



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll

Mayor

December 8, 2016

Honorable Salem City Council
Salem City Hall
Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

I am pleased to appoint Samuel Hoang (Ward 4) and Collin McLean (Ward 2) to the Salem Youth Commission, taking the seats occupied previously by Ishmael Telemaco and Jacob McGrath respectively. Both Mr. Telemaco and Mr. McGrath have stepped down from the Commission to pursue other activities, but have expressed an interest in continuing to be involved in the Commission's work as associate members. Please join me in thanking both for their service on this new board.

Mr. Hoang and Mr. McLean, both currently associate members of the Youth Commission, have attended Commission meetings and participated in the group's volunteer activities. Mr. Hoang is in 9th grade at the Waring School. He earned the John J. McGlynn Sr. Elementary Achievement Award from his previous school and brought the same academic achievement to his work at the Saltonstall when he attended that school up to this year. A pianist and participant in his school drama program, Mr. Hoang is considering a career in public service for his future. Mr. McLean is a junior at the Salem Academy Charter School, where he is a member of the student government association and a writer for the school magazine. He has participated in the Salem Public Library's Teen Advisory Council and is a member of the Salem Academy Charter School's Spanish Honors Club. Colin is an honor roll student and was valedictorian of his 8th grade class.

I believe both Mr. Hoang and Mr. McLean's experience and dedication will make them strong additions to the Youth Commission as full members. I recommend confirmation of both of their appointments and ask you to join me in thanking her for volunteering to serve in this capacity.

Sincerely,

A handwritten signature in cursive script that reads "Kim Driscoll".

Kimberley Driscoll

Mayor

City of Salem



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll
Mayor

December 8, 2016

Honorable Salem City Council
Salem City Hall
Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

I am pleased to appoint Janine Liberty of 6 Maple Avenue to serve on the Public Art Commission for a two-year term to expire December 8, 2018. Ms. Liberty will take the seat vacated by former member Keshia de Leon, who opted to step down from the Commission. I hope you will join me in thanking Keshia for her dedicated service to the Commission and to our community.

Ms. Liberty is a Digital Media Specialist for the MIT Media Lab, where she has experience in writing and producing content across a broad spectrum of media. Previous to that she was a project manager for Idea Platforms Inc. and a freelance writer and communications consultant. Ms. Liberty holds a BA in English and History from Brandeis University and has an extensive background in writing, editing, and digital media.

I believe Ms. Liberty's expertise and skills will make her a strong addition to the Public Art Commission. I recommend confirmation of her appointment to the Commission and ask you to join me in thanking her for volunteering to serve in this capacity.

Sincerely,

A handwritten signature in black ink that reads "Kim Driscoll".

Kimberley Driscoll
Mayor
City of Salem



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll
Mayor

December 8, 2016

Honorable Salem City Council
Salem City Hall
Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

I am pleased to appoint Christine Madore of 20 Federal Street #8 to the Salem Redevelopment Authority, for a five-year term to expire December 8, 2021. Ms. Madore will take the seat left vacant by the resignation of Matthew Smith, who is now the City's Director of Traffic and Parking.

Ms. Madore is a regional planner for the Metropolitan Area Planning where she has worked since 2012. She holds a Master's degree in Urban and Environmental Policy and Planning from Tufts University where her graduated studies focused on economic development strategies for Massachusetts' mill towns. She has proficiencies in geographic information systems and mapping, and holds her certification from AICP. Her professional work at MAPC is extensive and is inclusive of many of the challenges, opportunities, and issues that we face in our redevelopment zone and throughout our community. Ms. Madore has worked on community engagement initiatives, as well as housing, economic, land use, and transportation studies.

I believe Ms. Madore's expertise and experience will make her a strong addition to the Salem Redevelopment Authority. I recommend confirmation of her appointment and ask you to join me in thanking her for volunteering to serve in this capacity.

Sincerely,

A handwritten signature in black ink, appearing to read "Kim Driscoll".

Kimberley Driscoll
Mayor
City of Salem



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll
Mayor

December 8, 2016

Honorable Salem City Council
Salem City Hall
Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

I am pleased to appoint Chrissy Kobyljanec of 22 Warren Street to serve on the Renewable Energy Task Force for a three-year term to expire December 8, 2019. Ms. Kobyljanec will take the seat vacated by former member Cindy Keegan, who opted to step down from the Task Force. I hope you will join me in thanking Cindy for her many years of dedicated service to the Task Force and to our community.

Ms. Kobyljanec holds an MBA from John Carroll University and a BA in Environmental Studies from Mount Holyoke College, where she focused on ecosystem science and completed the Semester in Environmental Science program at Marine Biological Laboratory in Woods Hole. While an undergraduate Ms. Kobyljanec earned funding support through the Howard Hughes Medical Institute grant for two summers in a row to support her work as a research assistant at McGill University. Her work as an undergraduate focused on measuring the impacts of nitrogen pollution on wetland ecosystems. While pursuing her MBA she interned at Environ where she helped in the development of environmental impact assessments.

I believe Ms. Kobyljanec's expertise and passion for environmental sciences will make a strong addition to the RETF. I recommend confirmation of her appointment to the Task Force and ask you to join me in thanking her for volunteering to serve in this capacity.

Sincerely,

A handwritten signature in black ink that reads "Kim Driscoll".

Kimberley Driscoll
Mayor
City of Salem



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll
Mayor

December 8, 2016

To the City Council
City Hall
Salem, Massachusetts

Ladies and Gentlemen of the Council:

I re-appoint Mark J. Snider of 103 Boardman Avenue, Melrose, MA 02176 to serve as a Constable in the City of Salem for a term to expire November 8, 2019.

Very truly yours,

A handwritten signature in black ink that reads "Kim Driscoll".

Kimberley Driscoll
Mayor



The Hanover Insurance Company | 440 Lincoln Street, Worcester, MA 01653
 Citizens Insurance Company of America | 645 West Grand River Avenue, Howell, MI 48843
 Massachusetts Bay Insurance Company | 440 Lincoln Street, Worcester, MA 01653

PUBLIC OFFICIAL BOND

Bond No. : BON8921898

Know all men by these presents,

That Mark J. Snider

as Principal, and The Hanover Insurance Company and/or Massachusetts Bay Insurance Company having its executive office in Worcester, Massachusetts, as Surety, are held and firmly bound unto the

City of Salem in the penal

sum of Five Thousand Dollars (\$ 5,000.00) Dollars, for the payment of which, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents, the liability of the Surety being limited to said penal sum regardless of the number of years this bond remains in force or is renewed or of the number of premiums that shall be payable or paid.

The condition of this obligation is such, That, Whereas the said Principal was elected or appointed as Constable

Now, therefore, if the Principal shall, during the term three years beginning on the 8th day of November, 2016, well and faithfully perform all and singular the duties incumbent upon it in said office or position, then this obligation shall be void; otherwise it shall be and remain in full force and virtue.

This bond may be extended at the option of the Surety by continuation certificate.

This bond may be terminated and cancelled, at any time, by the Oblige giving written notice to the Surety specifying the effective date of cancellation, or by the Surety mailing written notice to the Oblige and the effective date of such cancellation shall be at the expiration of fifteen days after the date of such notice.

