CCM-101

City of Cambridge

Calendar Item No. 16(A)
Agenda Item No. 1(A)
IN CITY COUNCIL

September 19, 1988
September 26, 1988

ORDERED:

That the City Manager be and hereby is authorized to use $4,500,000. in available "free cash" as an offset to the FY1989 tax levy.

In City Council September 26, 1988.
Adopted by a yea and nay vote:-
Yeas 9; Nays 0; Absent 0.
Attest:- Joseph E. Connarton, City Clerk.

A true copy;

ATTEST:- Joseph E. Connarton
Joseph E. Connarton, City Clerk.

(Calendar Item No. 16B)
~~--Agenda Item No. 1(B)~~

CITY COUNCIL
CITY OF CAMBRIDGE

~~September 19, 1988~~
September 26, 1988

INTRODUCED BY CITY MANAGER ROBERT W. HEALY

AN ORDER CONCERNING APPROPRIATIONS FOR THE FISCAL YEAR BEGINNING JULY 1, 1988

ORDERED: That in addition to sums previously appropriated by the City Council for the fiscal period 1988-89 the following sum is hereby appropriated in the General Fund of the City of Cambridge:

FUNCTION	DEPARTMENT OR PROGRAM	SALARIES & WAGES	OTHER ORDINARY MAINTENANCE	TRAVEL & TRAINING	EXTRAORDINARY EXPENDITURES	APPROPRIATIONS
General Government	Employee Benefits		$150,000.00			$150,000.00

BE IT FURTHER ORDERED: That the above appropriations in the General Fund to be financed by estimated revenues drawn from the following sources:

FINANCING PLAN	REVENUE
Property Taxes	$150,000.00

In City Council September 26, 1988.
Adopted by a yea and nay vote:-
Yeas 9; Nays 0; Absent 0.
Attest:- Joseph E. Connarton, City Clerk.

A true copy;

ATTEST:- Joseph E. Connarton

(Calendar Item No. 16C)
~~Agenda Item No. 1(C)~~

CITY COUNCIL
CITY OF CAMBRIDGE

~~September 19, 1988~~
September 26, 1988

INTRODUCED BY CITY MANAGER ROBERT W. HEALY

AN ORDER CONCERNING APPROPRIATIONS FOR THE FISCAL YEAR BEGINNING JULY 1, 1988

ORDERED: **That in addition to sums previously appropriated by the City Council for the fiscal period 1988-89 the following sum is hereby appropriated in the General Fund of the City of Cambridge:**

FUNCTION	DEPARTMENT OR PROGRAM	SALARIES & WAGES	OTHER ORDINARY MAINTENANCE	TRAVEL & TRAINING	EXTRAORDINARY EXPENDITURES	APPROPRIATIONS
Public Safety	Fire		$68,000.00			$68,000.00

BE IT FURTHER ORDERED: **That the above appropriations in the General Fund to be financed by estimated revenues drawn from the following sources:**

FINANCING PLAN	REVENUE
Property Taxes	$68,000.00

In City Council September 26, 1988.
Adopted by a yea and nay vote:-
Yeas 9; Nays 0; Absent 0.
Attest:- Joseph E. Connarton, City Clerk.

A true copy;

ATTEST:- Joseph E. Connarton

CCM-101

City of Cambridge

(ROLL CALL 1)
Calendar Item No. 16(D)
Agenda Item No. 1(D)
IN CITY COUNCIL

September 19, 1988
September 26, 1988

ORDERED:

That the City Council classify property within the City of Cambridge into five property classes allowed for the purpose of allocating the property tax levy.

In City Council September 26, 1988.
Adopted by a yea and nay vote:-
Yeas 9; Nays 0; Absent 0.
Attest:- Joseph E. Connarton, City Clerk.

A true copy;

ATTEST:- Joseph E. Connarton
Joseph E. Connarton, City Clerk.

CCM-101

City of Cambridge

(ROLL CALL 2)

Calendar Item No. 16(D)
Agenda Item No. 1(D)
IN CITY COUNCIL

September 19, 1988
September 26, 1988

ORDERED:

That the City Council hereby adopt a minimum residential factor of 62.7177%.

In City Council September 26, 1988.
Adopted by a yea and nay vote:-
Yeas 9; Nays 0; Absent 0.
Attest:- Joseph E. Connarton, City Clerk.

A true copy;

ATTEST:- Joseph E. Connarton

Joseph E. Connarton, City Clerk.

CCM-101

City of Cambridge

Calendar Item No. 16(E)
Agenda Item No. 1(E)
IN CITY COUNCIL

September 19, 1988
September 26, 1988

ORDERED:

That the City Council approve a twenty (20) percent residential exemption for owner-occupied homes, which will produce a residential tax rate of $9.26, while, the commercial, industrial and personal property tax will be $20.06.

In City Council September 26, 1988.
Adopted by a yea and nay vote:-
Yeas 8; Nays 1; Absent 0.
Attest:- Joseph E. Connarton, City Clerk.

A true copy;

ATTEST:- Joseph E. Connarton
Joseph E. Connarton, City Clerk.

CCM-101

City of Cambridge

Calendar Item No. 16(F)
Agenda Item No. 1(F)
IN CITY COUNCIL

September 19, 1988
September 26, 1988

ORDERED:

That the City Council in accordance with the General Laws, Section 4 of Chapter 73 of the Acts of 1986, hereby increase by 100% the normal value of statutory exemptions for FY-1989.

In City Council September 26, 1988.
Adopted by a yea and nay vote:-
Yeas 9; Nays 0; Absent 0.
Attest:- Joseph E. Connarton, City Clerk.

A true copy;

ATTEST:- Joseph E. Connarton
Joseph E. Connarton, City Clerk.

CCM-101

City of Cambridge

Calendar Item No. 16(A)
Agenda Item No. 1(A)
IN CITY COUNCIL

September 19, 1988
September 26, 1988

ORDERED:

That the City Manager be and hereby is authorized to use $4,500,000. in available "free cash" as an offset to the FY1989 tax levy.

In City Council September 26, 1988.
Adopted by a yea and nay vote:-
Yeas 9; Nays 0; Absent 0.
Attest:- Joseph E. Connarton, City Clerk.

A true copy;

ATTEST:- Joseph E. Connarton
Joseph E. Connarton, City Clerk.

(Calendar Item No. 16B)
~~--Agenda-Item-No.-1(B)~~

CITY COUNCIL
CITY OF CAMBRIDGE

~~-September-19,-1988~~
September 26, 1988

INTRODUCED BY CITY MANAGER ROBERT W. HEALY

AN ORDER CONCERNING APPROPRIATIONS FOR THE FISCAL YEAR BEGINNING JULY 1, 1988

ORDERED: That in addition to sums previously appropriated by the City Council for the fiscal period 1988-89 the following sum is hereby appropriated in the General Fund of the City of Cambridge:

FUNCTION	DEPARTMENT OR PROGRAM	SALARIES & WAGES	OTHER ORDINARY MAINTENANCE	TRAVEL & TRAINING	EXTRAORDINARY EXPENDITURES	APPROPRIATIONS
General Government	Employee Benefits		$150,000.00			$150,000.00

BE IT FURTHER ORDERED: That the above appropriations in the General Fund to be financed by estimated revenues drawn from the following sources:

FINANCING PLAN	REVENUE
Property Taxes	$150,000.00

In City Council September 26, 1988.
Adopted by a yea and nay vote:-
Yeas 9; Nays 0; Absent 0.
Attest:- Joseph E. Connarton, City Clerk.

A true copy;

ATTEST:- Joseph E. Connarton

(Calendar Item No. 16C)
~~Agenda Item No. 1(C)~~

CITY COUNCIL
CITY OF CAMBRIDGE

~~September 19, 1988~~
September 26, 1988

INTRODUCED BY CITY MANAGER ROBERT W. HEALY

AN ORDER CONCERNING APPROPRIATIONS FOR THE FISCAL YEAR BEGINNING JULY 1, 1988

ORDERED: That in addition to sums previously appropriated by the City Council for the fiscal period 1988-89 the following sum is hereby appropriated in the General Fund of the City of Cambridge:

FUNCTION	DEPARTMENT OR PROGRAM	SALARIES & WAGES	OTHER ORDINARY MAINTENANCE	TRAVEL & TRAINING	EXTRAORDINARY EXPENDITURES	APPROPRIATIONS
Public Safety	Fire		$68,000.00			$68,000.00

BE IT FURTHER ORDERED: That the above appropriations in the General Fund to be financed by estimated revenues drawn from the following sources:

FINANCING PLAN	REVENUE
Property Taxes	$68,000.00

In City Council September 26, 1988.
Adopted by a yea and nay vote:-
Yeas 9; Nays 0; Absent 0.
Attest:- Joseph E. Connarton, City Clerk.

A true copy;

ATTEST:- Joseph E. Connarton

CCM-101

City of Cambridge

(ROLL CALL 1)
Calendar Item No. 16(D)
Agenda Item No. 1(D)
IN CITY COUNCIL

September 19, 1988
September 26, 1988

ORDERED:

That the City Council classify property within the City of Cambridge into five property classes allowed for the purpose of allocating the property tax levy.

In City Council September 26, 1988.
Adopted by a yea and nay vote:-
Yeas 9; Nays 0; Absent 0.
Attest:- Joseph E. Connarton, City Clerk.

A true copy;

ATTEST:- Joseph E. Connarton
Joseph E. Connarton, City Clerk.

