



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll
Mayor

December 7, 2017

Honorable Salem City Council
Salem City Hall
Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

I reappoint, subject to City Council confirmation, the following member of the Salem Council on Aging Board.

First Name	Last Name	Address	Term	Term Expiration
Elaine	Heredeen	16 Buffum Street	3 years	12/7/2020

I enthusiastically recommend confirmation of her reappointment to the COA Board and ask that you join me in thanking her for her continued dedicated service and commitment to our community and to our seniors.

Very truly yours,

A handwritten signature in cursive script, reading "Kim Driscoll".

Kimberley Driscoll
Mayor
City of Salem



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll
Mayor

December 7, 2017

Honorable Salem City Council
Salem City Hall
Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

I am very pleased to appoint Carly Dwyer Naik, of 7 Winter Street #6, to the Salem Public Art Commission, to complete the remainder of a two-year term to expire September 22, 2018. Ms. Naik will be filling the seat previously held by Mr. James Fallon, who has opted to step down from the commission. I hope you will join me in thanking Mr. Fallon for his service on the Public Art Commission.

Ms. Naik has over twenty years of work in directing and production experience in the theater arts. She is currently employed as the Creative Director for Intramersive Media, where she helps advance partnerships between artists and historical and artistic venues for site-specific immersive theater. Prior to that she worked as the Director of the Theater Arts program at Concord Carlisle Regional High School for nine years and as the Movement Director at the Merrimac Repertory Theater. Ms. Naik holds a B.A. from Harvard University and earned her Master's degree in education from Harvard's Graduate School of Education.

I strongly recommend confirmation of Ms. Naik's appointment to the commission. We are fortunate that she is willing to serve our community in this important role and lend her expertise and dedication to the Public Art Commission and its work.

Very truly yours,

A handwritten signature in black ink, reading "Kim Driscoll".

Kimberley Driscoll
Mayor
City of Salem



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll
Mayor

December 7, 2017

Honorable Salem City Council
Salem City Hall
Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

I am very pleased to appoint Gary Barrett, of 51 Larchmont Road, to the Salem Redevelopment Authority, to complete the remainder of a five-year term to expire December 8, 2021. Attorney Barrett will be filling the seat previously held by Ms. Christine Madore, who has stepped down from the SRA as she has been elected to the position of Ward 2 City Councillor. I hope you will join me in thanking Ms. Madore for her service on the Authority.

Attorney Barrett has a lengthy record of involvement in Salem and currently serves as the Essex County Sheriff Department's Community Relations Coordinator. Prior to that he was the Executive Director of the North Shore Alliance for Economic Development, a position that has especially prepared him to address the many redevelopment and economic growth issues facing the SRA and our downtown. Before his time with the North Shore Alliance for Economic Development, Attorney Barrett served as the District Director for former Congressman John Tierney for over fourteen years. He holds a B.A. in Government from Harvard University and earned his Juris Doctor degree from Boston College Law School. Attorney Barrett has previously served on the City of Salem's Zoning Board of Appeals and volunteers on the Advisory Council for North Shore Elder Services.

I strongly recommend confirmation of Attorney Barrett's appointment to the authority. We are fortunate that he is willing to serve our community in this important role and lend his expertise and dedication to the SRA and its work.

Very truly yours,

A handwritten signature in black ink, appearing to read "Kim Driscoll", is written over a faint, larger version of the same signature.

Kimberley Driscoll
Mayor
City of Salem



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll
Mayor

December 7, 2017

To the City Council
City Hall
Salem, Massachusetts

Ladies and Gentlemen of the Council:

Enclosed herewith is a request to transfer the sum of two Thousand Five Hundred Dollars (\$2,500.00) from the "Elections-Poll Workers" account (11622-5309) to the Elections-Overtime" Account (11621-5131).

This funding is needed to cover the cost of overtime in Elections.

I recommend passage of the accompanying order.

Very truly yours,

A handwritten signature in black ink, appearing to read "Kim Driscoll", is written over the printed name.

Kimberley Driscoll
Mayor



CITY OF SALEM

In City Council,

December 7, 2017

Ordered:

That the sum of Two Thousand Five Hundred Dollars (\$2,500.00) is hereby transferred from the "Elections-Poll Workers" account (11622-5309) to the "Elections-Overtime" Account (11621-5131) in accordance with the recommendation of Her Honor the Mayor.

City of Salem, Massachusetts
Office of the City Clerk

Cheryl A. LaPointe
City Clerk



Room 1
City Hall

November 16, 2017

Honorable Kimberley Driscoll
Mayor of Salem
Salem, MA 01970

Dear Mayor Driscoll:

I respectfully request approval for the enclosed budget transfer. This transfer is necessary due to the depletion of the overtime account for mandatory additional hours by state law. I am requesting \$2,500 which should get us through the rest of the fiscal year to cover the additional mandatory days for the filing of initiative petitions and nomination papers, etc. This transfer would be from Elections – Poll workers account (11622-5309 to Elections – Overtime account (11621-5131. Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script that reads "Cheryl A. LaPointe".

Cheryl A. LaPointe
City Clerk

CITY OF SALEM - Finance Department

Free Cash, W & S R/E, R/Res & Budget Transfer Request Form

From: Elections Department Cheryl A. Ralston Department Head Authorizing Signature 11-16-17 Date

Budget or R/Res

Transfers To: 11621-5131 Desc: "overtime" Budget Amt: 5,000.-
 (Org/Object) Balance: 0

From: 11622-5309 Desc: "Poll Workers" Budget Amt: 40,232.00
 (*Note - Please include letter to Mayor for Transfers from different Personnel & Non-personnel lines) Balance: 6,317.00

Current Balance in Receipts Reserved Fund Above (if applicable) - \$ _____ Date: _____

Free Cash or To: _____ Desc: _____ Budget Amt: _____
Retained Earnings (W/S) (Org/Object) Balance: _____
 Please circle one

Amount Requested: \$ 2,500.00

Reason (Be Specific) Election overtime

For Finance Department and Mayor's Use Only:

☒ Budget Transfer ☒ Mayor Approval ☒ City Council Approval

_____ Free Cash Appropriation - City Council Approval - Gen Fund \$ _____
 Free Cash Balance

_____ R/E Appropriation - Water \$ _____ R/E Appropriation Sewer \$ _____
 R/E Balance R/E Balance

_____ Receipts Reserve - City Council Approval \$ _____
 R/Res Fund Balance

_____ Raise & Appropriate _____ Other _____

Recommendation: _____ Approved _____ Denied

[Signature]
 Finance Director

Completed: Date: _____ By: _____ CO # _____ JE#: _____ Transfer #: _____



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll

Mayor

December 7, 2017

To the City Council
City Hall
Salem, Massachusetts

Ladies and Gentlemen of the Council:

Enclosed herewith is a request to transfer Two Thousand Dollars (\$2,000.00) from the Fund Balance Reserved for Appropriation – Free Cash account (1-3245) to the Planning Contracted Services account 11822-5320.

This request is necessary to cover the costs of contracted services for the green community's initiative and projects.