In Witness Whereof, the Principal has hereunto set its hand and seal and the Surety has affixed its corporate seal and caused these presents to be signed by its Attorney-in-Fact this 10th day of October, 2016.

Witness:

Mark J. Snider

By: *Mark J. Snider*

THE HANOVER INSURANCE COMPANY

By: _____

MASSACHUSETTS BAY INSURANCE COMPANY

By: *David O. Smith*
 David O. Smith, Attorney-in-Fact



THE HANOVER INSURANCE COMPANY
MASSACHUSETTS BAY INSURANCE COMPANY
CITIZENS INSURANCE COMPANY OF AMERICA

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That THE HANOVER INSURANCE COMPANY and MASSACHUSETTS BAY INSURANCE COMPANY, both being corporations organized and existing under the laws of the State of New Hampshire, and CITIZENS INSURANCE COMPANY OF AMERICA, a corporation organized and existing under the laws of the State of Michigan, do hereby constitute and appoint

David O. Smith

of Burgin, Platner, Hurley, Quincy, MA

and each is a true and lawful Attorney(s)-in-fact to sign, execute, seal, knowledge and deliver for, and on its behalf, and as its act and deed any place within the United States, or, if the following line be filled in, only within the area therein designated any and all bonds, recognizances, undertakings, contracts of indemnity or other writings obligatory in the nature thereof, as follows:

Constable

in the amount of: \$5,000.00

WHEREAS, the Board of Directors of the Company duly adopted a resolution on March 24, 2014 authorizing and empowering certain officers of the Company to appoint attorneys-in-fact of the Company to execute on the Company's behalf certain surety obligations and other writings and obligations related thereto (the "Original Surety Resolution");

WHEREAS, the Company's Board of Directors wishes to affirm the continued authority of all of the attorneys-in-fact that were issued pursuant to the Original Surety Resolution prior to the date hereof and that remain issued and outstanding; and

WHEREAS, the Company's Board of Directors wishes to restate the Original Resolution and adopt certain related resolutions.

NOW THEREFORE, be it hereby:

RESOLVED: That the authority of all attorneys-in-fact of the Company validly issued pursuant to the Original Surety Resolution prior to the date hereof and that remain issued and outstanding as of the date hereof are hereby ratified, confirmed and approved in all respects.

RESOLVED: That the President or any Vice President, in conjunction with any Vice President, be and they hereby are authorized and empowered to appoint Attorneys-in-fact of the Company, in its name and as it acts, to execute and acknowledge for and on its behalf as surety, any and all bonds, recognizances, contracts of indemnity, waivers of citation and all other writings obligatory in the nature thereof, with power to attach thereto the seal of the Company. Any such writings so executed by such Attorneys-in-fact shall be binding upon the Company as if they had been duly executed and acknowledged by the regularly elected officers of the Company in their own proper persons.

RESOLVED: That all such surety Attorneys-in-facts issued by the Company from and including the date hereof shall be authorized pursuant to the foregoing resolution (the "Surety Resolution").

RESOLVED: That the President or any Vice President of the Company, in conjunction with any Vice President, be and hereby are authorized and empowered to establish, and from time to time review and amend, written security measures, protocols and safeguards for all Attorneys-in-fact issued by the Company pursuant to the Surety Resolution, including without limitation, security features on the actual certificates issued by the Company and evidencing such Attorneys-in-fact.

IN WITNESS WHEREOF, THE HANOVER INSURANCE COMPANY, MASSACHUSETTS BAY INSURANCE COMPANY and CITIZENS INSURANCE COMPANY OF AMERICA have caused these presents to be sealed with their respective corporate seals, duly attested by two Vice Presidents, this 27th day of April, 2015.



THE HANOVER INSURANCE COMPANY
MASSACHUSETTS BAY INSURANCE COMPANY
CITIZENS INSURANCE COMPANY OF AMERICA

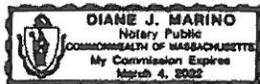
Robert Thomas
Robert Thomas, Vice President

THE HANOVER INSURANCE COMPANY
MASSACHUSETTS BAY INSURANCE COMPANY
CITIZENS INSURANCE COMPANY OF AMERICA

J. Michael Pate
J. Michael Pate, Vice President

THE COMMONWEALTH OF MASSACHUSETTS)
COUNTY OF WORCESTER) ss.

On this 27th day of April 2015 before me came the above named Vice Presidents of The Hanover Insurance Company, Massachusetts Bay Insurance Company and Citizens Insurance Company of America, to me personally known to be the individuals and officers described herein, and acknowledged that the seals affixed to the preceding instrument are the corporate seals of The Hanover Insurance Company, Massachusetts Bay Insurance Company and Citizens Insurance Company of America, respectively, and that the said corporate seals and their signatures as officers were duly affixed and subscribed to said instrument by the authority and direction of said Corporations.



Diane J. Marino
Diane J. Marino, Notary Public
My Commission Expires March 4, 2022

I, the undersigned Vice President of The Hanover Insurance Company, Massachusetts Bay Insurance Company and Citizens Insurance Company of America, hereby certify that the above and foregoing is a full, true and correct copy of the Original Power of Attorney issued by said Companies, and do hereby further certify that the said Powers of Attorney are still in force and effect.

GIVEN under my hand and the seals of said Companies, at Worcester, Massachusetts, this 10th day of October 2016.

CERTIFIED COPY

Theodore G. Martinez
Theodore G. Martinez, Vice President



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll
Mayor

Please
send
check + original
Bond to
City of Salem
Thank you

(Please print or type)

Date October 5 20 16

Application for Constable Re-Appointment

Office of the Mayor
City Hall
93 Washington Street
Salem, Massachusetts 01970

Application is hereby made under Chapter 41, Section 91B for appointment as Constable.

Name Mark J. Snider Date of Birth August 22, 1979

Present Address 103 Boardman Avenue, Melrose, MA 02176 From August 22, 1979

Previous Address _____ From _____

Telephone Number (Home) (781) 665-3206 (Work) (781) 321-3202 (Cell) (781) 844-6070

Date Present Appointment Expires November 8, 2016

Reason to Appoint To serve writs and other civil process

Present Employer (Name and Address) Mark J. Snider

Position Held: Constable

From: April, 2007 To: Present

Previous Employer (Name and Address) Law office of Timothy J. McCarthy

Position Held: Paralegal/ Office Manager

From: July, 2005 To: July, 2007

Mark J. Snider
Signature of Applicant

Note: Application for re-appointment as constable shall be accompanied by a fee of Twenty-Five Dollars (\$25.00) for each year of the appointment, payable to the City of Salem to cover costs of processing. Fee must be received by the Mayor's office before appointment is presented to the City Council. A Bond must also be posted with the application covering entire period of re-appointment. Re-appointments may be made for periods of one, two or three years.

Signature of City of Salem Police Chief: Mary E. Butler
Signature of Police Chief in City or Town you reside: Mark J. Snider



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll
Mayor

December 8, 2016

Honorable Salem City Council
Salem City Hall
Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

The attached Order dedicates one of the new benches in Patton Park on School Street in honor of the late Ray Krajeski, who passed away on October 9th.