CCM-101

City of Cambridge

(ROLL CALL 2)
Calendar Item No. 16(D)
Agenda Item No. 1(D)
IN CITY COUNCIL

September 19, 1988
September 26, 1988

ORDERED:

That the City Council hereby adopt a minimum residential factor of 62.7177%.

In City Council September 26, 1988.
Adopted by a yea and nay vote:-
Yeas 9; Nays 0; Absent 0.
Attest:- Joseph E. Connarton, City Clerk.

A true copy;

ATTEST:- Joseph E. Connarton
Joseph E. Connarton, City Clerk.

CCM-101

City of Cambridge

Calendar Item No. 16(E)
Agenda Item No. 1(E)
IN CITY COUNCIL

September 19, 1988
September 26, 1988

ORDERED:

That the City Council approve a twenty (20) percent residential exemption for owner-occupied homes, which will produce a residential tax rate of $9.26, while, the commercial, industrial and personal property tax will be $20.06.

In City Council September 26, 1988.
Adopted by a yea and nay vote:-
Yeas 8; Nays 1; Absent 0.
Attest:- Joseph E. Connarton, City Clerk.

A true copy;

ATTEST:- Joseph E. Connarton
Joseph E. Connarton, City Clerk.

City of Cambridge

Calendar Item No. 16(F)
Agenda Item No. 1(F)
IN CITY COUNCIL

September 19, 1988
September 26, 1988

ORDERED:

That the City Council in accordance with the General Laws, Section 4 of Chapter 73 of the Acts of 1986, hereby increase by 100% the normal value of statutory exemptions for FY-1989.

In City Council September 26, 1988.
Adopted by a yea and nay vote:-
Yeas 9; Nays 0; Absent 0.
Attest:- Joseph E. Connarton, City Clerk.

A true copy;

ATTEST:- Joseph E. Connarton
Joseph E. Connarton, City Clerk.

C. C. 106

City of Cambridge

MASSACHUSETTS

In City Council Sept. 26 1988

r Danehy – Cal. Item # 16

	YEA	NAY	ABSENT	PRESENT
Mr. Thomas W. Danehy	✓			
Mr. Francis H. Duehay		✓		
Ms. Saundra Graham		✓		
Mrs. Sheila T. Russell	✓			
Mr. David E. Sullivan		✓		
Mr. Walter J. Sullivan	✓			
Mr. William H. Walsh	✓			
Ms. Alice K. Wolf		✓		
Mayor Alfred E. Vellucci	✓			
	5	4		

Reconsideration Prevailed

4. The following information was derived from the LA-7. Please indicate in Column D percentages accurate to 4 digits to the right of the decimal point which result from your selected residential factor. If a residential factor of "1" has been selected, you may leave Column D blank.

A	B	C	D
Class	Certified Full and Fair Cash Value Assessments	Percentage Full Value Shares of Total Tax Levy	New Percentage Shares of Total Tax Levy
1. Residential	$ 4,384,370,640	59.8316 %	37.5250 %
2. Open Space	-	-	-
3. Commercial	2,256,116,670	30.7883	47.8859
4. Industrial	543,266,600	7.4137	11.5307
5. Personal Property	144,093,012	1.9664	3.0584
TOTALS	$ 7,327,846,922	100.0000%	100.0000%

5. I hereby attest that notice was given to taxpayers that a public hearing on the issue of adopting the tax levy percentages for fiscal year 19 89 would be held on Sept. 19th. (date), 5:00 p.m. (time), at City Council (place), by news ad (describe type of notice)

Joseph E. Connarton
City Clerk

6. I hereby attest that on Sept. 26, 1988 (date) at 5:00 P.M. (time), at Sullivan Chamber, City Hall (place) a public hearing was held on the issue of adopting the percentages for fiscal year 19 89, that the Board of Assessors presented information and data relevant to making such a determination and the fiscal effect of the available alternatives at the hearing and that the percentages set forth above were duly adopted in public session Sept. 26, 1988 (date)

7. We have been informed by the Assessors of $ 12,912,858 excess levy capacity.

For cities: City Councillors, Aldermen, Mayor
For towns: Board of Selectmen
For districts: Prudential Committee or Commissioners

Alfred Vellucci   Wm H Walsh   David E. Sullivan
Sandra Graham   Thomas W. Danehy   Walter J. Sullivan
Louis A. Durkin   Sheila T. Russell   Alice K. Wolf

C. C. 106

City of Cambridge

MASSACHUSETTS

CALENDAR ITEM NO. 16(A)
RE: THAT THE SCITY COUNCIL AUTHORIZE THE CITY MANAGER TO USE $4,500,000. IN AVAILABLE "FREE CASH" AS AN OFFSET TO THE FY89 TAX LEVY

In City Council September 26, 1988

	YEA	NAY	ABSENT	PRESENT
Mr. Thomas W. Danehy	X			
Mr. Francis H. Duehay	X			
Ms. Saundra Graham	X			
Mrs. Sheila T. Russell	X			
Mr. David E. Sullivan	X			
Mr. Walter J. Sullivan	X			
Mr. William H. Walsh	X			
Ms. Alice K. Wolf	X			
Mayor Alfred E. Vellucci	X			
	9	0	0	0

A true copy;

ATTEST:- Joseph E. Connarton
Joseph E. Connarton, City Clerk.

C. C. 108

City of Cambridge

MASSACHUSETTS

CALENDAR ITEM NO. 16(B) In City Council September 26, 1988

RE: CITY COUNCIL APPROPRIATE $150,000. TO EMPLOYEE BENEFITS TO COVER THE COST OF INCREASED CITY CONTRIBUTION TO THE RETIRED EMPLOYEE LIFE INSURANCE PROGRAM. SAID APPROPRIATION TO BE FUNDED FROM THE PROPERTY TAX LEVY.

	YEA	NAY	ABSENT	PRESENT
Mr. Thomas W. Danehy	X			
Mr. Francis H. Duehay	X			
Ms. Saundra Graham	X			
Mrs. Sheila T. Russell	X			
Mr. David E. Sullivan	X			
Mr. Walter J. Sullivan	X			
Mr. William H. Walsh	X			
Ms. Alice K. Wolf	X			
Mayor Alfred E. Vellucci	X			
	9	0	0	0

A true copy;

ATTEST:- Joseph E. Connarton

Joseph E. Connarton, City Clerk.

C. C. 108

City of Cambridge

MASSACHUSETTS

CALENDAR ITEM NO. 16(C) In City Council September 26, 1988

RE: CITY COUNCIL APPROPRIATE $68,000. TO THE FIRE DEPT. FOR THE PURCHASE OF NEW SAFETY HELMETS. SAID APPROPRIATION TO BE FUNDED FROM THE PROPERTY TAX LEVY.

	YEA	NAY	ABSENT	PRESENT
	X			
Mr. Thomas W. Danehy	X			
Mr. Francis H. Duehay	X			
Ms. Saundra Graham	X			
Mrs. Sheila T. Russell	X			
Mr. David E. Sullivan	X			
Mr. Walter J. Sullivan	X			
Mr. William H. Walsh	X			
Ms. Alice K. Wolf	X			
Mayor Alfred E. Vellucci	X			
	9	0	0	0

A true copy;

ATTEST:- Joseph E. Connarton

Joseph E. Connarton, City Clerk.

C. C. 108

City of Cambridge

MASSACHUSETTS

In City Council September 26, 1988

CALENDAR ITEM NO. 16(D) - ROLL CALL 1

RE: CITY COUNCIL CLASSIFY PROPERTY WITHIN THE CITY OF CAMBRIDGE INTO THE FIVE CLASSES ALLOWED FOR THE PURPOSES OF ALLOCATING THE TAX LEVY.

	YEA	NAY	ABSENT	PRESENT
Mr. Thomas W. Danehy	X			
Mr. Francis H. Duehay	X			
Ms. Saundra Graham	X			
Mrs. Sheila T. Russell	X			
Mr. David E. Sullivan	X			
Mr. Walter J. Sullivan	X			
Mr. William H. Walsh	X			
Ms. Alice K. Wolf	X			
Mayor Alfred E. Vellucci	X			
	9	0	0	0

A true copy;

ATTEST:- Joseph E. Connarton

Joseph E. Connarton, City Clerk.

C. C. 106

City of Cambridge

MASSACHUSETTS

In City Council September 26, 1988

CALENDAR ITEM NO. 16(D) - ROLL CALL 2
RE: CITY COUNCIL ADOPT A MINIMUM RESIDENTIAL FACTOR OF 62.7177% FOR CAMBRIDGE

	YEA	NAY	ABSENT	PRESENT
Mr. Thomas W. Danehy	X			
Mr. Francis H. Duehay	X			
Ms. Saundra Graham	X			
Mrs. Sheila T. Russell	X			
Mr. David E. Sullivan	X			
Mr. Walter J. Sullivan	X			
Mr. William H. Walsh	X			
Ms. Alice K. Wolf	X			
Mayor Alfred E. Vellucci	X			
	9	0	0	0

A true copy;

ATTEST:- Joseph E. Connarton

Joseph E. Connarton, City Clerk.