I recommend passage of this accompanying order.

Sincerely,

A handwritten signature in black ink, appearing to read "Kim Driscoll", written in a cursive style.

Kimberley Driscoll
Mayor



CITY OF SALEM

In City Council,
December 7, 2017

Ordered:

That the sum of Two Thousand Dollars (\$2,000.00) is hereby appropriated from the "Fund Balance Reserved for Appropriation – Free Cash" account (1-3245) to the Planning Contracted Services account 11822-5320 in accordance with the recommendation of Her Honor the Mayor.



KIMBERLEY DRISCOLL
MAYOR

TOM DANIEL, AICP
DIRECTOR

CITY OF SALEM, MASSACHUSETTS

DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT

120 WASHINGTON STREET ♦ SALEM, MASSACHUSETTS 01970
TELE: 978-619-5685 ♦ FAX: 978-740-0404

November 27, 2017

Mayor Kimberley Driscoll
Salem City Hall
93 Washington Street
Salem, MA 01970

Re: Free Cash Request for Contracted Services

Dear Mayor Driscoll:

We are requesting \$2,000 in free cash for contracted services in order to pay for assistance with research, data input, and analysis relating to green communities initiatives and projects.

Total request: **\$2,000.00**

Thank you for your consideration. Please let me know if you would like additional information.

Sincerely,

A handwritten signature in dark ink, appearing to read "Tom Daniel".

Tom Daniel, AICP
Director

CITY OF SALEM - Finance Department

Free Cash, W & S R/E, R/Res & Budget Transfer Request Form

From: DPCD Department MDaniel Department Head Authorizing Signature 11/22/17 Date

Budget or R/Res

Transfers To: _____ Desc: _____ Budget Amt: _____
(Org/Object) Balance: _____

From: _____ Desc: _____ Budget Amt: _____
Balance: _____

(*Note - Please include letter to Mayor for Transfers from different Personnel & Non-personnel lines)

Current Balance in Receipts Reserved Fund Above (if applicable) - \$ _____ Date: _____

Free Cash or To: 11822-5320 Desc: Cont. SERV. Budget Amt: 53,282.00
Retained Earnings (W/S) (Org/Object) Balance: 52,482.00
Please circle one

Amount Requested: \$ 2,000.00

Reason (Be Specific) Assistance with research data input, and
analysis for green communities initiative,

For Finance Department and Mayor's Use Only:

_____ Budget Transfer _____ Mayor Approval _____ City Council Approval

☒ Free Cash Appropriation - City Council Approval - Gen Fund \$ 2,685,321.65
Free Cash Balance MB

_____ R/E Appropriation - Water \$ _____ R/E Balance _____
R/E Appropriation Sewer \$ _____ R/E Balance _____

_____ Receipts Reserve - City Council Approval \$ _____
R/Res Fund Balance

_____ Raise & Appropriate _____ Other _____

Recommendation: _____ Approved _____ Denied

Jan Daniel
Finance Director

Completed: Date: _____ By: _____ CO # _____ JE#: _____ Transfer #: _____



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll

Mayor

December 7, 2017

To the City Council
City Hall
Salem, Massachusetts

Ladies and Gentlemen of the Council:

Enclosed herewith is a request to transfer Twelve Thousand dollars (\$12,000) from the "Fund Balance Reserved for Appropriation – Free Cash" account (1-3245) to the Electrical Street Lighting account 12452-5213.

This request is necessary to cover the costs for contracted services to cover Electrical department while a staff member is on sick leave.

I recommend passage of this accompanying order.

Sincerely,

A handwritten signature in cursive script, reading "Kim Driscoll".

Kimberley Driscoll
Mayor



CITY OF SALEM

In City Council,
December 7, 2017

Ordered:

That the sum of Twelve Thousand Dollars (\$12,000.00) is hereby appropriated from the "Fund Balance Reserved for Appropriation – Free Cash" account (1-3245) to the Electrical Street Lighting account 12452-5213 in accordance with the recommendation of Her Honor the Mayor.



KIMBERLEY DRISCOLL
MAYOR

JOHN J. GIARDI
CITY ELECTRICIAN

CITY OF SALEM, MASSACHUSETTS

ELECTRICAL DEPARTMENT
44 LAFAYETTE STREET
TEL (978) 745-6300
FAX (978) 745-4638
JGIARDI@SALEM.COM

November 16, 2017

Mayor Kimberley Driscoll
City of Salem
93 Washington Street
Salem, MA 01970

Dear Mayor Driscoll:

I am writing this letter to let you know the departments current situation in regard to our personnel and the amount of work we have ahead of us. We have one staff member that is out on medical leave. I will need to rehire Brian Sweeney to help while we are short staffed.

I'm requesting \$12,000.00 to keep Mr. Sweeney on staff until the end of January 2018. Thank you for your help on this matter as we move forward into the busy holiday season.

Sincerely,

John J. Giardi
City Electrician

CITY OF SALEM - Finance Department

Free Cash, W & S R/E, R/Res & Budget Transfer Request Form

From: Electrical Department [Signature] Department Head Authorizing Signature 11/16/12 Date

Budget or R/Res Budget Amt: _____
Transfers To: _____ Desc: _____ Balance: _____
 (Org/Object) Budget Amt: _____
 From: _____ Desc: _____ Balance: _____
 (*Note - Please include letter to Mayor for Transfers from different Personnel & Non-personnel lines)
 Current Balance in Receipts Reserved Fund Above (if applicable) - \$ _____ Date: _____

Free Cash or To: 12452-523 Desc: Street Lighting Budget Amt: 250,000
Retained Earnings (W/S) (Org/Object) Balance: 156,797.30
 Please circle one

Amount Requested: \$ 12,000.00
 Reason (Be Specific) Contracted Services to cover department
while a staff member is on sick leave

For Finance Department and Mayor's Use Only:

_____ Budget Transfer _____ Mayor Approval _____ City Council Approval
 _____ Free Cash Appropriation - City Council Approval - Gen Fund \$ _____
 Free Cash Balance
 _____ R/E Appropriation - Water \$ _____ R/E Appropriation Sewer \$ _____
 R/E Balance R/E Balance
 _____ Receipts Reserve - City Council Approval \$ _____
 R/Res Fund Balance
 _____ Raise & Appropriate _____ Other _____

Recommendation: _____ Approved _____ Denied

[Signature]
 Finance Director

Completed: Date: _____ By: _____ CO # _____ JE#: _____ Transfer #: _____



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll

Mayor

December 7, 2017

To the City Council
City Hall
Salem, Massachusetts

Ladies and Gentlemen of the Council:

Enclosed herewith is a request to transfer Thirty-Two Thousand Dollars (\$32,000.00) from the existing Police Department Personnel Line item to the accounts listed below:

12101-5111 Police FT Salaries	12102-5775 Police Community Events	20,000
12101-5111 Police FT Salaries	12102-5317 Police Training & Education	12,000
		<hr/>
TOTAL		\$32,000

This transfer is revenue neutral and is necessary to cover additional expenses incurred as a result of Halloween coverage from outside agencies. I recommend passage of the accompanying Order.