Ray was a lifelong Salem resident and served our nation with distinction during the Vietnam era in the Air Force, where he attained the rank of Airman Second Class. Ray was a fixture of the North Salem neighborhood, an active member of the American Legion, and, most importantly, a devoted husband, brother, father, and grandfather.

I am proud to submit this request to you in conjunction with Ward 6 City Councillor Beth Gerard, who represents North Salem, and we ask for your adoption of this Order at tonight's City Council meeting.

Sincerely,

A handwritten signature in cursive script that reads "Kim Driscoll".

Kimberley Driscoll
Mayor
City of Salem



CITY OF SALEM

In City Council, December 8, 2016

Ordered:

One of the newly installed benches in Patton Park on School Street is hereby dedicated, and a plaque to be affixed thereto, in honor of the late Ray Krajeski. Mr. Krajeski was a lifelong resident of Salem, spending most of his life in North Salem. He served our Nation with distinction as a member of the Air Force during the Vietnam era, where he attained the rank of Airman Second Class. He was an active member of the American Legion, and, most importantly, a devoted husband, brother, father, and grandfather.



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll
Mayor

December 8, 2016

Honorable Salem City Council
Salem City Hall
Salem, Massachusetts 01970

Gentlemen of the City Council:

Enclosed herewith is a request to accept the following donation from Von Wormer German Film Co. in the amount of One Thousand dollars (\$1000.00). These funds will be deposited into the Salem Park & Recreation Fund 24061-4830.

In order to accept the donation approval must be given by both the Mayor and City Council. I ask that the members of the City Council join with me in accepting these funds to be used towards Salem Park & Recreation.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Kim Driscoll".

Kimberley Driscoll
Mayor



CITY OF SALEM

In City Council,

Ordered:

December 8, 2016

To accept the donation(s) listed below totaling One Thousand Dollars (\$1,000.00). These funds will be deposited into the Salem Park & Recreation Fund 24061-4830 as listed in accordance with the recommendation of Her Honor the Mayor.

From:	Fund Name	Org/Obj	Amount
Von Wormer German Film Co	Park & Rec Donation	24061-4830	\$ 1,000.00
Total			\$ 1,000.00



Kimberley Driscoll
MAYOR

CITY OF SALEM, MASSACHUSETTS
PARK, RECREATION & COMMUNITY SERVICES
5 Broad Street, Salem MA 01970
Tel. (978) 744-0180/(978) 744-0924
Fax (978) 744-7225

November 15, 2016

Dear Mayor Driscoll:

I am writing to request the acceptance of a \$1,000 donation written to the City of Salem from Von Wormer German Film Company.

Please accept \$1,000 to be deposited in the Park & Recreation Donation account of 24061-4830. A portion of this money will be used for wireless internet.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tricia O'Brien".

Tricia O'Brien
Superintendent
Park, Recreation & Community Service



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll

Mayor

December 8, 2016

Honorable Salem City Council
Salem City Hall
Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

Enclosed herewith is a request to accept the following donation from The Williams Family in the amount of One Thousand Four Hundred Dollars (\$1,400,00). These funds will be deposited into the Salem Park & Recreation account 24061-4830.

In order to accept the donation approval must be given by both the Mayor and City Council. I ask that the members of the City Council join with me in accepting these funds to be used towards Salem Park & Recreation.

Very truly yours,

A handwritten signature in cursive script that reads "Kim Driscoll".

Kimberley Driscoll

Mayor



CITY OF SALEM

In City Council,

Ordered:

December 8, 2016

To accept the donation(s) listed below totaling One Thousand Four Hundred Dollars (\$1,400.00). These funds will be deposited into the Salem Park & Recreation Fund 24061-4830 as listed in accordance with the recommendation of Her Honor the Mayor.

From:	Fund Name	Org/Obj	Amount
Williams Family	Park & Rec Donation	24061-4830	\$ 1,400.00
Total			\$ 1,400.00



Kimberley Driscoll
MAYOR

CITY OF SALEM, MASSACHUSETTS
PARK, RECREATION & COMMUNITY SERVICES
5 Broad Street, Salem MA 01970
Tel. (978) 744-0180/(978) 744-0924
Fax (978) 744-7225

November 17, 2016

Dear Mayor Driscoll:

I am writing to request the acceptance of a \$1,400 donation written to the City of Salem from Williams Family.

Please accept \$1,400 to be deposited in the Park & Recreation Donation account of 24061-4830. This money will be used for the purchase of a picnic table.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tricia O'Brien".

Tricia O'Brien
Superintendent
Park, Recreation & Community Service



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll

Mayor

December 8, 2016

To the City Council
City Hall
Salem, Massachusetts

Ladies and Gentleman of the Council:

Enclosed herewith is a request to transfer Two Thousand Three Hundred and Twenty-Four Dollars and Thirty-Two Cents (\$2,324.32) of outstanding Fiscal Year 2016 Police Department invoices allowed to be paid from the Fiscal Year 2017 Police budget.

Department	Vendor	Amount
Police	North Shore Medical Center	\$2,324.32

Total: \$2,324.32

I recommend passage of this accompanying order.

Sincerely,

A handwritten signature in cursive script that reads "Kim Driscoll".

Kimberley Driscoll
Mayor



CITY OF SALEM

In City Council,

December 8, 2016

Ordered:

Per MGL Chapter 44 Section 64 which allows for a municipality to pay for prior fiscal year invoices using current fiscal year appropriations by two-thirds vote of the City Council we request the sum of Two Thousand Three Hundred and Twenty-Four Dollars and Thirty-Two Cents (\$2,324.32) of outstanding Fiscal Year 2016 Police Department invoices are hereby allowed to be paid from the Fiscal Year 2017 Police budget as listed below in accordance with the recommendation of Her Honor the Mayor.

Department	Vendor	Amount
Police	North Shore Medical Center	\$ 2,324.32
Total		\$ 2,324.32



City of Salem, Massachusetts Police Department Headquarters

CHIEF OF POLICE
MARY E. BUTLER

October 28, 2016

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

Dear Mayor Driscoll:

I am writing to request supplemental funding for the Medical Expense Line item. We would like to request authorization to pay a medical bill in the amount of \$2,324.32 for expenses incurred last fiscal year. I have attached a copy of the invoice for your review.

If you need any other information, please feel free to contact our office.

Thank you.

Sincerely,

Mary E. Butler
Chief of Police

MEB:jc
Enclosure

Finance Director



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll
Mayor

December 8, 2016

Honorable Salem City Council
Salem City Hall
Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

I am writing to inform you that the Department of Revenue has certified Free Cash for the City of Salem for the current fiscal year. Our available Free Cash balance for FY2017 is \$5,380,858. As you know, Free Cash is derived from unexpended budget dollars and/or higher than anticipated revenues from prior fiscal years.

Over the last decade the City of Salem has successfully built up our reserve accounts and is in a strong financial position due, in large part, to responsible budgeting practices and professional fiscal policies. It was not that many years ago when our Free Cash account held next to nothing, putting a significant strain on our ability to appropriately save for the future.