C. C. 106

City of Cambridge

MASSACHUSETTS

In City Council September 26, 1988

CALENDAR ITEM NO. 16(E)

RE: CITY COUNCIL APPROVE A 20% RESIDENTIAL EXEMPTION FOR OWNER OCCUPIED HOMES, WHICH SHOULD RESULT IN A RESIDENTIAL TAX RATE OF $9.26 & A COMMERCIAL, INDUSTRIAL & PERSONAL PROPERTY TAX RATE OF $20.06, UPON APPROVAL OF THE DEPT. OF REVENUE

	YEA	NAY	ABSENT	PRESENT
Mr. Thomas W. Danehy	X			
Mr. Francis H. Duehay	X			
Ms. Saundra Graham	X			
Mrs. Sheila T. Russell	X			
Mr. David E. Sullivan		X		
Mr. Walter J. Sullivan	X			
Mr. William H. Walsh	X			
Ms. Alice K. Wolf	X			
Mayor Alfred E. Vellucci	X			
	8	1	0	

A true copy;

ATTEST:- Joseph E. Connarton

Joseph E. Connarton, City Clerk.

C. C. 106

City of Cambridge

MASSACHUSETTS

In City Council September 26, 1988

CALENDAR ITEM NO. 16(F)
RE: CITY COUNCIL, IN ACCORDANCE WITH THE STATE LAW, VOTE TO DO BLE THE NORMAL VALUE OF STATUTORY EXEMPTIONS FOR FY89

	YEA	NAY	ABSENT	PRESENT
Mr. Thomas W. Danehy	X			
Mr. Francis H. Duehay	X			
Ms. Saundra Graham	X			
Mrs. Sheila T. Russell	X			
Mr. David E. Sullivan	X			
Mr. Walter J. Sullivan	X			
Mr. William H. Walsh	X			
Ms. Alice K. Wolf	X			
Mayor Alfred E. Vellucci	X			
	9	0	0	0

A true copy;

ATTEST:- Joseph E. Connarton
Joseph E. Connarton, City Clerk.

4. The following information was derived from the LA-7. Please indicate in Column D percentages accurate to 4 digits to the right of the decimal point which result from your selected residential factor. If a residential factor of "1" has been selected, you may leave Column D blank.

A	B	C	D
Class	Certified Full and Fair Cash Value Assessments	Percentage Full Value Shares of Total Tax Levy	New Percentage Shares of Total Tax Levy
1. Residential	$ 4,384,370,640	59.8316 %	37.5250 %
2. Open Space	-	-	-
3. Commercial	2,256,116,670	30.7883	47.8859
4. Industrial	543,266,600	7.4137	11.5307
5. Personal Property	144,093,012	1.9664	3.0584
TOTALS	$ 7,327,846,922	100.0000%	100.0000%

5. I hereby attest that notice was given to taxpayers that a public hearing on the issue of adopting the tax levy percentages for fiscal year 19 89 would be held on Sept. 19th. (date), 5:00 p.m. (time), at City Council (place), by news ad (describe type of notice)

Joseph E. Connarton
City Clerk

6. I hereby attest that on Sept. 26, 1988 (date) at 5:00 P.M. (time), at Sullivan Chamber, City Hall (place) a public hearing was held on the issue of adopting the percentages for fiscal year 19 89, that the Board of Assessors presented information and data relevant to making such a determination and the fiscal effect of the available alternatives at the hearing and that the percentages set forth above were duly adopted in public session Sept. 26, 1988 (date)

7. We have been informed by the Assessors of $ 12,912,858 excess levy capacity.

For cities: City Councillors, Aldermen, Mayor
For towns: Board of Selectmen
For districts: Prudential Committee or Commissioners

Alfred Vellucci   Wm H Walsh   David E. Sullivan
Sandra Graham   Thomas W Danehy   Walter J. Sullivan
Louis H. Ducharme   Sheila T. Russell   Alice K. Wolf

C. C. 106

City of Cambridge

MASSACHUSETTS

CALENDAR ITEM NO. 16(A)
RE: THAT THE SCITY COUNCIL AUTHORIZE THE CITY MANAGER TO USE $4,500,000. IN AVAILABLE "FREE CASH" AS AN OFFSET TO THE FY89 TAX LEVY

In City Council September 26, 1988

	YEA	NAY	ABSENT	PRESENT
Mr. Thomas W. Danehy	X			
Mr. Francis H. Duehay	X			
Ms. Saundra Graham	X			
Mrs. Sheila T. Russell	X			
Mr. David E. Sullivan	X			
Mr. Walter J. Sullivan	X			
Mr. William H. Walsh	X			
Ms. Alice K. Wolf	X			
Mayor Alfred E. Vellucci	X			
	9	0	0	0

A true copy;

ATTEST:- Joseph E. Connarton

Joseph E. Connarton, City Clerk.

C. C. 108

City of Cambridge

MASSACHUSETTS

CALENDAR ITEM NO. 16(B) In City Council September 26, 1988

RE: CITY COUNCIL APPROPRIATE $150,000. TO EMPLOYEE BENEFITS TO COVER THE COST OF INCREASED CITY CONTRIBUTION TO THE RETIRED EMPLOYEE LIFE INSURANCE PROGRAM. SAID APPROPRIATION TO BE FUNDED FROM THE PROPERTY TAX LEVY.

	YEA	NAY	ABSENT	PRESENT
Mr. Thomas W. Danehy	X			
Mr. Francis H. Duehay	X			
Ms. Saundra Graham	X			
Mrs. Sheila T. Russell	X			
Mr. David E. Sullivan	X			
Mr. Walter J. Sullivan	X			
Mr. William H. Walsh	X			
Ms. Alice K. Wolf	X			
Mayor Alfred E. Vellucci	X			
	9	0	0	0

A true copy;

ATTEST:- Joseph E. Connarton

Joseph E. Connarton, City Clerk.

C. C. 108

City of Cambridge

MASSACHUSETTS

CALENDAR ITEM NO. 16(C) In City Council September 26, 1988

RE: CITY COUNCIL APPROPRIATE $68,000. TO THE FIRE DEPT. FOR THE PURCHASE OF NEW SAFETY HELMETS. SAID APPROPRIATION TO BE FUNDED FROM THE PROPERTY TAX LEVY.

	YEA	NAY	ABSENT	PRESENT
	X			
Mr. Thomas W. Danehy	X			
Mr. Francis H. Duehay	X			
Ms. Saundra Graham	X			
Mrs. Sheila T. Russell	X			
Mr. David E. Sullivan	X			
Mr. Walter J. Sullivan	X			
Mr. William H. Walsh	X			
Ms. Alice K. Wolf	X			
Mayor Alfred E. Vellucci	X			
	9	0	0	0

A true copy;

ATTEST:- Joseph E. Connarton

Joseph E. Connarton, City Clerk.

C. C. 106

City of Cambridge

MASSACHUSETTS

In City Council September 26, 1988

CALENDAR ITEM NO. 16(D) - ROLL CALL 1

RE: CITY COUNCIL CLASSIFY PROPERTY WITHIN THE CITY OF CAMBRIDGE INTO THE FIVE CLASSES ALLOWED FOR THE PURPOSES OF ALLOCATING THE TAX LEVY.

	YEA	NAY	ABSENT	PRESENT
Mr. Thomas W. Danehy	X			
Mr. Francis H. Duehay	X			
Ms. Saundra Graham	X			
Mrs. Sheila T. Russell	X			
Mr. David E. Sullivan	X			
Mr. Walter J. Sullivan	X			
Mr. William H. Walsh	X			
Ms. Alice K. Wolf	X			
Mayor Alfred E. Vellucci	X			
	9	0	0	0

A true copy;

ATTEST:- Joseph E. Connarton

Joseph E. Connarton, City Clerk.

C. C. 108

City of Cambridge

MASSACHUSETTS

In City Council September 26, 1988

CALENDAR ITEM NO. 16(D) - ROLL CALL 2
RE: CITY COUNCIL ADOPT A MINIMUM RESIDENTIAL FACTOR OF 62.7177% FOR CAMBRIDGE

	YEA	NAY	ABSENT	PRESENT
Mr. Thomas W. Danehy	X			
Mr. Francis H. Duehay	X			
Ms. Saundra Graham	X			
Mrs. Sheila T. Russell	X			
Mr. David E. Sullivan	X			
Mr. Walter J. Sullivan	X			
Mr. William H. Walsh	X			
Ms. Alice K. Wolf	X			
Mayor Alfred E. Vellucci	X			
	9	0	0	0

A true copy;

ATTEST:- Joseph E. Connarton
Joseph E. Connarton, City Clerk.

C. C. 108

City of Cambridge

MASSACHUSETTS

In City Council September 26, 1988

CALENDAR ITEM NO. 16(E)

RE: CITY COUNCIL APPROVE A 20% RESIDENTIAL EXEMPTION FOR OWNER OCCUPIED HOMES, WHICH SHOULD RESULT IN A RESIDENTIAL TAX RATE OF $9.26 & A COMMERCIAL, INDUSTRIAL & PERSONAL PROPERTY TAX RATE OF $20.06, UPON APPROVAL OF THE DEPT. OF REVENUE

	YEA	NAY	ABSENT	PRESENT
Mr. Thomas W. Danehy	X			
Mr. Francis H. Duehay	X			
Ms. Saundra Graham	X			
Mrs. Sheila T. Russell	X			
Mr. David E. Sullivan		X		
Mr. Walter J. Sullivan	X			
Mr. William H. Walsh	X			
Ms. Alice K. Wolf	X			
Mayor Alfred E. Vellucci	X			
	8	1	0	

A true copy;

ATTEST:- Joseph E. Connarton

Joseph E. Connarton, City Clerk.