Very truly yours,

A handwritten signature in black ink, appearing to read "Kim Driscoll", is written over a horizontal line.

Kimberley Driscoll
Mayor



CITY OF SALEM

In City Council,

December 7, 2017

Ordered:

That the sum of Thirty-Two Thousand Dollars (\$32,000.00) is hereby transferred within the accounts listed below in accordance with the recommendation of Her Honor the Mayor.

From		To		Amount
12101-5111	Police FT Salaries	12102-5775	Police Community Events	20,000.00
12101-5111	Police FT Salaries	12102-5317	Police Training & Education	12,000.00
Total				32,000.00



City of Salem, Massachusetts
Police Department Headquarters
95 Margin Street, Salem, Massachusetts 01970

Mary E. Butler
Chief of Police

November 13, 2017

Mayor Kimberley Driscoll
City of Salem
93 Washington Street
Salem, MA 01970

Re: Budget Transfer from Personnel to Expenses

Dear Mayor Driscoll:

After a careful review of the budget, identifying known and anticipated expenses, as well as, planning for personnel needs, it has become obvious that there are insufficient funds to cover both the outside law enforcement agencies assistance during the month of October and Halloween night, as well as, for preparing for officers to attend the Police Academy as we plan for several retirements between December 2017 and July 2018.

I would like to request that we transfer \$20,000 from Personnel Line Item 12101-5111 Full-Time Salaries to Expense Line Item 12101-5775 Community Events to cover, NEMLEC, Essex and Middlesex County Sheriff's Departments, and approximately 10 additional local communities for their assistance during the month of October and on Halloween night.

Additionally, in preparation for the loss of personnel and in planning to keep the required number of personnel for the COPS Hiring Grant at the same level, I would like to request we transfer \$12,000 from Personnel Line Item 12101-5111 Full-time Salaries to Expense Line Item 12101-5317 Training and Education to cover for the tuition, books and uniforms necessary to send up to three officers to an Academy sometime between April and June 2018 in preparation for the upcoming six planned retirements. The start date will be contingent upon the space availability in one of three upcoming Spring 2018 Academies.

I am available at your convenience to speak with you regarding these requests. Thank you in advance for your support of these requests to manage the FY2018 Police budget as effectively as we can with continually changing circumstances.

Sincerely,

A handwritten signature in cursive script that reads "Mary E. Butler".

Mary E. Butler
Chief of Police

Cc: Laurie Giardella, Finance Director
Jayne Connors, Admin Asst
Robert Mulligan, Admin Aide

CITY OF SALEM - Finance Department

Free Cash, W & S R/E, R/Res & Budget Transfer Requiring Council Approval

From: 210 - Police

Department

Chief Mary E. Butler

Department Head Authorizing Signature

November 13, 2017

Date

Budget or R/Res

Budget Amt: \$70,750.00

Transfers

To: 12102-5775

(Org/Object)

Desc: Community Events

Curr Balance: \$ 289.33

Budget Amt: \$6,606.353.00

From: 12101-5111

Desc: Full-time Salaries

Curr Balance: \$4,323,066.13

(*Note - Please include letter to Mayor for Transfers from different Personnel & Non-personnel lines)

Current Balance in Receipts Reserved Fund Above (if applicable) - \$

Date:

Free Cash or To:

Desc:

Budget Amt:

Curr Balance:

Retained Earnings (W/S) (Org/Object)

Please circle one

Amount Requested:

\$

\$20,000

Reason (Be Specific) To cover additional expenses incurred as a result of Halloween coverage from outside agencies

For Finance Department Use Only:

Budget Transfer

Mayor Approval

City Council Approval

Free Cash Appropriation - City Council Approval - Gen Fund \$

Free Cash Balance

R/E Appropriation - Water \$

R/E Balance

R/E Appropriation Sewer \$

R/E Balance

Receipts Reserve - City Council Approval \$

R/Res Fund Balance

Raise & Appropriate

Other

Recommendation: Approved Denied

Finance Director


Mayor

Completed: Date: By: CO # JE#: Transfer #:

CITY OF SALEM - Finance Department

Free Cash, W & S R/E, R/Res & Budget Transfer Requiring Council Approval

From: 210 - Police
Department


Chief Mary E. Butler
Department Head Authorizing Signature

November 14, 2017
Date

Budget or R/Res

Budget Amt: \$33,200.00

Transfers

To: 12102-5317

(Org/Object)

Desc: Training & Edu

Curr Balance: \$ 4,445.73

Budget Amt: \$6,606,353.00

From: 12101-5111

Desc: Full Time Salaries

Curr Balance: \$4,323,066.13

(*Note - Please include letter to Mayor for Transfers from different Personnel & Non-personnel lines)

Current Balance in Receipts Reserved Fund Above (if applicable) - \$ _____ Date: _____

Free Cash or To:

Desc:

Budget Amt: _____

Curr Balance: _____

Retained Earnings (W/S) (Org/Object)

Please circle one

Amount Requested:

\$ 12,000.00

NB

Reason (Be Specific) To cover costs of sending recruits to the academy so we keep to the required number of officers for the COPS Hiring Grant to cover tuition, books, etc. to send recruits to the Academy in the Spring/Summer.

For Finance Department Use Only:

_____ Budget Transfer

_____ Mayor Approval

_____ City Council Approval

_____ Free Cash Appropriation - City Council Approval - Gen Fund \$ _____
Free Cash Balance

_____ R/E Appropriation - Water \$ _____
R/E Balance

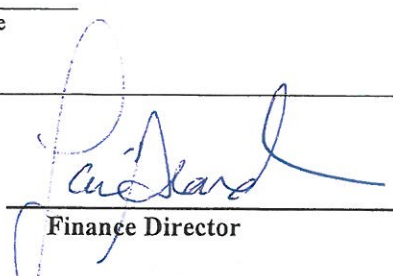
_____ R/E Appropriation Sewer \$ _____
R/E Balance

_____ Receipts Reserve - City Council Approval \$ _____
R/Res Fund Balance

_____ Raise & Appropriate

_____ Other _____

Recommendation: _____ Approved _____ Denied


Finance Director

Mayor

Completed: Date: _____ By: _____ CO # _____ JE#: _____ Transfer #: _____



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll
Mayor

December 7, 2017

To the City Council
City Hall
Salem, Massachusetts


Ladies and Gentlemen of the Council:

Enclosed herewith is a request for an appropriation of One Hundred and Thirteen Thousand Nine Hundred and Twenty-Five Dollars and Five Cents (\$113,925.05) from the "Retirement Stabilization Fund-Vacation/Sick Leave Buyback" account (83113-5146) to fund the retirement buyback costs to be expended for the following School Department employees listed below.

NAME	DEPARTMENT	AMOUNT
Mary Cobb	School	\$33,249.60
Joy O'Connell	School	\$34,675.20
Lillian Zatorre	School	\$34,675.20
Paula Keller	School	\$11,325.05
Total:		<u>\$113,925.05</u>

I recommend passage of the accompanying Order.