Prior to the recommended allocations here, our reserve accounts currently total a little more than \$6.9 million: our Stabilization Fund holds \$4,744,922, our Capital Improvement Program fund is at \$351,600, our Retirement Stabilization Fund has \$117,086, and our OPEB Trust Fund is at \$1,708,327. This last amount keeps Salem's OPEB liabilities on track to be fully funded by 2032, four years ahead of the state system's projected date. The appropriations enclosed also include an allocation to the Contributory Retirement Account, as the retirement assessment came in higher than budgeted.

Given the ever-present fiscal uncertainties related to changes in federal funding programs, reductions in local aid from the state, and increasing liabilities relative to pensions and our aging infrastructure, it is as critical as ever for the City to continue to save wisely and plan appropriately for these upcoming challenges. In addition to building up our rainy-day fund balance, we have continued to implement routine regular financial forecasting and improved our operational and capital budget procedures.

Evidence of our success in these efforts can be found in the recognition we have received annually over the last several years through the Government Finance Officials Association "Certificate of Excellence" for Salem's Comprehensive Annual Financial Report and receipt of the organization's Distinguished Budget Award. Salem is one of only a handful of communities in the Commonwealth to be recognized annually for both of these distinctions. It is also apparent from Standard & Poor's decision to once again affirm our current AA bond rating, the highest credit rating on record in the City's history. In explaining what prompted the rating upgrade, the agency has specifically cited our strong financial management practices and conservative budgeting. The hard work of our finance team has been supported by the City Council's foresight and adoption of sound fiscal policies, in particular the goals we set for growing our stabilization, capital, and OPEB and retirement accounts specifically.

Therefore, consistent with our previously adopted fiscal policy, I am submitting the enclosed Orders to appropriate 20% of the FY2016 Free Cash balance to the Stabilization Fund, 20% to the Capital Improvement Program Fund, and 5% to the OPEB Trust Fund. We are additionally appropriating \$400,000 to our Contributory Retirement Account and \$500,000 to our Retirement Stabilization Fund. In all, these amounts direct \$2,921,386 to our reserve accounts, bring them collectively to a very healthy \$9,843,322 in all.

Reserve Fund Appropriations

- \$1,076,172 to the Stabilization Fund, bringing that fund to \$5,821,094
- \$1,076,172 to the Capital Improvement Program Fund, bringing that fund total to \$1,427,772
- \$500,000 to the Retirement Stabilization Fund, bringing that fund total to \$617,086
- \$269,043 to the OPEB Trust Fund, bringing that fund total to \$1,977,370

Thank you for your consideration of these important requests and for your continued commitment to supporting sound fiscal policies for our City. I respectfully request your adoption of the accompanying Order, which will continue our positive work together in this regard.

Sincerely,



Kimberley Driscoll
Mayor
City of Salem



CITY OF SALEM

In City Council,

Ordered:

December 8, 2016

That the sum of Two Million, Four Hundred and Twenty-One Thousand, Three Hundred and Eighty-Six Dollars and Ten Cents (\$2,421,386.10) is hereby appropriated from General Fund Balance Reserved for Free Cash (1-3245) to the following special revenue funds. The amount of free cash to be transferred is per the City's Financial Policies and in accordance with the recommendation of Her Honor the Mayor.

Description	Amount
Stabilization Fund (8301) 20%	1,076,171.60
Capital Improvement Fund (2000) 20%	1,076,171.60
Other Post Employ Benefits (OPEB) (8313) 5%	269,042.90
Total	2,421,386.10



CITY OF SALEM

In City Council,

December 8, 2016

Ordered:

That the sum of Five Hundred Thousand (\$500,000.00) is hereby appropriated from General Fund Balance Reserved for Free Cash (1-3245) to the following fund(s). This transfer is requested in accordance with the recommendation of Her Honor the Mayor.

Retirement Stabilization Fund (8311)	83111-4900	\$ 500,000.00
	Total	\$ 500,000.00



CITY OF SALEM

In City Council,

December 8, 2016

Ordered:

That the sum of Four Hundred Thousand (\$400,000.00) is hereby appropriated from General Fund Balance Reserved for Free Cash (1-3245) to the following account(s). This transfer is requested in accordance with the recommendation of Her Honor the Mayor.

Contributory Retirement Account	19101-5178	\$ 400,000.00
	Total	\$ 400,000.00



City of Salem, Massachusetts

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

Kimberley L. Driscoll, Mayor

Sarah A. Stanton, Finance Director

November 17, 2016

Honorable Salem Mayor Kimberley Driscoll
Salem City Hall
Salem, Massachusetts

Dear Honorable Mayor Driscoll:

Enclosed herewith is the annual request for the financial transfers from General Fund Balance Reserved for Free Cash to the following funds: Stabilization, Capital Improvement Fund 2000, and Other Post-Employment Benefits (OPEB).

In accordance with annual financial policy, I am requesting a 20% transfer from General Fund Balance Reserved for Free Cash to Stabilization Fund (\$1,076,171.60), a 20% transfer from General Fund Balance Reserved for Free Cash to the Capital Improvement Fund (\$1,076,171.60), and a 5% transfer from General Fund Balance Reserved for Free Cash to Other Post-Employment Benefits (\$269,042.90.)

Additionally, enclosed you will find a request to transfer Four Hundred Thousand Dollars (\$400,000) from General Fund Balance Reserved for Free Cash to the Contributory Retirement Account. The Salem Contributory Retirement Board assessment came in higher than what was budgeted, and this transfer will account for the difference.

Finally, enclosed you will find a request to transfer Five Hundred Thousand Dollars (\$500,000) from General Fund Balance Reserved for Free Cash to the Retirement Stabilization Account. This transfer will help replenish said account after several unexpected retirements, and cover for future retirement liabilities in FY17.

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

Best,

A handwritten signature in cursive script, appearing to read "Sarah A. Stanton".

Sarah A. Stanton
Finance Director

Nina Bridgman

From: dlssupport@dor.state.ma.us
Sent: Thursday, October 27, 2016 8:28 AM
To: Deb Jackson; Stephen Cortes; James Bond; Kathleen McMahon; Mayor Kim Driscoll; Sarah Stanton; Nina Bridgman; DOR DLS IT Group
Cc: Whouley, Susan
Subject: Notification of free cash approval - Salem
Attachments: Salem FC 6-30-16.pdf

Massachusetts Department of Revenue Division of Local Services

Michael J. Heffernan, Commissioner
Sean R. Cronin, Senior Deputy Commissioner of Local Services

10/27/2016

Nina Bridgman
Accountant/Auditor
City of Salem

Re: NOTIFICATION OF FREE CASH APPROVAL - Salem

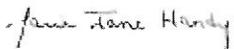
Based upon the un-audited balance sheet submitted, I hereby certify that the amount of available funds or "free cash" as of July 1, 2016 for the City of Salem is:

General Fund	\$5,380,858.00
Enterprise Fund water & sewer	\$3,044,317.00
Enterprise Fund trash	\$446,379.00

This certification is in accordance with the provisions of G. L. Chapter 59, §23, as amended.