C. C. 108

City of Cambridge

MASSACHUSETTS

In City Council September 26, 1988

CALENDAR ITEM NO. 16(F)
RE: CITY COUNCIL, IN ACCORDANCE WITH THE STATE LAW, VOTE TO DO BLE THE NORMAL VALUE OF STATUTORY EXEMPTIONS FOR FY89

	YEA	NAY	ABSENT	PRESENT
Mr. Thomas W. Danehy	X			
Mr. Francis H. Duehay	X			
Ms. Saundra Graham	X			
Mrs. Sheila T. Russell	X			
Mr. David E. Sullivan	X			
Mr. Walter J. Sullivan	X			
Mr. William H. Walsh	X			
Ms. Alice K. Wolf	X			
Mayor Alfred E. Vellucci	X			
	9	0	0	0

A true copy;

ATTEST:- Joseph E. Connarton
Joseph E. Connarton, City Clerk.

4. The following information was derived from the LA-7. Please indicate in Column D percentages accurate to 4 digits to the right of the decimal point which result from your selected residential factor. If a residential factor of "1" has been selected, you may leave Column D blank.

A	B	C	D
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5. Personal Property	144,093,012	1.9664	3.0584
TOTALS	$ 7,327,846,922	100.0000%	100.0000%

5. I hereby attest that notice was given to taxpayers that a public hearing on the issue of adopting the tax levy percentages for fiscal year 19 89 would be held on Sept. 19th. (date), 5:00 p.m. (time), at City Council (place), by news ad (describe type of notice)

Joseph E. Connarton
City Clerk

6. I hereby attest that on Sept. 26, 1988 (date) at 5:00 P.M. (time), at Sullivan Chamber, City Hall (place) a public hearing was held on the issue of adopting the percentages for fiscal year 19 89, that the Board of Assessors presented information and data relevant to making such a determination and the fiscal effect of the available alternatives at the hearing and that the percentages set forth above were duly adopted in public session Sept. 26, 1988 (date)

7. We have been informed by the Assessors of $ 12,912,858 excess levy capacity.

For cities: City Councillors, Aldermen, Mayor
For towns: Board of Selectmen
For districts: Prudential Committee or Commissioners

Alfred Vellucci Wm H Walsh David E. Sullivan
Saundra Graham Thomas W Danehy Walter J. Sullivan
Francis H. Duehay Sheila T. Russell Alice K. Wolf

C. C. 108

City of Cambridge

MASSACHUSETTS

CALENDAR ITEM NO. 16(A)
RE: THAT THE SCITY COUNCIL AUTHORIZE THE CITY MANAGER TO USE $4,500,000. IN AVAILABLE "FREE CASH" AS AN OFFSET TO THE FY89 TAX LEVY

In City Council September 26, 1988

	YEA	NAY	ABSENT	PRESENT
Mr. Thomas W. Danehy	X			
Mr. Francis H. Duehay	X			
Ms. Saundra Graham	X			
Mrs. Sheila T. Russell	X			
Mr. David E. Sullivan	X			
Mr. Walter J. Sullivan	X			
Mr. William H. Walsh	X			
Ms. Alice K. Wolf	X			
Mayor Alfred E. Vellucci	X			
	9	0	0	0

A true copy;

ATTEST:- Joseph E. Connarton
Joseph E. Connarton, City Clerk.

C. C. 106

City of Cambridge

MASSACHUSETTS

CALENDAR ITEM NO. 16(B) In City Council September 26, 1988

RE: CITY COUNCIL APPROPRIATE $150,000. TO EMPLOYEE BENEFITS TO COVER THE COST OF INCREASED CITY CONTRIBUTION TO THE RETIRED EMPLOYEE LIFE INSURANCE PROGRAM. SA D APPROPRIATION TO BE FUNDED FROM THE PROPERTY TAX LEVY.

	YEA	NAY	ABSENT	PRESENT
Mr. Thomas W. Danehy	X			
Mr. Francis H. Duehay	X			
Ms. Saundra Graham	X			
Mrs. Sheila T. Russell	X			
Mr. David E. Sullivan	X			
Mr. Walter J. Sullivan	X			
Mr. William H. Walsh	X			
Ms. Alice K. Wolf	X			
Mayor Alfred E. Vellucci	X			
	9	0	0	0

A true copy;

ATTEST:- Joseph E. Connarton

Joseph E. Connarton, City Clerk.

C. C. 106

City of Cambridge

MASSACHUSETTS

CALENDAR ITEM NO. 16(C) In City Council September 26, 1988

RE: CITY COUNCIL APPROPRIATE $68,000. TO THE FIRE DEPT. FOR THE PURCHASE OF NEW SAFETY HELMETS. SAID APPROPRIATION TO BE FUNDED FROM THE PROPERTY TAX LEVY.

	YEA	NAY	ABSENT	PRESENT
	X			
Mr. Thomas W. Danehy	X			
Mr. Francis H. Duehay	X			
Ms. Saundra Graham	X			
Mrs. Sheila T. Russell	X			
Mr. David E. Sullivan	X			
Mr. Walter J. Sullivan	X			
Mr. William H. Walsh	X			
Ms. Alice K. Wolf	X			
Mayor Alfred E. Vellucci	X			
	9	0	0	0

A true copy;

ATTEST:- Joseph E. Connarton

Joseph E. Connarton, City Clerk.

C. C. 106

City of Cambridge

MASSACHUSETTS

In City Council September 26, 1988

CALENDAR ITEM NO. 16(D) - ROLL CALL 1

RE: CITY COUNCIL CLASSIFY PROPERTY WITHIN THE CITY OF CAMBRIDGE INTO THE FIVE CLASSES ALLOWED FOR THE PURPOSES OF ALLOCATING THE TAX LEVY.

	YEA	NAY	ABSENT	PRESENT
Mr. Thomas W. Danehy	X			
Mr. Francis H. Duehay	X			
Ms. Saundra Graham	X			
Mrs. Sheila T. Russell	X			
Mr. David E. Sullivan	X			
Mr. Walter J. Sullivan	X			
Mr. William H. Walsh	X			
Ms. Alice K. Wolf	X			
Mayor Alfred E. Vellucci	X			
	9	0	0	0

A true copy;

ATTEST:- Joseph E. Connarton

Joseph E. Connarton, City Clerk.

C. C. 106

City of Cambridge

MASSACHUSETTS

In City Council September 26, 1988

CALENDAR ITEM NO. 16(D) - ROLL CALL 2
RE: CITY COUNCIL ADOPT A MINIMUM RESIDENTIAL FACTOR OF 62.7177% FOR CAMBRIDGE

	YEA	NAY	ABSENT	PRESENT
Mr. Thomas W. Danehy	X			
Mr. Francis H. Duehay	X			
Ms. Saundra Graham	X			
Mrs. Sheila T. Russell	X			
Mr. David E. Sullivan	X			
Mr. Walter J. Sullivan	X			
Mr. William H. Walsh	X			
Ms. Alice K. Wolf	X			
Mayor Alfred E. Vellucci	X			
	9	0	0	0

A true copy;

ATTEST:- Joseph E. Connarton
Joseph E. Connarton, City Clerk.

C. C. 108

City of Cambridge

MASSACHUSETTS

CALENDAR ITEM NO. 16(E) In City Council September 26, 1988

RE: CITY COUNCIL APPROVE A 20% RESIDENTIAL EXEMPTION FOR OWNER OCCUPIED HOMES, WHICH SHOULD RESULT IN A RESIDENTIAL TAX RATE OF $9.26 & A COMMERCIAL, INDUSTRIAL & PERSONAL PROPERTY TAX RATE OF $20.06, UPON APPROVAL OF THE DEPT. OF REVENUE

	YEA	NAY	ABSENT	PRESENT
Mr. Thomas W. Danehy	X			
Mr. Francis H. Duehay	X			
Ms. Saundra Graham	X			
Mrs. Sheila T. Russell	X			
Mr. David E. Sullivan		X		
Mr. Walter J. Sullivan	X			
Mr. William H. Walsh	X			
Ms. Alice K. Wolf	X			
Mayor Alfred E. Vellucci	X			
	8	1	0	

A true copy;

ATTEST:- Joseph E. Connarton

Joseph E. Connarton, City Clerk.

C. C. 106

City of Cambridge

MASSACHUSETTS

In City Council September 26, 1988

CALENDAR ITEM NO. 16(F)
RE: CITY COUNCIL, IN ACCORDANCE WITH THE STATE LAW, VOTE TO DO BLE THE NORMAL VALUE OF STATUTORY EXEMPTIONS FOR FY89

	YEA	NAY	ABSENT	PRESENT
Mr. Thomas W. Danehy	X			
Mr. Francis H. Duehay	X			
Ms. Saundra Graham	X			
Mrs. Sheila T. Russell	X			
Mr. David E. Sullivan	X			
Mr. Walter J. Sullivan	X			
Mr. William H. Walsh	X			
Ms. Alice K. Wolf	X			
Mayor Alfred E. Vellucci	X			
	9	0	0	0

A true copy;

ATTEST:- Joseph E. Connarton
Joseph E. Connarton, City Clerk.