Very truly yours,


Kimberley Driscoll
Mayor



CITY OF SALEM

In City Council,

Ordered:

December 7, 2017

That the sum of One Hundred and Thirteen Thousand Nine Hundred and Twenty-Five Dollars and Five Cents (\$113,925.05) in the "Retirement Stabilization Fund-Vacation/Sick Leave Buyback" account (83113-5146) to be expended for the FY 2018 contractual buybacks listed below in accordance with the recommendation of Her Honor the Mayor.

Name	Department	Amount
Mary Cobb	School	33,249.60
Joy O'Connell	School	34,675.20
Lillian Zatorre	School	34,675.20
Paula Keller	School	11,325.05
		113,925.05



KIMBERLEY DRISCOLL
MAYOR

LISA B. CAMMARATA
DIRECTOR OF HUMAN RESOURCES

CITY OF SALEM, MASSACHUSETTS

HUMAN RESOURCES
120 WASHINGTON STREET
TEL. (978) 745-9595 EXT. 5630
FAX (978) 745-7298

MEMORANDUM

TO: Laurie Giardella, Director of Finance
DATE: November 15, 2017
RE: Retirement Stabilization Fund

Attached you will find a retirement buy back for a former employee of the Salem Public Schools.

This former employee is contractually entitled to the following amount of sick leave buy back.

Joy O'Connell

80 sick days @ \$433.44 per day	\$34,675.20
Total:	\$34,675.20

In accordance with the July 2008 Policy, I am requesting you verify the availability of the funds from the Retirement Stabilization Fund, prepare the Council Order, and continue the process in order that my staff can input the information in MUNIS and issue payments to this former employee upon Council approval.

Thank you for your cooperation, and if you should have any questions, please do not hesitate to contact me.

Finance Director



KIMBERLEY DRISCOLL
MAYOR

LISA B. CAMMARATA
DIRECTOR OF HUMAN RESOURCES

CITY OF SALEM, MASSACHUSETTS

HUMAN RESOURCES
120 WASHINGTON STREET
TEL. (978) 745-9595 EXT. 5630
FAX (978) 745-7298

MEMORANDUM

TO: Laurie Giardella, Director of Finance
DATE: November 15, 2017
RE: Retirement Stabilization Fund

Attached you will find a retirement buy back for a former employee of the Salem Public Schools.

This former employee is contractually entitled to the following amount of sick leave buy back.

Mary Cobb

80 sick days @ \$415.62 per day	\$33,249.60
Total:	\$33,249.60

In accordance with the July 2008 Policy, I am requesting you verify the availability of the funds from the Retirement Stabilization Fund, prepare the Council Order, and continue the process in order that my staff can input the information in MUNIS and issue payments to this former employee upon Council approval.

Thank you for your cooperation, and if you should have any questions, please do not hesitate to contact me.

LBC

Finance Director



KIMBERLEY DRISCOLL
MAYOR

LISA B. CAMMARATA
DIRECTOR OF HUMAN RESOURCES

CITY OF SALEM, MASSACHUSETTS

HUMAN RESOURCES
120 WASHINGTON STREET
TEL. (978) 745-9595 EXT. 5630
FAX (978) 745-7298

MEMORANDUM

TO: Laurie Giardella, Director of Finance
DATE: November 15, 2017
RE: Retirement Stabilization Fund

Attached you will find a retirement buy back for a former employee of the Salem Public Schools.

This former employee is contractually entitled to the following amount of sick leave buy back.

Lillian Zatorre

80 sick days @ \$433.44 per day	\$34,675.20
Total:	\$34,675.20

In accordance with the July 2008 Policy, I am requesting you verify the availability of the funds from the Retirement Stabilization Fund, prepare the Council Order, and continue the process in order that my staff can input the information in MUNIS and issue payments to this former employee upon Council approval.

Thank you for your cooperation, and if you should have any questions, please do not hesitate to contact me.

LB

Finance Director



KIMBERLEY DRISCOLL
MAYOR

LISA B. CAMMARATA
DIRECTOR OF HUMAN RESOURCES

CITY OF SALEM, MASSACHUSETTS

HUMAN RESOURCES
120 WASHINGTON STREET
TEL. (978) 745-9595 EXT. 5630
FAX (978) 745-7298

MEMORANDUM

TO: Laurie Giardella, Director of Finance
DATE: November 15, 2017
RE: Retirement Stabilization Fund

Attached you will find a retirement buy back for a former employee of the Salem Public Schools.

This former employee is contractually entitled to the following amount of sick leave buy back.

Paula Keller

28.50 sick days @ \$397.37 per day	\$11,325.05
Total:	\$11,325.05

In accordance with the July 2008 Policy, I am requesting you verify the availability of the funds from the Retirement Stabilization Fund, prepare the Council Order, and continue the process in order that my staff can input the information in MUNIS and issue payments to this former employee upon Council approval.

Thank you for your cooperation, and if you should have any questions, please do not hesitate to contact me.

Finance Director



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll
Mayor

December 7, 2017

Honorable Salem City Council
Salem City Hall
Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

Following the receipt of our reimbursements from the Massachusetts School Building Authority (MSBA) for building envelope and energy efficiency improvement projects that were carried out recently at the Collins Middle School and the Saltonstall Elementary School, we were very pleased to have realized substantial savings as reimbursements from the MSBA came in higher than anticipated. Thus, we have unexpended bond proceeds that we would like to apply to current projects that have already been approved by the Council, but not yet bonded.

As you may recall, in September you approved the transfer of a portion of unexpended bond proceeds from these projects to be applied toward roof repairs at the Bowditch and Witchcraft Heights elementary schools.

The enclosed Order allocates the remainder of the unexpended bond proceeds from these two projects, totaling \$3,660,268.84, to two additional projects previously approved by the Council. The first is the acquisition of 289 Derby Street (\$1,400,000) for the purposes of creating a new public open space park along our historic waterfront, the construction of which is being funded by a state grant. The second project is the continuation of the Canal Street flood control project (\$2,260,268.84), which includes the discharge piping and utility upgrades from the future subsurface storage tank and pump station to Forest River Park, as well as associated improvements to the park, including a drainage swale, pond, and outlet improvements for storm water and flood protection to the baseball field.

Again, both of these projects were previously approved for bonding by this City Council. We are simply looking to apply the unexpended proceeds from the school projects to these already approved expenditures. The enclosed loan transfer Order additionally reduces the previously authorized bond Orders for both projects by like amounts, resulting in no net addition to spending.

I am proud that our sound fiscal practices have resulted in the availability of these additional capital dollars, without adding to our existing debt levels. As you know, Salem has enjoyed record high bond ratings for the last three years running and, in the last eleven years, we have managed to reduce the amount of debt service in our budget by 19%.

In fact, the share of our City budget that comprises our debt payment was cut in half due to our responsible financial policies and practices. The result is not just savings to taxpayers in borrowing or refinancing at lower interest rates, it is also added capacity and flexibility to be able to take on projects and needs, without additional burden to our taxpayers.

I strongly recommend adoption of the enclosed Order.

Sincerely,

A handwritten signature in black ink, appearing to read "Kim Driscoll", written in a cursive style.