Certification letters will be emailed to the mayor/manager, board of selectmen, prudential committee, finance director and treasurer immediately upon approval, provided an email address is reported in DLS' Local Officials Directory. Please forward to other officials as you deem appropriate.

Sincerely,



Mary Jane Handy
Director of Accounts
Massachusetts Department of Revenue

CITY OF SALEM
Stabilization, OPEB & CIP Annual Free Cash Appropriation

Date 11-17-16

Transfer To: 83011-4970 Desc: Stabilization Fund

Amount: \$ 1,076,171.60

Transfer To: 20001-4970 Desc: Capital Improvement Fund

Amount: \$ 1,076,171.60

Transfer To: 83131-4970 Desc: OPEB Fund

Amount: \$ 269,042.90

Reason: Per City Policy Free Cash is to be transferred annually to Stabilization Fund, Capital Projects Fund and to OPEB Fund

For Finance Dept and Mayor's Use Only:

Amount of Free Cash Certified: 5,380,858.00 MB

Recommendation:

Approved Denied



Finance Director

Processed: Date: _____ By: _____

CO # _____ JE#: _____ Transfer #: _____

CITY OF SALEM - Finance Department

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

From: Treas/Finance Department [Signature] Department Head Authorizing Signature 11-1-16 Date

Budget or R/Res Transfers

To : _____ Desc: _____ (Org/Object)

From : _____ Desc: _____

Budget Amt: _____
Curr Balance: _____

Budget Amt: _____
Curr 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 Retained Earnings (W/S) To : 19101-5178 Desc: Contrib Retirement

Budget Amt: 9,960,727
Curr Balance: -511,935.81

(Org/Object) Please circle one

Amount Requested: \$400,000.00

Reason (Be Specific)

For Finance Department Use Only:

Budget Transfer Mayor Approval City Council Approval

Free Cash Appropriation - City Council Approval - Gen Fund \$ 5,380,858.00
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 [Signature]

Recommendation: Approved Denied

_____ Finance Director

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: Finance Department Department Head Authorizing Signature 11-1-16 Date

Budget or R/Res Transfers To: _____ Desc: _____ Budget Amt: _____
(Org/Object) Curr Balance: _____
From: _____ Desc: _____ Budget Amt: _____
Curr 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 Retained Earnings (W/S) To: 83111-4970 Desc: Retirement Stab Budget Amt: 100,000.00
(Org/Object) Please circle one Curr Balance: 40,657.-

Amount Requested: \$500,000

Reason (Be Specific) To cover retirements for the remainder of FY2017.

For Finance Department Use Only:

Budget Transfer Mayor Approval City Council Approval
 Free Cash Appropriation - City Council Approval - Gen Fund \$ 5,380,858.00
Free Cash Balance KB
 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

[Signature]
Finance Director

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



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll
Mayor

December 8, 2016

Honorable Salem City Council
Salem City Hall
Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

The attached Order appropriates \$82,856 from our short term CIP to retain an engineering firm and begin the design phase of the Boston Street roadway improvement project.

Our intention is to place the whole Boston Street corridor on a future state Transportation Improvement Plan (TIP) listing for a complete curb-to-curb upgrade, inclusive of surface improvements, new striping, new accessible crosswalks and sidewalks where necessary, and more. The work will be reflective of our complete streets policy.

As you may know, the state's TIP process can take several years to complete, so we are eager to get this funding set for the design to begin this year. Under the TIP process, the City will fund the design and construction drawings, and the Commonwealth will fund the actual construction work. This is the same program we utilized to upgrade North Street and Bridge Street, and are currently using to carry out the roadway improvement project on Canal Street.

This appropriation comes from the funds paid to the City by Alternative Therapies Group (ATG) pursuant to their Community Host Agreement, which we negotiated with them two years ago. You may recall that in the FY17 CIP we had indicated that the ATG funds would be allocated to the design phase of Boston Street; due to regulations from DOR, the payment was required to be posted to CIP and therefore this second appropriation vote by the City Council is necessary. I am especially pleased that we are able to leverage non-tax dollars to help fund a state grant, the eventual TIP funding, to complete this long-awaited work on the Boston Street entrance corridor.

In November, the City was awarded a \$3.5 million MassWorks grant to undertake improvements to the Boston Street and Bridge Street intersection and the surrounding

roadways even sooner than what will take place through the TIP process for the rest of Boston Street. Thanks to that grant award, we will be able to upgrade the signals, crosswalks, roadway conditions, and sidewalks at that intersection much sooner, in anticipation of construction commencing at the Gateway Center and the Mayor Jean Levesque Community Life Center in April.

While you have already approved the ATG funding for the design phase of Boston Street in the FY17 CIP, the attached Order is, as mentioned above, required due to DOR regulations around how the host agreement payment had to be handled. I strongly recommend you once again approve this funding for the Boston Street design phase, as you voted unanimously to do so in June already.

Sincerely,



Kimberley Driscoll
Mayor
City of Salem



CITY OF SALEM

In City Council,

December 8, 2016

Ordered:

That the sum of Eighty-Two Thousand Eight Hundred and Fifty-Six Dollars (\$82,856.00) is hereby appropriated within the "Capital Outlay Renovation and Repair" account (20003-584617) to *initiate design phase services for Boston Street Roadway Improvement Project by the Engineering Department* in accordance with the recommendation of Her Honor the Mayor.

CITY OF SALEM
Capital Outlay Expenditure Request Form

To: MAYOR

From Department: Engineer Date: 11/21/16

Expense Line To : 20003-586017 - Equipment

Amount:

Description:

Expense Line To : 20003-584617 - Renovations & Repairs

Amount:

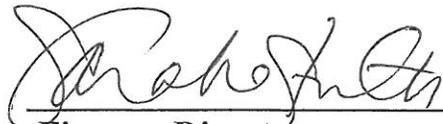
Description: Boston St Roadway Improvement Project

For Finance Dept and Mayor's Use Only:

City Council Approval

Recommendation:

Approved Denied



Finance Director

Mayor

Processed: Date: _____ By: _____

CO # _____ JE# _____ Trans # _____



- CITY OF SALEM
SALEM, MASSACHUSETTS
ENGINEERING DEPARTMENT
120 WASHINGTON STREET, 4TH FLOOR
SALEM, MA 01970
Phone: (978) 745-9595 x5673
Fax: (978) 745-0349

Kimberley Driscoll
Mayor

DAVID H. KNOWLTON, P.E.
CITY ENGINEER

MEMORANDUM

November 21, 2016

To: Kimberley Driscoll, Mayor
Sarah Stanton, Finance Director

From: David H. Knowlton, P.E., City Engineer *David*

RE: Request to Appropriate \$82,856.00 to initiate design phase services for Boston Street Roadway Improvement Project

This memo has been prepared to request the City Council appropriate \$82,856.00 to initiate design phase service for the Boston Street Roadway Improvement Project. This funding will enable the City to start the survey and preliminary planning effort required to seek future funding for this important project through the MassDOT Transportation Improvement Project (TIP) program.

If you have any questions, or require additional information, please call. The Engineering Department will be available to meet with the City Council to discuss this request.



