioners of the bridge fund be requested to inform the City council whether any portion of that fund is now on hand uninvested, and whether any part now invested can be realized this year, either by the sale of Stocks or the collection of notes, payable on demand, or that have matured, and the amount thereof, and, also to report upon the expediency of investing the same in the national loan either by a change in the ordinance relating thereto, or otherwise

Adopted and sent up for concurrence

Henry Trager Clerk protem

In Board of Aldermen, September 11. 1861.

Concurred.

Attest, Justin A. Jacobs. City Clerk.

Order

Bridge - Fund -

Sept. 11. 1861 -

LITERIS ANTIQVIS NOVIS INSTITVTIS DECORA.
CANTABRIGIA
CONDITA A.D. 1630.
CIVICO REGIMINE DONATA A.D. 1846.

City of Cambridge.

~~MAYOR'S OFFICE,~~

October 21st 1861

To the City Council

Gentlemen.

In obedience to the request of the City Council contained in an order passed on the 11th of September last, and transmitted to us, we have the honor to inform them that there is now on hand of the Bridge Fund, uninvested, but temporarily loaned to the City, & ready to be paid by it, the sum of thirty seven hundred & thirty five dollars.

There is no part of the fund now invested that can be realized this year, either by the sale of stocks, or the collection of notes payable on demand, unless such stocks are sold below par, except the sum of ten thousand dollars, originally received from the Bridge Company in six per cent bonds of the City of Boston, & a little invested in those same bonds - They can probably be sold at or above par.

The Commissioners have regarded the policy indicated by the City Council in the recent passage of the "Ordinance in addition to an ordinance in relation to the Fund to be received from the Hancock Free Bridge Corporation" - as a policy intended to be permanent. Its fundamental feature is, that, inasmuch as the obligation to support the two bridges, assumed by the city, is a perpetual obligation, and, in substance, identically the same that rests upon the city for the general maintenance of its highways & bridges, this fund, if to be preserved as a fund & not at once appropriated to pay the City debt, should as a permanent investment, be invested exclusively in the notes of the city, which constitute this city debt. The fund will thus ever be as secure, as the obligation assumed to maintain the bridges, both alike resting on the security of the city itself. The fund is thus distinctively & securely preserved, while, if at any time, the city shall deem it expedient to cancel an amount of City debt equal to the fund they can do so at once.

As this policy has now been inaugurated as both wise & permanent, the Commissioners think it should not be deviated from except for very grave & weighty reasons, & not merely because at any time a somewhat higher interest may be obtained or even a patriotic purpose gratified. The Commissioners can readily conceive of serious objections to frequent changes in the mode of investing this fund to meet emergencies that may arise. They are of opinion, therefore, that it is not expedient to change the ordinance of the city so as to allow permanent investments of this fund in any thing, but the notes of the city, so long as the city owes a debt, in which the fund can be invested.

It will occur from time to time that there will be portions of the fund on hand, awaiting an opportunity to be invested in a city note. Such is the case now as to thirty seven hundred dollars. It may occur also that there will be a favorable time to sell some of the bonds or stocks on hand or some note may be paid, when no note of the permanent city debt can be at once obtained. There should be no loss of interest by moneys remaining long on hand. To meet these contingencies the Commissioners recommend to the City Council so to amend the aforementioned ordinance as that the <u>permanent</u> investments of said fund shall always be made in the manner therein provided, but that temporary loans may be made on other good and sufficient securities. Such a change in the ordinance would enable any funds on hand to be invested in the National loan if desirable, while it would be no deviation from the principle of the ordinance, & save any temporary loss of interest.

The Commissioners believe that they have thus answered all the inquiries of the order they have received from the City Council, & they have honor to be

Your obt Servants -

Chas. Theo Russell
Jos. Whitney
S. B. Heywood
Chas. H. Saunders

Commissioners of the Bridge Fund

In Common Council, Oct. 22. 1861.
Accepted and sent up for concurrence.
Attest. James M. Clark. Clerk.

In Board of Aldermen Oct. 23. 1861.
Concurred.
Attest. Justin A. Jacobs. City Clerk.

Report.
Bridge Fund
Oct. 21. 1861

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