C. C. 106

City of Cambridge

MASSACHUSETTS

In City Council September 19, 1988

AGENDA ITEM NO. 1(A)
RE: THAT THE CITY MANAGER BE AUTHORIZED TO USE $4,500,000. IN AVAILABLE "FREE CASH" AS AN OFFSET TO THE FY1989 TAX LEVY

	YEA	NAY	ABSENT	PRESENT
Mr. Thomas W. Danehy	✓			
Mr. Francis H. Duehay	✓			
Ms. Saundra Graham	✓			
Mrs. Sheila T. Russell	✓			
Mr. David E. Sullivan	✓			
Mr. Walter J. Sullivan	✓			
Mr. William H. Walsh	✓			
Ms. Alice K. Wolf	✓			
Mayor Alfred E. Vellucci	✓			
	9	0		

9/19/88

Ch. N
C.W. Sullivan
18 10 1E

9/26/88
C.W.S.
MS
NF
1-1(F)

CCM-101

City of Cambridge

Agenda Item No. 1

IN CITY COUNCIL

September 19, 1988

ORDERED:

That the City Manager be and hereby is authorized to use $4,500,000. in available "free cash" as an offset to the FY1989 tax levy.

C. C. 106

City of Cambridge

MASSACHUSETTS

In City Council SEPTEMBER 19, 1988

AGENDA ITEM NO. 1(B)

RE: CITY COUNCIL APPROPRIATE $150,000. TO EMPLOYEE BENEFITS TO COVER THE COST OF INCREASED CITY CONTRIBUTION TO THE RETIRED EMPLOYEE LIFE INSURANCE PROGRAM. SAID APPROPRIATION TO BE FUNDED FROM THE PROPERTY TAX LEVY.

	YEA	NAY	ABSENT	PRESENT
Mr. Thomas W. Danehy	✓			
Mr. Francis H. Duehay	✓			
Ms. Saundra Graham	✓			
Mrs. Sheila T. Russell	✓			
Mr. David E. Sullivan	✓			
Mr. Walter J. Sullivan	✓			
Mr. William H. Walsh	✓			
Ms. Alice K. Wolf	✓			
Mayor Alfred E. Vellucci	✓			
	9	0		

C. C. 106

City of Cambridge

MASSACHUSETTS

In City Council SEPTEMBER 19, 1988

AGENDA ITEM NO. 1(C)
RE: CITY COUNCIL APPROPRIATE $68,000. TO THE FIRE DEPT. FOR THE PURCHASE OF NEW SAFETY HELMETS. SAID APPROPRIATION TO BE FUNDED FROM THE PROPERTY TAX LEVY.

	YEA	NAY	ABSENT	PRESENT
Mr. Thomas W. Danehy	✓			
Mr. Francis H. Duehay	✓			
Ms. Saundra Graham	✓			
Mrs. Sheila T. Russell	✓			
Mr. David E. Sullivan	✓			
Mr. Walter J. Sullivan	✓			
Mr. William H. Walsh	✓			
Ms. Alice K. Wolf	✓			
Mayor Alfred E. Vellucci	✓			
	9	0		

C. C. 106

City of Cambridge

MASSACHUSETTS

In City Council September 19, 1988

AGENDA ITEM NO. 1(D)

RE: CITY COUNCIL CLASSIFY PROPERTY WITHIN THE CITY OF CAMBRIDGE INTO THE 5 CLASSES ALLOWED FOR THE PURPOSES OF ALLOCATING THE TAX LEVY. FURTHER, THAT THE CITY COUNCIL ADOPT A MINIMUM RESIDENTIAL FACTOR OF 62.7177%, THE LEGAL MIMIMUM PERMITTED FOR CAMBRIDGE

	YEA	NAY	ABSENT	PRESENT
Mr. Thomas W. Danehy	✓			
Mr. Francis H. Duehay	✓			
Ms. Saundra Graham	✓			
Mrs. Sheila T. Russell	✓			
Mr. David E. Sullivan	✓			
Mr. Walter J. Sullivan	✓			
Mr. William H. Walsh	✓			
Ms. Alice K. Wolf	✓			
Mayor Alfred E. Vellucci	✓			
	9	0		

C. C. 106

City of Cambridge

MASSACHUSETTS

In City Council Sept. 26, 1988

1 D(2)

	YEA	NAY	ABSENT	PRESENT
Mr. Thomas W. Danehy	✓			
Mr. Francis H. Duehay	✓			
Ms. Saundra Graham	✓			
Mrs. Sheila T. Russell	✓			
Mr. David E. Sullivan	✓			
Mr. Walter J. Sullivan	✓			
Mr. William H. Walsh	✓			
Ms. Alice K. Wolf	✓			
Mayor Alfred E. Vellucci	✓			
	9	0		

C. C. 106

City of Cambridge

MASSACHUSETTS

In City Council SEPTEMBER 19, 1988

AGENDA ITEM NO. 1(E)

RE: CITY COUNCIL APPROVE A 20% RESIDENTIAL EXEMPTION FOR OWNER OCCUPIED HOMES, WHICH SHOULD RESULT IN A RESIDENTIAL TAX RATE OF $9.26 & A COMMERCIAL, INDUSTRIAL & PERSONAL PROPERTY TAX RATE OF $20.06, UPON APPROVAL OF THE DEPT. OF REVENUE

	YEA	NAY	ABSENT	PRESENT
Mr. Thomas W. Danehy	✓			
Mr. Francis H. Duehay	✓			
Ms. Saundra Graham	✓			
Mrs. Sheila T. Russell	✓			
Mr. David E. Sullivan		✓		
Mr. Walter J. Sullivan	✓			
Mr. William H. Walsh	✓			
Ms. Alice K. Wolf	✓			
Mayor Alfred E. Vellucci	✓			
	8	1		

C. C. 106

City of Cambridge

MASSACHUSETTS

In City Council SEPTEMBER 19, 1988

AGENDA TIEM NO. 1(F)
RE: CITY COUNCIL, IN ACCORDANCE WITH THE STATE LAW, VOTE TO DOUBLE THE NORMAL VALUE OF STATUTORY EXEMPTIONS FOR FY89

	YEA	NAY	ABSENT	PRESENT
Mr. Thomas W. Danehy	✓			
Mr. Francis H. Duehay	✓			
Ms. Saundra Graham	✓			
Mrs. Sheila T. Russell	✓			
Mr. David E. Sullivan	✓			
Mr. Walter J. Sullivan	✓			
Mr. William H. Walsh	✓			
Ms. Alice K. Wolf	✓			
Mayor Alfred E. Vellucci	✓			
	9	0		

Council has carefully managed its Unreserved Fund Balance and avoided the dangerous trap of setting a falsely low tax rate by using too much Fund Balance one year, only to have the tax rate dramatically escalate the next. This authorization maintains the City's conservative approach to the management of our reserve, a wise approach considering state budget problems and an expected decrease in the amount of new state aid to municipalities.

II Supplemental Appropriations

EMPLOYEE BENEFITS:

In the Spring of 1988 after the FY 1989 budget had been adopted, the City Council requested that retired employee group life insurance be increased to $5,000 per life. Based upon cost estimates provided by our group life insurance carrier, the cost for the extra $3,000 per death benefit coverage for FY 1989 is $150,000. As this was not included in the FY 1989 budget that I submitted last spring, this appropriation, to be funded from the property tax levy, is required at this time.

FIRE DEPARTMENT:

The Fire Department Safety Committee, comprised of employees of that department, has recommended to me that the City should purchase new leather safety helmets for all firefighters. I agree with this recommendation and am requesting an appropriation of $68,000 to be funded from the property tax levy to purchase these helmets.

III Establishment of the Fiscal Year 1989 Tax Rate

CLASSIFICATION:

Since Fiscal Year 1984, the City Council has followed the state law which allows municipalities to classify property according to use for the purpose of allocating the property tax. Previously, state law provided that the minimum residential tax rate, after classification, could result in no less than 65% of what the total tax burden would be on all residential properties if all classes were equally assessed. The statute also restricted the tax burden on commercial and industrial property to no more than 150% of what it would be if all classes were taxed at the same rate. Since FY 1985, the City Council has set the residential factor at the lowest level provided under the formula outlined above. Under that formula, the legal minimum residential factor for Cambridge has ranged from 65% to a high of 66.5%.

This year legislation was passed and signed by the Governor which reduced the minimum residential factor to 50% and increased the total commercial limit to 175%. However, the law further stated that the adoption of the minimum residential factor <u>shall not result in the residential property class bearing a lower percentage of the total tax levy than the lowest percentage of the total property tax levy imposed on the residential class in the years since a city or town was first certified at full and fair cash value. In Cambridge's case that percentage was 37.525% of the total levy and it occurred in FY 1985.</u> Therefore, the minimum tax levy percentage that can be assigned to the residential sector this year (and forever unless the law is further changed) is 37.525% of the overall levy which results in a minimum residential factor for FY 1989 of 62.7177%.

Had the law not been changed, the minimum residential factor for Cambridge for FY 1989 would have been 66.43%. Under the new formula residential taxpayers will pay $2,100,263 less in FY 1989 property taxes compared with what they would have had to pay had the law not been changed.

Additionally, because the City is not near the 175% cap on the commercial levy share, it is not expected that the minimum residential factor would increase for several years, therefore avoiding shifting a greater burden back onto the residential class, something that has occurred here in Cambridge in the past.

RESIDENTIAL EXEMPTION:

The change in the tax classification law also increases the maximum residential exemption for owner occupied residences from 10% of the average residential assessment to 20%. Since FY 1986, the City Council has approved the full ten percent exemption for owner occupied homes. In FY 1988 owner occupied residences received a $23,560 exemption in value, saving about $200 at the low end of the value range. For FY 1989 I am recommending that the City Council adopt the new maximum residential exemption of 20%. This would result in a residential exemption of $59,449, saving each owner-occupant about $400 at the low end of the value range. (The value in tax savings of the residential exemption decreases as value increases. The "breakeven" point in FY 1989 would be $471,000 for the 20% exemption.)