Kimberley Driscoll
Mayor
City of Salem



CITY OF SALEM

In City Council,

Ordered:

December 7, 2017

CITY OF SALEM TRANSFER ORDER (Transfer of Unexpended Bond Proceeds)

ORDERED, that the following unexpended bond proceeds in the total amount of \$3,660,268.84 from the City's debt issues listed below, originally borrowed for the purposes and under the orders set forth below, which projects are now complete and for which no liability remains, are hereby re-appropriated for the purpose of providing funds for acquiring the 289 Derby Street property (\$1,400,000) and to reduce the amount previously authorized by order of the City Council passed January 19, 2017 for such purpose by a like amount and for Canal Street Sewer Upgrades (\$2,260,268.84) and to reduce the amount previously authorized by order of the City Council passed June 27, 2016 for such purpose by a like amount:

<u>Date of Approval</u>	<u>Original Purpose</u>	<u>Debt Issue and Date</u>	<u>Project Status</u>	<u>Transfer Amount</u>
9/12/11	energy efficiency improvements to the Saltonstall Elementary School	Bonds dated 12/19/2013	Complete	\$0.02
		Bonds dated 12/2/15	Complete	\$556,708.00
9/12/11	energy efficiency improvements to the Collins Middle School	Bonds dated 12/2/15	Complete	\$2,293,875.82
		Bonds dated 12/27/2016	Complete	\$809,685.00

Salem, Massachusetts
Collins and Saltonstall Schools
Allocation of Unspent Bond Proceeds

Collins Middle School

Council Order 1

Council Order 2

Amount borrowed	Date Borrowed	Amount Unspent	Transfer to School Roof Repairs Projects (new)	Balance After Transfer 1	Transfer to 289 Derby St. Land Acquisition (BANs)	Transfer to Canal Street Sewer Improvements	Balance After Transfer 2
\$ 2,351,161.00	12/2/2015	\$ 2,293,875.82	\$ -	\$ 2,293,875.82	\$ 843,292.00	\$ 1,450,583.82	\$ -
\$ 809,685.00	12/27/2016	\$ 809,685.00	\$ -	\$ 809,685.00	\$ -	\$ 809,685.00	\$ -
Totals		\$ 3,103,560.82	\$ -	\$ 3,103,560.82	\$ 843,292.00	\$ 2,260,268.82	\$ -
Saltonstall Elementary School							
Amount borrowed	Date Borrowed	Amount Unspent	Transfer to School Roof Repairs Projects (new)	Balance After Transfer 1	Transfer to 289 Derby St. Land Acquisition (BANs)	Transfer to Canal Street Sewer Improvements	Balance After Transfer 2
\$ 1,595,000.00	12/19/2013	\$ 981,522.02	\$ 981,522.00	\$ 0.02	\$ -	\$ 0.02	\$ -
\$ 836,686.00	12/2/2015	\$ 836,686.00	\$ 279,978.00	\$ 556,708.00	\$ 556,708.00	\$ -	\$ -
Totals		\$ 1,818,208.02	\$ 1,261,500.00	\$ 556,708.02	\$ 556,708.00	\$ 0.02	\$ -
Grand Totals		\$ 4,921,768.84	\$ 1,261,500.00	\$ 3,660,268.84	\$ 1,400,000.00	\$ 2,260,268.84	\$ -



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll
Mayor

December 7, 2017

Honorable Salem City Council
Salem City Hall
Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

The enclosed Order accepts section 3F of M.G.L. Chapter 60, authorizing the City of Salem to place a check-off on our property tax bills to enable donations to a municipal veterans' assistance fund. A copy of the relevant statute is also enclosed for your information.

Donations made to this fund will be used to provide Salem veterans and their dependents with aid for food, transportation, and heat and oil expenses. If approved, our Veterans Agent will develop the application process and eligibility standards for the fund and our City Collector will have the line included on the next tax bill mailing.

I am very pleased that we are able to establish this new fund under the provisions of the recently approved state law and strongly encourage adoption of the enclosed Order.

Sincerely,

A handwritten signature in black ink, reading "Kim Driscoll", written in a cursive style.

Kimberley Driscoll
Mayor
City of Salem



CITY OF SALEM

In City Council, December 7, 2017

Ordered:

The City of Salem hereby accepts Massachusetts General Law Chapter 60, Section 3F enabling the City to collect voluntary donations to the veterans' assistance fund through a designated donation box on the municipal property tax bill of an amount of money which shall increase the amount already due.

Part I ADMINISTRATION OF THE GOVERNMENT

Title IX TAXATION

Chapter 60 COLLECTION OF LOCAL TAXES

Section 3F VOLUNTARY DONATION TO MULTIPLE VETERANS ASSISTANCE FUND BY DESIGNATION ON MUNICIPAL PROPERTY TAX OR MOTOR VEHICLE EXCISE BILLS

[Text of section added by 2016, 141, Sec. 12 effective July 14, 2016.]

Section 3F. A city, town or district that accepts this section may designate a place on its municipal property tax bills or motor vehicle excise bills or mail with such bills a separate form whereby taxpayers of the city, town or district may voluntarily check off, donate and pledge an amount of money which shall increase the amount already due to establish and fund a municipal veterans assistance fund which shall be under the supervision of the local veterans agent, the board or officer in charge of the collection of the municipal charge, fee or fine or the town collector of taxes.

[Paragraph inserted following the first paragraph by 2016, 283, Sec. 9 effective October 6, 2016.]

Any amounts donated to the fund shall be deposited into a special account in the general treasury and shall be in the custody of the treasurer. The treasurer shall invest the funds at the direction of the officer, board, commission, committee or other agency of the city or town who or which is otherwise authorized and required to invest trust funds of the city or town and subject to the same limitations applicable to trust fund investments except as otherwise specified in this section. The fund and any interest thereon shall be used for the purposes of this section without further appropriation.

Money in the fund shall be used to provide support for veterans and their dependents in need of immediate assistance with food, transportation, heat and oil expenses. The city, town or district's veterans' services department shall: (i) establish an application process for veterans and their dependents to obtain assistance; (ii) establish standards for acceptable documentation of veteran status or dependent status; and (iii) establish financial eligibility criteria for determining need and amount of assistance for eligible applicants. The veterans' services department shall be responsible for reviewing each applicant and fairly applying the eligibility and level-of-need standards.



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll
Mayor

December 7, 2017

Honorable Salem City Council
Salem City Hall
Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

The enclosed Order sets the inaugural and 2018 City Council organizational meeting for Monday, January 1, at 10:00 a.m. at the Peabody Essex Museum. PEM as graciously agreed to host this important civic event in their beautiful atrium space.

Following the inauguration, the public is invited to visit and tour the new Hotel Salem, 209 Essex Street, for an Open House event showcasing this new addition to the Essex Street Pedestrian Mall.

Very truly yours,

A handwritten signature in black ink, reading "Kim Driscoll". The signature is fluid and cursive, with the first name "Kim" and last name "Driscoll" clearly distinguishable.