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll
Mayor

December 8, 2016

To the City Council
City Hall
Salem, Massachusetts

Ladies and Gentleman of the Council:

Enclosed herewith is a request to transfer Two Thousand Four Hundred Dollars (\$2,400.00) from the Capital Outlay Renovation and Repair" account (20003-584617) for the repair to the main elevator in the Library.

This request is necessary to cover the cost of repairs to the main elevator in the Library.

I recommend passage of this accompanying order.

Sincerely,

A handwritten signature in cursive script that reads "Kimberley Driscoll".

Kimberley Driscoll
Mayor



CITY OF SALEM

In City Council,

December 8, 2016

Ordered:

That the sum of Two Thousand Four Hundred Dollars (\$2,400.00) is hereby appropriated within the "Capital Outlay Renovation and Repair" account (20003-584617) to be expended for *repairs to the main elevator in the Library* in accordance with the recommendation of Her Honor the Mayor.



SALEM PUBLIC LIBRARY

370 Essex Street
Salem, Massachusetts 01970

TARA MANSFIELD, *Acting Director*

The Honorable Kimberley Driscoll
City Hall
93 Washington Street
Salem, MA 01970

December 1, 2016

Dear Mayor Driscoll,

I respectfully request approval of \$2,400 in capital expenditures for unexpected repairs to the main elevator of the Salem Public Library. Periodically, the elevator does not line up evenly with the floors upon stopping, leaving a gap of approximately one inch. This poses a significant tripping hazard to the public and to the staff moving carts full of books to different floors. Several unsuccessful attempts were made to repair the issue, resulting in the recommendation to replace the leaking tank unit.

Embree Elevator estimates the repair to cost \$15,970. The Trustees of the Salem Public Library voted to pay for the repairs using State Aid funds at the November 17th meeting. The Library's State Aid account currently has \$13,600 in available funds. I respectfully request the funding for the remaining \$2,400 to cover the shortfall.

Thank you for your consideration in this matter.

Sincerely,

Tara Mansfield

CITY OF SALEM
Capital Outlay Expenditure Request Form

To: MAYOR

From Department: Library Date: 12/1/2016

Expense Line To : 20003-586017 - Equipment

Amount:
Description:

Expense Line To : 20003-584617 - Renovations & Repairs

Amount: \$2,400

Description:
As per attached letter

For Finance Dept and Mayor's Use Only:

City Council Approval

Recommendation:

Approved Denied



Finance Director

Mayor

Processed: Date: _____ By: _____

CO # _____ JE# _____ Trans # _____



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll
Mayor

December 8, 2016

Honorable Salem City Council
Salem City Hall
Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

As you know, the City has applied for a PARC grant to complete some substantial upgrades at McGlew Park off of North Street in North Salem. This grant requires a City match of \$222,357. Of that amount \$121,974 is already in place through our CDBG funding and a previous Community Preservation Act grant award. The enclosed Order appropriates the remaining balance, \$100,383, from our short-term Capital Improvement Fund to round out the funding on the project to the full \$622,357 that is required.

This project will make a vast improvement to this important neighborhood park. In addition to upgrading the entry on North Street to make it more welcoming and ADA-compliant, the project plans call for new trees, an irrigation system for the softball field, resurfacing of the basketball court, walking trails around the park, and the installation of new playground equipment.

Every year we aggressively seek out funding through the PARC program and other sources to enable the renovation of our many fantastic parks and playgrounds. These grants do require local matches, but they allow us to leverage hundreds of thousands in non-tax dollars to make these improvements possible. I strongly recommend adoption of the enclosed Order so this park project may continue on schedule.

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 8, 2016

Ordered:

That the sum of One Hundred Thousand Three Hundred and Eighty-Three Dollars (\$100,383.00) is hereby appropriated within the "Capital Outlay Renovation and Repair" account (20003-584617) *to cover the city's share of the project to renovate McGlew Park by the Planning Department* in accordance with the recommendation of Her Honor the Mayor.



CITY OF SALEM, MASSACHUSETTS

DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT

KIMBERLEY DRISCOLL
MAYOR

TOM DANIEL, AICP
DIRECTOR

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

November 21, 2016

Dear Mayor Driscoll,

The Department of Planning and Community Development requests \$100,383 in Capital Improvement Project (CIP) funds to cover the city's share of the project to renovate McGlew Park.

As you are aware, the city applied for a Parkland Acquisitions and Renovations for Communities (PARC) Grant from the state's Division of Conservation Services (DCS). The PARC Grant is a reimbursement program in which DCS will reimburse the city for 66% of approved expenditures. Of the total \$622,357 project cost, DCS will reimburse the city for \$400,000, leaving the city responsible for \$222,357. The project has \$121,974 of funding through Community Development Block Grant (CDBG) and Community Preservation Authority (CPA), leaving a balance of \$100,383.

Please let me know if you have any questions about this project.

Sincerely,

Tom Daniel, AICP
Director

CITY OF SALEM
Capital Outlay Expenditure Request Form

To: MAYOR

From: DPCD

Date 11/21/2016

Expense Line To : 20003-58461⁷ - Renovations & Repairs

Amount: \$

Expense Line To :

Amount:

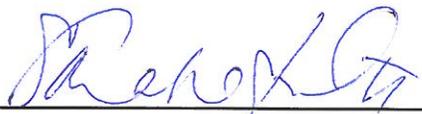
Description: Renovation of McGlew Park consisting of upgrading the parks entry area to meet ADA standards, adding new trees, irrigating the softball field, resurfacing the basketball court and the installation of new modern play equipment and walking paths.

For Finance Dept and Mayor's Use Only:

City Council Approval

Recommendation:

Approved Denied



Finance Director

Mayor

Processed: Date: _____ **By:** _____

CO # _____ **JE#** _____ **Trans #** _____



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll
Mayor

December 8, 2016

Honorable Salem City Council
Salem City Hall
Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

The attached Order appropriates \$3,234 from our short term CIP account to fund the design, fabrication, and installation of a historic interpretive panel for Remond Park.

The City has received a grant from the Essex National Heritage Commission to install several interpretive panels at sites around the City. The designation of Remond Park had not been made when that grant application was submitted; however, we would like to include the sign for the new park in the order we are placing for all of the panels. Therefore, we are requesting this appropriation to allow the sign panel for Remond Park to be included in the group of signs planned for installation this spring.

Remond Park is named in honor of Salem-born abolitionists and siblings Sarah Parker Remond (1815-1894) and Charles Lenox Remond (1810-1873). Sarah was a highly regarded abolitionist speaker in the 1850s and won a pivotal lawsuit against a Boston theater that had attempted to seat her in a segregated section during a performance. She went on to lecture throughout the U.S., earning praise from other leading abolitionist activists, including William Lloyd Garrison. In 1858 she traveled to London to present the abolitionist case there; when the U.S. Civil War broke out at home Remond remained in England, defending the Union cause to audiences throughout the country.

Charles was one of the very first African Americans to be paid to lecture on the abolitionist circuit and was a close confidant and friend to Garrison. He was selected, based on his speaking ability, to serve as the American Antislavery Society's official representative at the World Anti-Slavery Convention in London in 1840. It would be the first of a number of such conventions where he lectured against the institution of slavery. At the onset of the Civil War, he signed on as a recruiting officer for the famed Massachusetts 54th Regiment of African American volunteers.