The 20% residential exemption, along with my recommended minimum residential factor of 62.7177%, will result in a tax bill decrease in FY 1989 for the average owner occupied three family and condominium. The 20% exemption will also mean that the average owner occupied two family will receive a FY 1989 tax bill increase of only $37 and single family owner-occupied will have an average increase of just $3.

Should the City Council choose not to follow my recommendation regarding the residential exemption, Attachment I compares what the average residential property would pay in annual taxes if there were no exemption at all and what they would pay with a ten and fifteen percent exemption as well as the full twenty percent.

The City Council should also be aware that all of the tax payment comparisons used in this report deal with the average in each class. Depending upon the percentage of value increases in each district and class, a number of homes will see a tax bill decrease or increase greater than the average shown in Attachment I. Attachment II details what the average changes in bills will be by district and class.

STATUTORY EXEMPTIONS:

In 1987 the City Council accepted new state laws which liberalized certain statutory exemptions for the elderly, and at the same time doubled the value for all statutory exemptions. The acceptance of the state law regarding statutory exemptions does not have to be voted on annually by the City Council. However, the Council must vote annually to double the value of those exemptions. Homeowners who received exemptions last year would receive tax increases of between $175 and $500 in Fiscal Year 1989, if the Council chose not to double the value of the exemptions. The following is a listing that contains the value (when doubled) and description of each exemption.

Clause 17D - Surviving spouse, aged person, minor. Whole estate must not exceed $40,000 less mortgage. The value of the domicile except for any portion which produces income and exceeds two units is excluded from the applicant's whole estate. Owner have occupied property for five years. $350.00

Clause 22 - 100% disabled veteran, purple heart, gold star parents. $350.00

Clause 22A - loss of or loss of use of foot, hand or eye, or veterans having service medals. $700.00

Clause 22B - loss of or loss of use of two limbs or both eyes. $1,400.00

Clause 22c - Same as Clause 22A except disability requires "specially adapted housing." $1,750.00

Clause 22D - unremarried surviving spouse of veterans killed in Quemoy or Matsu. $350.00

Clause 22E - 100% disabled veteran who has not been employed in previous year. $1,050.00

PARAPLEGICS - Veterans having paralysis, which occurred during wartime, of lower half of body on both sides. Also applies to surviving spouses of veteran. TOTAL EXEMPTION

Requirements for Clause 22 exemptions - must be domiciled in Massachusetts 6 months prior to entry or reside here 5 consecutive years after discharge. Must own and occupy property July 1, 1988.

Clause 37A - Legally blind. Must have letter from Division of Blind; own and occupy property as of July 1, 1988. $1,000.00

Clause 41A-TAX DEFFERAL - Must be 65 years or older, domiciled in Massachusetts five years, domiciled in property July 1, 1988 and maximum earnings cannot exceed $20,000.00 in preceding year. TOTAL

Clause 41C - Elderly persons - Domiciled in property July 1, 1988, 70 years of age as of June 30, 1988, must have owned Massachusetts property five years, domiciled in Massachusetts 10 years, earnings, if single, less than $13,000.00; if married, less than $15,000.00 in preceding year (also applies to joint owners). Whole estate may not exceed two units, is excluded from the applicant's whole estate. $1,000.00

The qualification date for all applicants is July 1, 1988.

THE VALUATION PROCESS:

As the City Council is aware, the City did not revalue property last year (FY 88). Thus, this year's revaluation represents values as of January 1, 1988 reflecting sales and leasing activity during calendar years 1986 and

1987. As a result of increasing values on existing property, as well as adding the value of newly-constructed property, the total valuation of the City of Cambridge is now $7,327,846,922, an increase of $1,179,902,662, a 19% increase over FY 1988. The breakout of the values is as follows:

	FY 88		FY 89
Comm/Personal Property	$2,546,595,500	Existing Commercial	$2,704,959,200
Residential	3,601,348,760	New Commercial	238,517,082
Total	$6,147,944,260	Total Commercial	$2,943.476,282
		Existing Residential	$4,293,937,340
		New Residential	90,433,300
		Total Residential	$4,384,370,640
		Total Value	$7,327,846,922

It should be noted that the new construction totaling $328,950,382 ($90,433,300 residential, $238,517,082 commercial) added $5,929,977 to our levy limit which now totals $107,412,769 which is $12,912,769 over the FY 1989 tax levy of $94,500,000. It should also be noted that newly-constructed properties in Cambridge will pay approximately 80% of the FY 1989 levy increase.

For your information, I have included a description of the assessment methods used in calculating both the commercial and residential FY 1989 values.

COMMERCIAL VALUES:

For commercial properties, a study of sales, capitalization rates, and rent levels and expenses was undertaken.

The sales comparison approach was utilized by calculating the assessment to sale ratio for each verified, arms-length 1986-1987 sale. These ratios were then grouped by assessment district and by use class.

Income and expense questionnaires were sent to all the commercial and industrial property owners for the annual year covering 1987. This data was compared to the 1985 data collected for the FY 1987 revaluation. Capitalization rates were extracted from the recent sales and by utilizing the mortgage-equity method of capitalization with loan-to-value ratios, interest rates and equity yield rates as of January 1, 1988. The extracted rates were then compared to the rates utilized in the FY 1987 revaluation.

January 1, 1988 rents, expenses, and capitalization rates were used to apply the income capitalization approach to value on sample properties. These calculated values were then compared to the assessed values on these properties. Also, these properties were compared with the sales for the past two years.

All properties with an assessed value greater than $2 million were individually reviewed.

As a result of the above analyses, the following trends were indicated for the 10 Cambridge Commercial Assessment Districts:

District #		Percentage Increase
1	East Cambridge	15%
2	Kendall Square	6%
3	M.I.T.	10%
4	Cambridgeport	15%
5	Central Square	10%
6	Mid Cambridge	10%
7	Harvard Square	15%
8	Porter Square	15%
9	North Cambridge	10%
10	Alewife Area	10%

RESIDENTIAL VALUES:

Residential values were derived by adjusting FY 1987 values based upon analysis of property sales which occurred during 1986 and 1987. As mentioned earlier as assessments were not changed for FY 1988, FY 1989 values reflect two years of market activity.

The steps involved in the analysis are as follows:

1. Transactions are examined to determine whether or not a particular sale reflects a free market, " arms length" transaction. Non-arms length transactions are discarded from analysis. Also, unusually high and low sales (without explanation) are discarded.

2. Sales are categorized by class and district. The city is divided into fifteen assessment districts, and the following are analyzed separately: single family, two family, three family, four-eight unit buildings, nine plus buildings, and condominiums.

3. "Sales ratios" are calculated for each sale: sale price divided by FY 1987 assessed value. For example, a property with an assessment of $200,000 that sold for $220,000 has a ratio of 1.1.

4. For each class and district, the mean (average) and median (the "middle" case) are calculated. These statistics are determined for the two year study period, for 1986 and 1987 separately, and for the second half of 1987. Analysis of the statistics for these various time periods can indicate market trends over time for each class and district.

5. Statistics are analyzed for each class and district in conjunction with the specific sales involved. Greatest weight is given to medians for the second half of 1987: first, the median, as the "middle" case, is not distorted by unusually high or low sales, as the average could be; secondly, this time period is closest to the assessment date of January 1, 1988. However, influence of this statistic could be moderated by a number of appraisal considerations. Does it fit the overall time trend of the two year period? Are there a "good" number of sales? Are these sales representative of the district and class? For example, recently-constructed

townhouses are often overrepresented in the sample, and their sales pattern sometimes differs from the district as a whole. Are the sales ratios "tight" or dispersed? In other words, is there an obvious pattern, or are the sales "all over the place?" In summary, the final trending factor is established by blending the raw statistics with the particular characteristics of each assessment district and its collection of sales.

In addition to the methodology discussed above, Attachment II is a complete listing of sales, value percentage changes, and tax bill changes by district and class of the property. This information is being provided to the City Council at this level for the first time and is a result of the computer advancements made in the Assessing Department over the past year.

CONCLUSION:

Residents of the City of Cambridge continue to benefit from the fiscal policies of the City Council and the City's strong local economy. Classification, residential exemption, commercial and residential development, and conservative financial policies have combined to give Cambridge one of the lowest residential tax rates in Greater Boston. A Cambridge resident pays less in taxes than residents in surrounding cities and towns do for similiar property.

As Attachment III indicates, residential property owners will pay a smaller percentage of the total levy in Fiscal Year 1989 than they did in Fiscal Year 1984, the first year of the classification. Additionally, while property values in Cambridge have doubled and tripled in many cases since 1981, many property owners will pay less in property taxes in 1989 than in 1981, while the balance on average will pay increases that range from 4.4% to 13.5% over the eight year period. During the same period, the Consumer Price Index rose 53.6 percent in the Greater Boston area. The table below details those changes.

City Wide
Average Tax Bill

	FY 81	FY 89	Change	% Change
Single Family	$ 2,429	$ 2,544	$ 115	4.7%
Two Family	1,930	2,196	266	13.8%
Three Family	2,048	2,234	186	9.1%
Condominiums	1,891	1,070	(821)	(43.4%)
4 to 8 Units	3,326	2,071	(1,255)	(37.7%)
9 Plus Units	21,410	13,018	(8,392)	(39.2%)
Consumer Price Index	78.2	120.1	41.99	53.6%

Since recovery from the early days of Proposition 2 1/2, the financial goal of the City has been to provide stability both in the delivery of service and in the establishment of tax policies. It is my belief that the table above, along with our high service delivery levels, proves that we are accomplishing our goals. Unlike situations in many of our neighboring cities and towns, our citizens are not faced with reductions in services; our school children with reductions in programs; or our employees with a loss of jobs.

