



City of Cambridge

Consent Agenda #5

IN CITY COUNCIL

June 18, 2001

ORDERED: That the City Manager be and hereby is authorized to use \$5,550,000 in free cash as an offset to the fiscal year 2002 tax rate.

In City Council June 18, 2001.

Adopted by a ye and nay vote:-

Yeas 8; Nays 0; Absent 1.

Attest:- D. Margaret Drury, City Clerk.

A true copy;

ATTEST:-

D. Margaret Drury

D. Margaret Drury
City Clerk



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June 18, 2001

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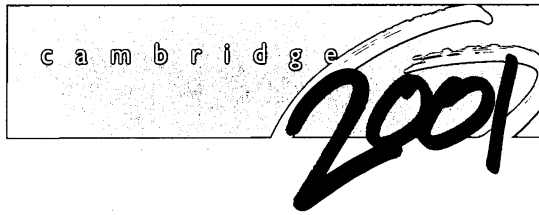
In City Council June 18, 2001.
Adopted by a yea and nay vote:-
Yeas 8; Nays 0; absent 1.
Attest:- D. Margaret Drury, City Clerk.

A true copy;

ATTEST:-

A handwritten signature in cursive script, reading "D. Margaret Drury".

D. Margaret Drury
City Clerk



5.

CITY OF CAMBRIDGE • EXECUTIVE DEPARTMENT

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

June 18, 2001

To The Honorable, The City Council:

RECOMMENDATION:

That the City Council authorize the use of \$5,550,000 in free cash to offset the FY2002 tax rate as follows:

- A. Operating Budget \$1,800,000 as adopted in the FY2002 Budget
- B. Capital Budget \$3,750,000 as adopted in the FY2002 Budget

BACKGROUND:

The City Council has traditionally authorized the use of free cash to offset the tax rate in the fall of each year in conjunction with the Property Tax Classification vote. For FY2002, the Massachusetts Department of Revenue (DOR) has requested that the City Council authorize the use of free cash prior to the close of the fiscal year. This action will remove the time pressure on DOR to certify a new free cash figure in September prior to the establishment of the FY2002 tax rate. At the end of FY2000, the DOR certified a free cash amount of \$26,166,059 for Cambridge. Since that certification the City Council has authorized the use of \$9,429,990 in free cash reducing the available amount to \$16,736,069. The use of \$5,550,000 in free cash to offset the FY2002 tax rate will further reduce the free cash amount to \$11,186,069. However, it is expected that the close of the current fiscal year will see an increase of approximately \$6,000,000 in free cash bringing the amount available as of June 30, 2001 to approximately \$17,200,000.

Very truly yours,

A handwritten signature in black ink, appearing to read "Robert W. Healy".
Robert W. Healy
City Manager

RWH/mec



74F

Consent Agenda #5

Order requesting the City
Council authorize the use of
\$5,550,000 in free cash to offset
the FY2002 tax rate.

In City Council June 18, 2001

ORDER ADOPTED

8-0-1