In the early 19th century the portion of the Bridge Street Neck neighborhood near the park was home to a large population of African Americans, including a vast number of sailors and others engaged in the maritime trade that made 19th century Salem prosperous and famous the world over.

The Remonds' influence and importance in shaping not just our City's history, but our nation's was considerable and makes them extremely worthy of being memorialized. The people of Salem, both today and in future generations, will be able to stroll through this new public space and out to the harbor walk, to take in the breathtaking views and contemplate the important lessons and legacy of Sarah and Charles Remond's lives and works. I recommend approval of the enclosed appropriation Order.

Sincerely,

A handwritten signature in cursive script that reads "Kim Driscoll".

Kimberley Driscoll
Mayor
City of Salem



CITY OF SALEM

In City Council,

December 8, 2016

Ordered:

That the sum of Three Thousand Two Hundred and Thirty-Four Dollars (\$3,234.00) is hereby appropriated within the "Capital Outlay Equipment" account (20003-586017) to be expended for the *Design, Fabrication and Installation of Interpretive Panel for Remond Park by the Planning Department* 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

STAFF MEMORANDUM

TO: Mayor Driscoll
From: Tom Daniel
Date: November 15, 2016
RE: Price for Design, Fabrication and Installation of Interpretive Panel for Remond Park

Per the attached quotes, the estimated price to design, fabricate and install a new interpretive sign panel in Remond Park is \$3,234.00. This figure is based on the following:

\$2,000 for full design of new sign panel (Roll Barressi quote : \$6,200 includes \$2,000 for Remond Park new design.)

\$734 for fabrication (Pannier quote: \$5,138 for 7 signs)

\$500 for installation. (This figure is an estimate not based on a quote. Previous sign panel installations have been performed as part of park construction projects.)

Please let me know if you have any questions or need additional information.

CITY OF SALEM
Capital Outlay Expenditure Request Form

To: MAYOR

From Department: DPCD Date: 11/14/16

Expense Line To : 20003-586017 - Equipment

Amount: \$ 3,234.00

Description:
DESIGN, FABRICATE & INSTALL SIGN PANEL FOR REMOND PARK

Expense Line To : 20003-584617 - Renovations & Repairs

Amount:

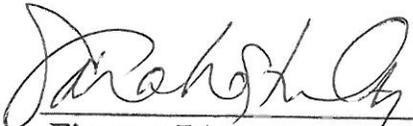
Description:

For Finance Dept and Mayor's Use Only:

City Council Approval

Recommendation:

Approved Denied



Finance Director

Mayor

Processed: Date: _____ **By:** _____

CO # _____ **JE#** _____ **Trans #** _____



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll
Mayor

December 8, 2016

To the City Council
City Hall
Salem, Massachusetts

Ladies and Gentleman of the Council:

Enclosed herewith is a request to transfer Thirty Thousand Dollars (\$30,000.00) from the "Fund Balance Reserved for Appropriation – Free Cash" account (1-3245) to the "Police-Medical Active" Account (12012-5318).

This request is necessary to cover medical costs.

I recommend passage of this accompanying order.

Sincerely,

A handwritten signature in cursive script that reads "Kim Driscoll".

Kimberley Driscoll
Mayor



CITY OF SALEM

In City Council,

December 8, 2016

Ordered:

That the sum of Thirty Thousand Dollars (\$30,000.00) is hereby appropriated from the "Fund Balance Reserved for Appropriation – Free Cash" account (1-3245) to the "Police– Medical Active" Account (12012-5318) in accordance with the recommendation of Her Honor the Mayor.



City of Salem, Massachusetts

Police Department Headquarters

CHIEF OF POLICE
MARY E. BUTLER

October 14, 2016

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

Dear Mayor Driscoll:

I am writing to request supplemental funding for the Medical Expense line item for the FY17 budget. This fiscal year's medical line item was set at \$17,400.

Since July 1, 2016, nine officers within the department have been out on injured leave, some long-term, some short-term. There have been costs incurred with specialists, procedures, therapy, medical tests and screening, and for the long-term cases, case management by Quadrant. We also continue to cover some of the medication and medical costs for officers retired on medical disabilities and the pre-screening medical costs for prospective new hires and preparation for the Police Academy.

I am working toward a conclusion one-way or another about two of the injured officers in terms of their ability to work as police officers in the foreseeable future or at all and we have been seeing a slow return of some of the others. In at least one case we will be seeking to recover some if not all of the medical costs with a filed civil suit, but I am not expecting this to occur anytime soon.

Therefore, I am respectfully requesting a supplemental appropriation in the amount of \$30,000 to cover the anticipated outstanding medical bills going forward. I would be willing to provide any additional documentation or have further discussion on this at your request and convenience.

Very truly,

Mary E. Butler
Chief of Police

CITY OF SALEM - Finance Department

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

From: 210 - Police Dept. *Mary E. Pate* 10-31-2016
 Department Department/Head Authorizing Signature Date

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

Budget Amt: \$17,400.00
Free Cash or Retained Earnings (W/S) To : 12102-5318 Desc: Medical Line Item Balance: \$ 41.53
 (Org/Object)
 Please circle one

Amount Requested: \$ \$30,000.00
Reason (Be Specific) To cover medical costs for FY2017 for nine officers who have been out on injuries (long term and short term). Also to cover a medical bill from FY2016 in the amount of \$2,324.32 for a work related injury.

For Finance Department and Mayor's Use Only:

Budget Transfer Mayor Approval City Council Approval
 Free Cash Appropriation - City Council Approval - Gen Fund \$ 5370858.00
 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

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



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll
Mayor

December 8, 2016

Honorable Salem City Council
Salem City Hall
Salem, MA 01970

Ladies and Gentlemen of the City Council:

Attached please find a budget request and summary proposal for a new Salem bicycle share program that will increase ridership, improve ease of access, and help promote alternatives to traditional vehicle travel through Salem. The City solicited proposals from bicycle share service providers to implement a turn-key bicycle share service in Salem to replace the existing Salem Spins program. The new program is a full-service bicycle share program, similar to many other successful programs across the country, and includes routine maintenance and repair, customer service, back-end data analytics, marketing, and the stations, locking technology, and bicycles.

Three issues with Salem Spins primarily encouraged both the Bicycle Advisory Committee and me to want to seek a better alternative for the program. The current lack of self-checkout means that those who would like to borrow a bike must first meet physically with a person to check it out, either someone in the Hawthorne Hotel or in the Salem Ferry terminal. This creates a barrier to usage. Second, the current system lacks any data-collection system so that the City can track ridership, adjust the number of bicycles available, or take other responsive steps depending on demand. Finally, regular maintenance of the existing bicycles has been a constant challenge.