However, as I said last year at this time, maintenance of our success will not be easy. Fixed costs, such as health insurance and pensions, are projected to increase at a rate that exceeds the primary limit under Propostion 2 1/2. The result of this is that the City continues to be dependent on economic development and increases in state aid to fund our budget. As Cambridge is geographically a small city, the current levels of development cannot continue forever; and as recent state budget problems indicate, state aid increases in future years are not projected to increase by as much as they have in the past few years.

Thus our task for the future becomes more difficult. However, by continuing to make sound financial decisions that are best for the City's future, not merely an easy solution to current problems, we will continue to be successful in managing the City's finances.

TAX BILL COMPARISON BY PROPERTY TYPE

Owner Occupied

	FY88 Avg Bill (10% Res)	FY89 Avg Bill No Res	Change from FY88	FY89 Avg Bill 10%	Change from FY88	FY89 Avg Bill 15%	Change from FY88	FY89 Avg Bill 20%	Change from FY88
R-1	$2,541	$2,703	$162	$2,627	$86	$2,586	$45	$2,544	$3
R-2	$2,159	$2,399	$240	$2,303	$144	$2,250	$91	$2,196	$37
R-3	$2,247	$2,433	$186	$2,339	$92	$2,287	$40	$2,234	($13)
Condo	$1,267	$1,416	$149	$1,254	($13)	$1,165	($102)	$1,070	($197)
4-8 Unit Bldg	$1,892	$1,809	($83)	$1,673	($219)	$1,599	($293)	$1,520	($372)
Res.Tax Rate	9.79	8.09		8.63		8.93		9.26	
Res.Exemption	$24,628	$0		$29,725		$44,587		$59,449	

Non-Owner Occupied

	FY88 Avg Bill (10% Res)	FY89 Avg Bill No Res	Change from FY88	FY89 Avg Bill 10%	Change from FY88	FY89 Avg Bill 15%	Change from FY88	FY89 Avg Bill 20%	Change from FY88
R-1	$2,541	$2,703	$162	$2,884	$343	$2,984	$443	$3,094	$553
R-2	$2,159	$2,399	$240	$2,560	$401	$2,649	$490	$2,746	$587
R-3	$2,247	$2,433	$186	$2,595	$348	$2,686	$439	$2,785	$538
Condo	$1,267	$1,416	$149	$1,510	$243	$1,563	$296	$1,621	$354
4-8 Unit Bldg	$1,892	$1,809	($83)	$1,930	$38	$1,997	$105	$2,071	$179
9+ building	$11,929	$11,336	($593)	$12,093	$164	$12,513	$584	$12,976	$1,047

Non-Owner Occupied (per unit)

	FY88 Avg Bill (10% Res)	FY89 Avg Bill No Res	Change from FY88	FY89 Avg Bill 10%	Change from FY88	FY89 Avg Bill 15%	Change from FY88	FY89 Avg Bill 20%	Change from FY88
R-2	$1,080	$1,200	$120	$1,280	$200	$1,324	$245	$1,373	$294
R-3	$749	$811	$62	$865	$116	$895	$146	$928	$179
4-8 per unit	$350	$362	$11	$386	$35	$399	$49	$414	$63
9+ per unit	$272	$259	($13)	$276	$4	$286	$14	$296	$24

ATTACHMENT I

To the Honorable, the City Council,

RECOMMENDATIONS:

1. That the City Council authorize the use of $4,500,000 in Unreserved Fund Balance to offset Fiscal Year 1989 expenditures as called for in the Fiscal Year 1989 adopted budget.

2. That the City Council appropriate $150,000 to Employee Benefits to cover the cost of increased City contribution to the retired employee life insurance program. Said appropriation to be funded from the property tax levy.

3. That the City Council appropriate $68,000 to the Fire Department for the purchase of new safety helmets. Said appropriation to be funded from the property tax levy.

4. That the City Council classify property within the City of Cambridge into the five classes allowed for the purpose of allocating the tax levy. It is further recommended that the City Council adopt a minimum residential factor of 62.7177%, the legal minimum permitted for Cambridge.

5. That the City Council approve a 20% residential exemption for owner occupied homes, which should result in a residential tax rate of $9.26 and a commercial, industrial, and personal property tax rate of $20.06, upon approval by the Department of Revenue.

6. That the City Council, in accordance with the state law, vote to double the normal value of statutory exemptions for Fiscal Year 1989.

SUMMARY:

The package that is presented for Council consideration contains recommendations to finalize the Fiscal Year 1989 budget and establish the Fiscal Year 1989 property tax rate. While seven separate votes of the City Council are necessary to complete the package, the recommendations fall into three categories:

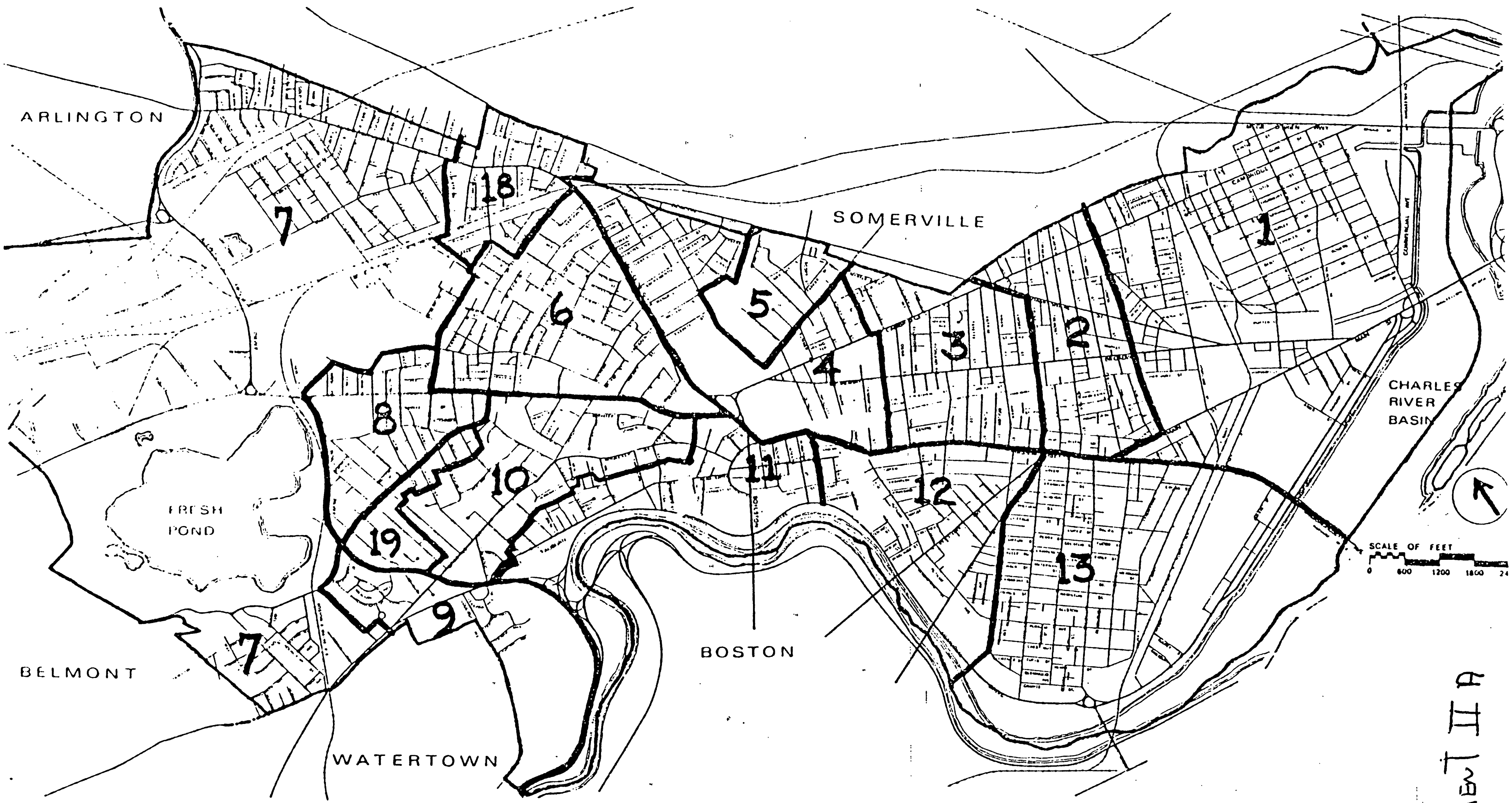
I Authorization of Unreserved Fund Balance (Free Cash)
II Supplemental Appropriations
III Establishment of FY 1989 Property Tax Rate

ISSUES:

I Authorization of Unreserved Fund Balance

When the City Council adopted the Fiscal Year 1989 budget in May of this year, the financing plan called for $1,500,000 in Unreserved Fund Balance to offset General Fund expenditures and $3,000,000 to offset Capital Fund expenditures. This financing plan is basically the same as has been used for the previous three fiscal years. Ideally, the vote to authorize Fund Balance would be taken at the time the budget is adopted. However, state law prohibits the authorization of Fund Balance between March 31 and June 30 of a given year. For the year ended June 30, 1988, the City had a Fund Balance of $15,300,000 (unaudited). For the past three years the City

