



# City of Cambridge

## Executive Department

**YI-AN HUANG**  
City Manager

CMA 2025 #265  
**IN CITY COUNCIL**  
October 27, 2025

To the Honorable, the City Council:

On October 1, 2025, the Massachusetts Department of Revenue certified the City's Free Cash balance as of June 30, 2025, in the amount of \$184,251,490. This is a \$48,900,163 decrease from the amount certified for FY25 (or a \$19,511,981 decrease from the FY25 amount net of mitigation receipts).

The FY26 Certified Free Cash balance of \$184,251,490 includes \$2,905,500 in mitigation revenue received in FY25. During FY25, the City received mitigation revenues from various developers as a result of commitments related to zoning ordinance amendments and special permit conditions. By law, all mitigation revenues must be deposited into the General Fund and can only be appropriated after the Free Cash Certification is complete. There is a separate request on tonight's City Council agenda to appropriate \$2,905,500 from Free Cash into the Mitigation Revenue Stabilization Fund.

There are also two appropriation requests to replenish the Employee Benefits Department Salaries and Wages account from Free Cash in the amounts of \$20,000,000 and \$4,300,000. These appropriation requests were anticipated and had been previously communicated to the City Council (at meetings on July 21, 2025, and on July 23, 2025) for costs associated with the demolition of Riverview Condominiums at 221 Mount Auburn Street and for settlement costs to resolve litigation related to the Vail Court property.

Free Cash had not been certified at the time these expenditures had to be made, so funds from the Employee Benefits Department Salaries and Wages account were used to cover the expenditures.

Pending City Council approval of the appropriations noted above, the City's Free Cash balance is estimated to be \$157,045,990.

Yi-An Huang  
City Manager