Kimberley Driscoll
Mayor
City of Salem



CITY OF SALEM

In City Council, December 7, 2017

Ordered:

The 2018 Inauguration and City Council organizational meeting shall take place on Monday, January 1, 10:00 a.m., at the Peabody Essex Museum, 161 Essex Street, Salem.



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll
Mayor

December 7, 2017

Honorable Salem City Council
Salem City Hall
Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

Enclosed is an Order to accept the provisions of Section 4, Chapter 73, of the Acts of 1986 for Fiscal Year 2018.

The section of state law allows for additional tax exemptions to be granted to widows, elderly, veterans, and blind property owners. In accordance with this section of the special acts, acceptance by the local appropriation authority is required each year in order to maintain these exemptions for the qualifying eligible groups.

Salem has accepted these exemptions every year since FY2009 and in that time period we have enabled 3,330 exemptions to be claimed by veterans, widows, and certain elderly and disabled residents. Those exemptions have resulted in these most needy of our population saving around \$3 million.

I strongly recommend adoption of the attached Order so that we may continue to provide the maximum benefit allowable under state law for our residents who are most in need.

Sincerely,

A handwritten signature in black ink that reads "Kim Driscoll". The signature is written in a cursive, flowing style.

Kimberley Driscoll
Mayor
City of Salem



CITY OF SALEM

In City Council, December 7, 2017

Ordered:

That the City of Salem accept the provision of Section 4, Chapter 73 of the Acts of 1986 for Fiscal Year 2018 and that such additional exemptions granted by 100% of the statutory exemption amounts, provided all other qualification specified in said Section 4, Chapter 73 of the Acts of 1986 are met.



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll
Mayor

December 7, 2017

Honorable Salem City Council
Salem City Hall
Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

As you know free cash results from unanticipated new growth and revenues. While some is deposited per our City's finance policies into reserve accounts or held for emergencies, we always work to return as much as possible to taxpayers by using a portion to reduce the amount raised by taxation. Enclosed herewith is a request to transfer the sum of \$1,694,429 from free cash to reduce the gross amount to be raised by taxation for FY 2018.

This free cash appropriation will save Salem property taxpayers additional money this coming year, pending adoption of the tax rate by the City Council. I recommend passage of the accompanying Order to help reduce the burden on Salem taxpayers.

Sincerely,

A handwritten signature in black ink, appearing to read "Kim Driscoll", written in a cursive style.

Kimberley Driscoll
Mayor
City of Salem



CITY OF SALEM

In City Council,

December 7, 2017

Ordered:

That the sum of One Million Six Hundred and Ninety-Four Thousand Four Hundred and Twenty-Nine Dollars (\$1,694,429.00) is hereby appropriated from the "Fund Balance Reserved for Appropriation – Free Cash" account (1-3245) to reduce the gross amount to be raised by taxation when the Fiscal Year 2018 tax rate is set in accordance with the recommendation of Her Honor the Mayor.



City of Salem, Massachusetts

Finance Department
93 Washington Street
Salem, MA 01970
www.salem.com

Kimberley L. Driscoll, Mayor

Laurie A. Giardella, Finance Director

December 4, 2017

Honorable Salem Mayor Kimberley Driscoll
Salem City Hall
Salem, Massachusetts

Dear Honorable Mayor Driscoll:

As previously reviewed, attached is a request to reduce the tax rate in the amount of \$1,694.429 from Free Cash certified on November 8, 2017, by the Mass. Dept of Revenue Division of Local Services in the amount of \$4,922,937. This request will effectively minimize the residential and commercial tax rate impact by offsetting the tax rate of the residential and commercial taxpayers.

Please let me know if you'd like to discuss further.

Regards,

A handwritten signature in blue ink, which appears to read "Laurie A. Giardella", is written over a horizontal line.

Laurie A. Giardella
Finance Director

Enclosures

CITY OF SALEM
REDUCE TAX RATE REQUEST

Date 11/29/17

Transfer From: 1-3245 Desc: Free Cash

Amount:

\$

1,594,429

Reason: To Reduce the gross amount to be raised by taxation when the FY tax rate is set.

For Finance Dept and Mayor's Use Only:

☐

Free Cash – City Council Approval

Current Fund Balance: 2,685,615.35
Free Cash

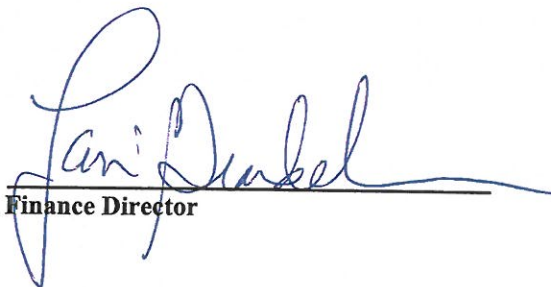
Recommendation:

☐

Approved

☐

Denied


Finance Director

Processed: Date: _____ By: _____

CO # _____ JE#: _____ Transfer #: _____

12/4/2017
9:18 AM

Description		Date To Council	Pending Free Cash	Date Approved	C.O. #	Approved Free Cash	Reason
CERTIFIED FREE CASH							
20% To Stabilization	11/16/17			11/16/17		(984,587.40)	Free Cash transfer per Finance Policies
20% to CJP	11/16/17			11/16/17		(984,587.40)	Free Cash transfer per Finance Policies
5% to OPEB	11/16/17			11/16/17		(246,146.85)	Free Cash transfer per Finance Policies
Board of Health - Overtime	11/16/17			11/16/17		(2,000.00)	Unanticipated additional weekend hours for pop-up events
COA-Printing & Binding	11/16/17			11/16/17		(20,000.00)	Expenses for Salem for All Ages
Electrical - Street Lighting	12/07/17		(12,000.00)				To hire contractor to cover inspections for employee out on medical leave
Offset Tax Rate	12/07/17		(1,694,429.00)				Free cash to offset tax rate
Planning Contracted Services	12/07/17		(2,000.00)				Research, data input and analysis for green communities initiatives
TOTAL FREE CASH USED			(1,708,429.00)			(2,237,321.65)	
BALANCE			977,186.35			2,685,615.35	



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll
Mayor

December 7, 2017

Honorable Salem City Council
Salem City Hall
Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

Pursuant to state law, the Board of Assessors maintains an overlay account to fund anticipated abatements and exemptions of committed real and personal property taxes. Excess funds in this account, called the surplus overlay, are available to be applied to the general fund and thereby reduce the amount necessary to be raised by taxation.

Our current surplus overlay totals \$822,193.52, which we are recommending be so applied in order to reduce the FY2018 tax rate and help save Salem taxpayers additional money. Please know that these are surplus funds certified by the Board of Assessors, and does not diminish their ability to fund any anticipated abatements and exemptions for this fiscal year.

I recommend adoption of the enclosed Order, to reduce the amount raised by taxation by \$822,193.52.

Sincerely,

A handwritten signature in black ink, reading "Kim Driscoll", written in a cursive style.