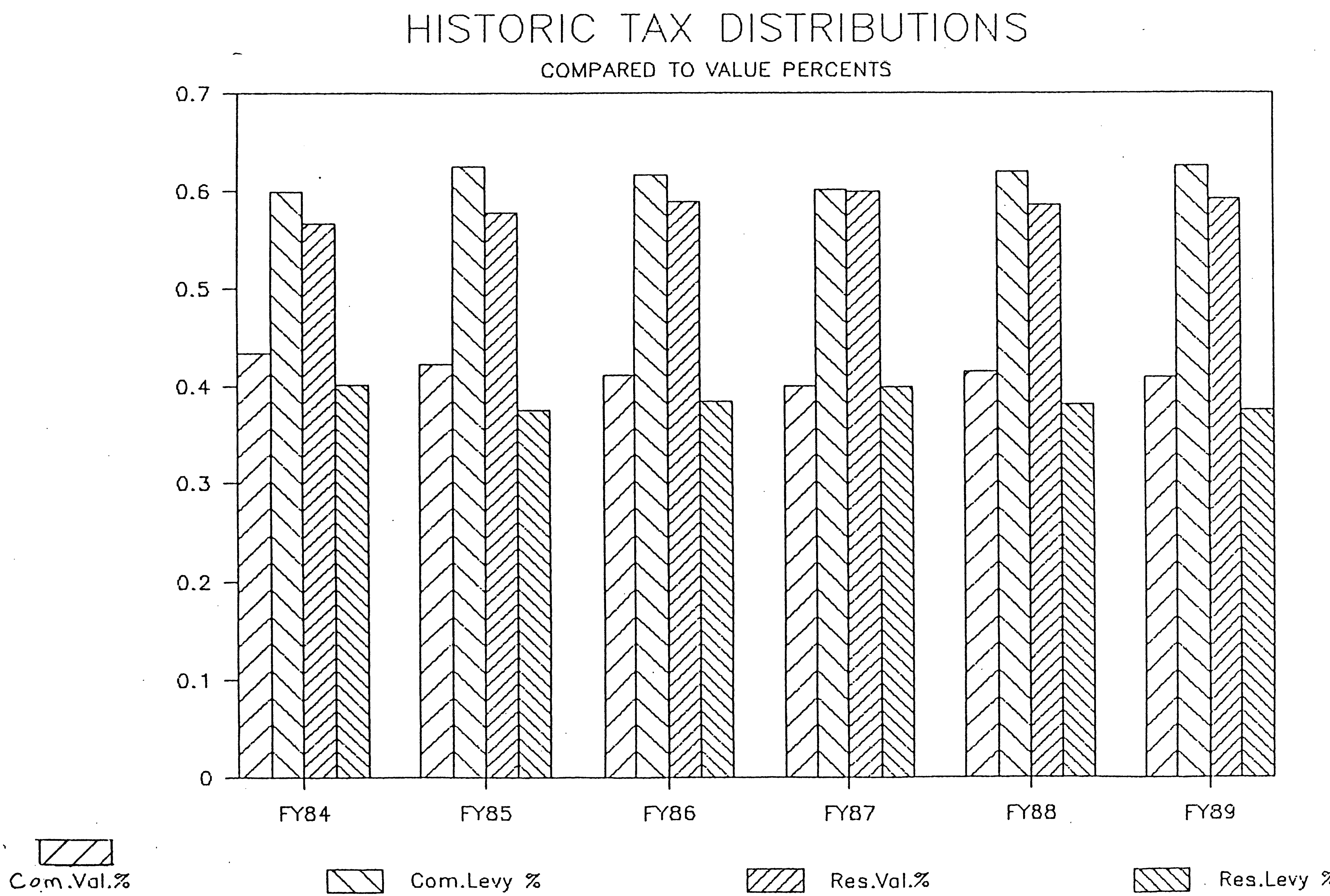
ASSESSMENT DISTRICTS - FY87



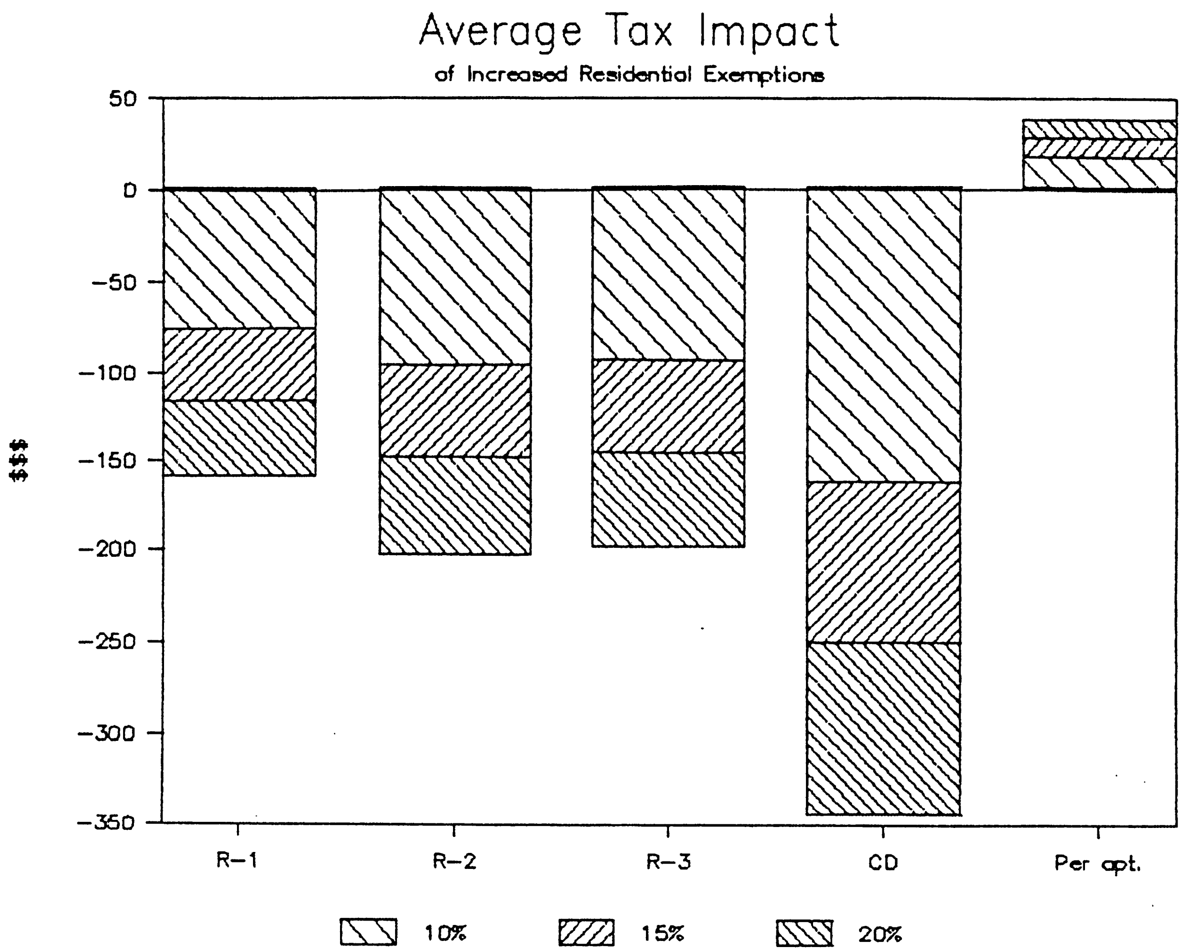
NOTES

District 14 - Charles Riverfront
District 15 - Grove & Blanchard Sts.
District 16 - St. Paul St
District 17 - Walden St between Mt Pleasant and Raymond
District 18: was part of District 7 until FY85
District 19: was part of District 4 until FY86

Attatchment II A



Attachment III



Attatchment IV

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CITY OF CAMBRIDGE

CAMBRIDGE, MASSACHUSETTS 02139
TEL. 498-9011

EXECUTIVE DEPARTMENT
ROBERT W. HEALY
City Manager

RICHARD C. ROSSI
Deputy City Manager

September 19, 1988

To the Honorable, the City Council:

Enclosed please find a copy of my recommendation for the FY89 tax rate. The major issues discussed are classification and residential exemption. The report is a little longer than before, as I have included additional information to assist you in dealing with these complex issues. It would be my desire to have the City Council act on these issues on this Monday night (September 19) in order that the tax bills may be sent out in a timely manner by October 1, 1988.

Very truly yours,

Robert W. Healy
City Manager

RWH/mbf
Enc.

Agenda Item No. 1 Calendar Item #16
F-431

Re: establishment of the FY89 tax rate & a total of six recommendations with the request that the City Council authorize same, as follows: use of $4,500,000. in Unreserved Fund Balance to offset FY89 expenditures as called for in the FY89 budget; appropriation of $150,000. to Employee Benefits to cover the cost of increased City contribution to retired employee life insurance program; appropriation of $68,000. to the Fire Dept. for new safety helmets; Classification of property into the 5 classes allowed for the purpose of allocating the tax levy; approval of a 20% residential exemption for owner occupied homes which should result in a residential tax rate of $9.26 & commercial, industrial & personal property tax of $20.06; & doubling of the normal value of statutory exemptions for FY89.

In City Council,

September 19, 1988

9-19-88
Charter Right exercised by
C. W.J. Sullivan.

9-26-88
7 Roll Calls taken to
approve City Mgr. recommendation