Kimberley Driscoll
Mayor
City of Salem



CITY OF SALEM

In City Council,
December 7, 2017

Ordered:

That the sum of Eight Hundred Twenty-Two Thousand, One Hundred and Ninety-Three Dollars and Fifty-Two Cents (\$822,193.52) is hereby appropriated from the Overlay Surplus account to reduce the gross amount to be raised by taxation when the Fiscal Year 2018 tax rate is set in accordance with the recommendation of Her Honor the Mayor.



City of Salem, Massachusetts

Finance Department
93 Washington Street
Salem, MA 01970
www.salem.com

Kimberley L. Driscoll, Mayor

Laurie A. Giardella, Finance Director

November 9, 2017

Honorable Salem Mayor Kimberley Driscoll
Salem City Hall
Salem, Massachusetts

Dear Honorable Mayor Driscoll:

Enclosed herewith is a request to transfer One Million, Two Hundred Ninety Five Thousand and Thirty Four Dollars (\$1,295,034.00) from Receipts Reserved for Appropriation accounts to reduce the amount to be raised by taxation when setting the Fiscal Year 2018 tax rate.

In addition to the aforementioned transfer, you will also find a request to transfer Eight Hundred Twenty Two Thousand and One Hundred Ninety Three Dollars and Fifty Two Cents (\$822,193.52), from the Overlay Surplus account to reduce the amount to be raised by taxation when setting the Fiscal Year 2018 tax rate.

Please let me know if you'd like to discuss further.

Regards,

A handwritten signature in blue ink, appearing to read "Laurie A. Giardella", with a long, sweeping horizontal line extending to the right.

Laurie A. Giardella
Finance Director

Enclosures

CITY OF SALEM
REDUCE TAX RATE REQUEST

Date 11-10-17

Transfer From: 1-3220 Desc: Overlay Surplus

Amount: \$ 822,193.52

Reason: To Reduce the gross amount to be raised by taxation when the Fiscal Year tax rate is set. 2018

For Finance Dept and Mayor's Use Only:



Overlay Surplus – City Council Approval

Current Balance: 822,193.52
Overlay Surplus

Recommendation:



Approved



Denied


Finance Director

Processed: Date: _____ By: _____

CO # _____ JE#: _____ Transfer #: _____



CITY OF SALEM, MASSACHUSETTS
ASSESSING DEPARTMENT

93 WASHINGTON STREET
SALEM, MA 01970
TEL. 978-619-5608
FAX. 978-744-2069
ASSESSORS@SALEM.COM

MAYOR
KIMBERLEY DRISCOLL

July 11, 2017

Sarah Stanton
Finance Director

DIRECTOR
DEBORAH A. JACKSON

BOARD OF ASSESSORS
RICHARD W. JAGOLTA, JR.
DAMIAN JOHNSON
ROBERT MILLERICK

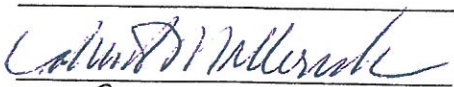
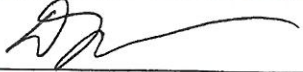
Dear Ms. Stanton:

The Board of Assessors hereby informs you that the following amounts are available to be transferred to the General Fund from the Overlay Fund. The figures below represent current overlay amounts (as of July 11, 2017) minus outstanding potential liabilities from cases at the Appellate Tax Board.

FY	Overlay as of May 18	Potential liabilities	Amount to transfer to general fund
2009	\$16,130.91	\$-	\$16,130.91
2010	\$81,477.47	\$-	\$81,477.47
2011	\$145,544.69	\$-	\$145,544.69
2012	\$139,040.45	\$-	\$139,040.45
2014	\$477,254.54	\$37,254.54	\$440,000.00

Total \$822,193.52

Please contact this office if you have any questions.

Board of Assessors



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll
Mayor

December 7, 2017

Honorable Salem City Council
Salem City Hall
Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

As you are aware, at the beginning of the fiscal year we approve a budget for the Witch House, Golf Course, and Harbormaster operations that ensures these facilities are fully funded. Each of these departments collect revenues, which we then utilize when setting the tax rate. We typically "sweep" our receipts reserved accounts and apply those revenues to help keep the tax increase as low as possible.

Enclosed herewith are requests to transfer the sum of \$1,295,034 from receipts reserved to be applied to reduce the gross amount to be raised by taxation for Fiscal Year 2018. \$245,034 is derived from Witch House revenues, \$770,000 from the golf course, and \$280,000 from Harbormaster receipts.

These appropriations will help reduce the amount raised by taxation, pending adoption of the recommended tax rate by the City Council. I recommend passage of the accompanying Order so we can continue to work to keep taxes as manageable as feasible for our residents.

Sincerely,

A handwritten signature in black ink, reading "Kim Driscoll", written in a cursive style.

Kimberley Driscoll
Mayor
City of Salem



CITY OF SALEM

In City Council,
December 7, 2017

Ordered:

That the sum of One Million, Two Hundred and Ninety-Five Thousand and Thirty-Four Dollars (\$1,295,034) is hereby appropriated from the following "Receipts Reserved for Appropriation" accounts to reduce the gross amount to be raised by taxation when the Fiscal Year 2018 tax rate is set in accordance with the recommendation of Her Honor the Mayor.

Receipt Reserve-Witch House	\$ 245,034
R/Reserve-Golf Course	\$ 770,000
Receipts Reserve-Harbormaster	<u>\$ 280,000</u>
	\$ 1,295,034



City of Salem, Massachusetts

Finance Department
93 Washington Street
Salem, MA 01970
www.salem.com

Kimberley L. Driscoll, Mayor

Laurie A. Giardella, Finance Director

November 9, 2017

Honorable Salem Mayor Kimberley Driscoll
Salem City Hall
Salem, Massachusetts


Dear Honorable Mayor Driscoll:

Enclosed herewith is a request to transfer One Million, Two Hundred Ninety Five Thousand and Thirty Four Dollars (\$1,295,034.00) from Receipts Reserved for Appropriation accounts to reduce the amount to be raised by taxation when setting the Fiscal Year 2018 tax rate.

In addition to the aforementioned transfer, you will also find a request to transfer Eight Hundred Twenty Two Thousand and One Hundred Ninety Three Dollars and Fifty Two Cents (\$822,193.52), from the Overlay Surplus account to reduce the amount to be raised by taxation when setting the Fiscal Year 2018 tax rate.

Please let me know if you'd like to discuss further.

Regards,


Laurie A. Giardella
Finance Director

Enclosures

CITY OF SALEM
REDUCE TAX RATE REQUEST

Date 11-17-17

Transfer From: 24371-4800 Desc: R/Res Witch House

Amount: \$ 245,034

Transfer From: 24361-4800 Desc: R/Res Golf Course

Amount: \$ 770,000

Transfer From: 24341-4800 Desc: R/Res Harbormaster

Amount: \$ 280,000

Reason: To Reduce the gross amount to be raised by taxation when the FY tax rate is set.

For Finance Dept and Mayor's Use Only:

☒ Receipts Reserve – City Council Approval Current Fund Balance: 1,045,123
Witch House

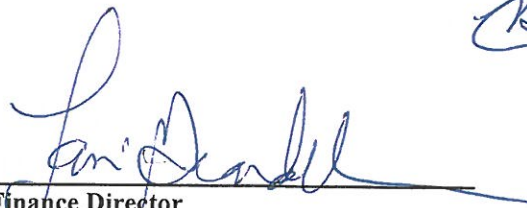
☒ Receipts Reserve – City Council Approval Current Fund Balance: 788,713
Golf Course

☒ Receipts Reserve – City Council Approval Current Fund Balance: 295,495
Harbormaster

MB 11/9/17

Recommendation:

☐ Approved ☐ Denied


Finance Director

Processed: Date: _____ By: _____

CO # _____ JE#: _____ Transfer #: _____



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll
Mayor

December 7, 2017

Honorable Salem City Council
Salem City Hall
Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

Each year the City Council must vote to set the residential tax factor and thereby set the tax rate for the fiscal year. In Massachusetts, Proposition 2 ½ caps new property taxes at no more than 2.5% of the previous year's levy. This year, the proposed tax rate – \$15.38 for residential and \$29.98 for commercial – is once again under the City's allowable levy limit, with excess levy capacity of \$5,430,748, validating our City's responsible approach to budgeting and managing public finances. We continue to maintain a generally low tax bill increase over time, as well, with the average increase over the last twelve years for the average single-family taxpayer in Salem coming in at \$149.86, or 3.34%, per year.

Based on the rates above, the anticipated change in the average single-family tax bill will be \$259.46 (4.85%), the average condominium unit change will be \$97.10 (2.45%), the average two-family change will be \$392.07 (7.01%), the average three-family change will be \$397.82 (6.40%). The average commercial property tax bill change will be \$206.85 (1.15%).

Property tax bills and changes in those tax bills are reflective of changes in property values, which are, in turn influenced by the desirability of the community for those looking to purchase property. Salem is a desirable community in which to live and our strengthening property values reflect the increasing demand for property here. In terms of change over the average value from the last fiscal year, single family homes average values are up 8.1%, residential condos by 5.7%, two-family homes by 10.4%, 3-family homes by 9.7%, larger multi-unit residences by 5.9%, commercial property by 1.2%, and industrial property by 24.9%, with the final category largely driven by value changes at the Footprint power plant. Overall, property value changed by 8% city-wide. In all classifications, with the exception of commercial property, the change in property value far outpaces the change in the average tax bill, however those property types with the largest changes in value in the last year also see the largest change in their average tax bill. With commercial properties the increase in average value, 1.2%, is largely identical to the increase in the average tax bill, 1.15%.

As you know, while Salem is seen as a leader across the Commonwealth in terms of ability to find and secure grants, it is property taxes that pay most of the cost of the City services our residents rely upon: from our fully staffed Police and Fire Departments, who keep us safe during routine times and during emergencies, to expanding efforts to pave and maintain our streets and sidewalks. And from supporting our fantastic library, one of the busiest in the North of Boston Library Exchange, to funding our schools and our students, who, by all measures, are continuing on an impressive path of achievement.

Nevertheless, we always strive to manage the overall tax burden on our City's homeowners and I am proud that we have never needed or sought a Proposition 2 ½ override. We seek efficiencies and opportunities for regionalization or streamlining. We look to technology and performance improvement strategies to reduce the cost of doing business. The most powerful tool at our disposal, however, is responsible, sensible private development that adds to our tax base. This is why we have advocated for the appropriate redevelopment of sites such as the former courthouses and the under-utilized and vacant former industrial parcels that comprise the North River Canal Corridor. I am extremely pleased that certified new growth this fiscal year is \$2,494,362, a 35% increase over last fiscal year and more than 1-1/2 times the average amount of annual new growth we saw over the previous 15 years. While I understand that some may feel that growth is contributing to a more dense and crowded City, the fact is that our population increase was only 0.03% over the same 1-year time period of that \$2.5 million, or 35%, new growth to the tax base.

We also have been extremely pro-active in pursuing grant opportunities whenever they become available. Since the start of my administration in 2006 we have successfully received over \$155 million in state and federal grants. Just about one-fifth of our revenues is local aid from the state, however state aid is not increasing at the same rate as state assessments: this fiscal year the amount we paid to the Commonwealth increased by \$897,591 and the amount of aid we received from the Commonwealth decreased by \$28,174. Our net state aid this fiscal year declined by \$791,049, or 3.6%. This is clearly not sustainable. We need a stronger partner at the state level, to fully fund the charter school funding formula and to push for a long overdue and more fair adjustment to the SESD PILOT payment to accurately reflect inflation.

We do work to have meaningful partnerships with our anchor institutions and non-profits, from the tax agreement and CBA with Footprint, to traffic mitigation, investments in our schools, and more from SSU, and from a host agreement with ATG to continuing discussions about expanded community support from NSMC and our ongoing push for a nearly two decades' over-due adjustment in our SESD PILOT. Salem is a better place for our anchor institutions, which certainly have a collective positive economic impact on our community; however, because they are tax-exempt, we must also balance the impact of around 14% of our property values being off the tax rolls.

One of the biggest challenges we continue to face is pressure from reductions in revenues and increases in fixed costs. Our general City budget grew by only 3.2% this fiscal year, however we saw fixed costs grow by \$2.4 million, about half of the total budget increase this year. Those

costs include state charges, health insurance costs, Medicare, worker's compensation, debt payments, and municipal insurance.

As we set our tax rate for the current fiscal year, the recommendation is to adjust the CIP split from 1.65 to 1.69, making the residential factor 0.867261. I view this as a temporary adjustment meant to correct for the fast rising value of residential property in Salem. Without this minor and temporary shift in the split, residential property taxpayers will bear a more substantial and, in my view, unfair increase in their share of our property tax burden. We should not allow this to happen and therefore a minor shift in the tax split is warranted this year.

The vision for our City laid out in our annual budget, and continued with this tax proposal, reflects our collective desire to keep Salem a vibrant, thriving community that delivers quality public services in as efficient and affordable a manner as possible. When I took office, we faced a \$3.5 million deficit. We spent all our savings just to keep the lights on and were forced to borrow money to pay normal operating expenses. We have worked collaboratively over the last decade to eliminate prior deficits, improve city finances, and balance our books with an eye on both the needs of today and our aspirations for the future. It has not always been easy. Just as we emerged from those local fiscal trials in 2007 our national economy spiraled into a recession.

But whatever the cause of our challenges, we weathered them and are today stronger and better positioned than ever, with strong growth, a vibrant local economy, record bond ratings, and award-winning balanced budgets. Our City's bond rating from Standard & Poor's was upgraded four years ago to AA, the highest in the City's history. In their most recent ratings report the agency cited our financial stability, conservative budgeting practices, and debt service capacity. This is validation that Salem's fiscal policies are of the highest standard and that the path we have set for ourselves is the correct one for our community. I look forward to partnering with the City Council on a joint effort to prioritize our city's needs, while balancing our fiscal impacts to taxpayers.

Sincerely,



Kimberley Driscoll
Mayor
City of Salem