The RFP asked for a proposal for planning, deploying, and managing a self-sufficient bike share system requiring no City staff maintenance. The system would allow bicycles to be accessed from self-service racks by both subscribers or walk-up renters. Subscribers can create weekly, monthly, or annual accounts via a website or mobile device, including reviewing availability of bicycles, making payments, and approving user agreements. Similarly, walk-up renters should be able to do the same quickly and easily at the rack via their mobile device. The system should be inviting and simply for first-time riders and riders should be attracted and retained in increasing numbers through high quality support, including customer service and routine pro-active maintenance. We required the proposer to contract with a local bicycle repair shop to conduct maintenance. Distribution of bicycles and availability of ridership data are of importance, too. Finally, we requested the proposer commit to a marketing effort to help promote the new system when it is ready to launch.

After reviewing the proposals, Zagster, a Massachusetts-based company, was selected to provide Salem with a comprehensive bicycle share system. Their system meets all the

requirements of the RFP and would represent a substantial upgrade to our bicycle sharing system. Their proposal includes hardware (bikes, locking technology, stations, and signage), software (iOS and Android apps, text reservation support, real-time cloud data, and administrative reporting), marketing (custom website, printed and digital assets, press outreach, and local promotional efforts), and operations (dedicated launch and support team, complete maintenance with repairs and replacements on a standardized schedule, full liability coverage, and 24x7 rider support).

The system will include various locations throughout the city. We anticipate a spring 2017 launch with three initial stations downtown: the Salem MBTA Station, Salem Ferry, and a to-be-determined downtown location.

The three City-funded locations will have a total of 18 bikes with 6 bikes per station. Zagster's service model is a \$1,800 per bike per year cost so this request is for \$32,400. Each bike will be equipped with a keypad and lock that the user unlocks through a unique code received when they check out the bike using the smartphone app, text message, or website. All maintenance, customer service, and redistribution of bikes to keep station bike numbers balanced is included in the contracted price with Zagster. The contracted price also includes marketing, station location optimization, and helping to integrate with other Zagster systems in a potential regional expansion.

A Salem bike share can provide a critical "last mile" connection for transit users utilizing the Salem MBTA Station and Salem Ferry, as well as encourage utilization of existing and planned bicycle infrastructure throughout Salem. Having bike share stations located at transit stations would increase the effectiveness and ridership of public transit. By increasing alternative transportation, there is also the potential for some reduction in traffic congestion. Bike share usage would be further enhanced by the City's on-going commitment to new bike lanes and facilities. In addition, once the Salem bike share program is established, further collaboration can occur with neighboring communities such as Beverly, Swampscott, and Peabody for a future regional system that maximizes network benefits and utility for our entire community.

We believe the proposal from Zagster, with self-checkout, ease of access and use, backend data collection, and pro-active routine maintenance, represents a real opportunity to bring our bicycle sharing system into the 21st century here in Salem. Thank you for your consideration of this funding request for the new bike share program which will improve transit accessibility, public health, and economic growth in Salem.

Sincerely,



Kimberley Driscoll
Mayor
City of Salem



CITY OF SALEM

In City Council,

December 8, 2016

Ordered:

That the sum of Thirty-Five Thousand Dollars (\$35,000.00) 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

December 5, 2016

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

Mayor Kimberley Driscoll:

Attached please find a budget request and summary proposal for the new Salem bicycle share program. Modeled after the Hubway bicycle share in Boston and other full-service bicycle share programs across the country, the City of Salem has solicited proposals from bicycle share service providers to implement a turn-key bicycle share service in Salem to replace the existing Salem Spins program.

After receiving several proposals, Zagster, a Cambridge, MA based company, has been selected to provide Salem with a comprehensive bicycle share system at various locations throughout Salem. We anticipate a Spring 2017 launch with three Downtown Salem hubs: the Salem MBTA Station, Salem Ferry, and a to-be-determined downtown location. Salem State University has also been targeted as a launch location and we have already begun working with SSU to include them in the Zagster program.

With three Salem locations, the City is aiming to launch a total of 18 bikes with 6 bikes per station. Zagster's service model is a \$1,800 per bike per year cost so this request is for 35,000. Each bike will be equipped with a keypad and lock that the user unlocks through a unique code received when they check-out the bike with the smartphone app, cell phone text message, or website online. All maintenance, customer service, and redistribution of bikes to keep station bike numbers balanced will be included in the contracted price with Zagster. Also included is marketing, station location optimization, and helping to integrate with other Zagster systems in a potential regional expansion.

A Salem bike share can provide a critical "last mile" connection for transit users utilizing the Salem MBTA Station and Salem Ferry, as well as encourage utilization of existing and planned bicycle infrastructure throughout Salem. Having bike share located at transit stations would increase the effectiveness, ridership, and view of public transit promoting alternative transportation and reduce traffic congestion. Bike share usage would be further enhanced by the City's new bike lanes and facilities. When the Salem bike share program launches, further collaboration will occur with neighboring communities such as Beverly, Swampscott, and Peabody for a future regional system that maximizes network benefits and utility for our entire community.

We thank you for your leadership in considering the implementation of this transportation solution for the City that can improve transit accessibility, public health, and economic growth in Salem.

I appreciate your consideration in regards to this funding request.

Sincerely,

Tom Daniel
Director
Planning and Community Development
City of Salem
120 Washington St, 3rd Floor
Salem, MA 01970



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll

Mayor

December 8, 2016

Honorable Salem City Council
Salem City Hall
Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

As you are aware, each year when setting the tax rate, we “sweep” our receipts reserved accounts and apply those revenues to help keep the tax increase as low as possible. We are extremely fortunate in Salem that we have three revenue-generating public facilities that enable us to direct normally over \$1 million to this purpose each year. We budget the expenses for these operations annually as part of our budget and then sweep the revenues at the end of the calendar year to reduce the gross amount to be raised through taxation.

The Witch House, under the guidance of Elizabeth Peterson, the Olde Salem Greens Golf Course, managed by Paul Lever, and the Harbormaster’s Office, led by Harbormaster Bill McHugh, are just three examples of the City’s workers and amenities that make Salem such a great community. These operations also generate revenue which helps offset the cost of their operations.

As is our usual custom, enclosed herewith are requests to transfer the sum of \$1,238,398 from receipts reserved to be applied to reduce the gross amount to be raised by taxation for Fiscal Year 2017. \$208,398 is derived from Witch House revenues, \$760,000 from the golf course, and \$270,000 from Harbormaster receipts.

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 cursive script that reads "Kim Driscoll".

Kimberley Driscoll

Mayor

City of Salem



CITY OF SALEM

In City Council,

December 8, 2016

Ordered:

That the sum of One Million, Two Hundred and Thirty-Eight Thousand, Three Hundred and Ninety-eight Dollars (\$1,238,398) 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 2017 tax rate is set in accordance with the recommendation of Her Honor the Mayor.

Receipt Reserve-Witch House	\$ 208,398
R/Reserve-Golf Course	\$ 760,000
Receipts Reserve-Harbormaster	\$ 270,000
	<hr/>
	\$ 1,238,398



City of Salem, Massachusetts

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

Kimberley L. Driscoll, Mayor

Sarah A. Stanton, Finance Director

November 17, 2016

The Honorable Kimberley L. Driscoll
Mayor of Salem
93 Washington Street
Salem, Massachusetts 01970

RE: Receipts/Reserved: Appropriations to Reduce the Tax Rate

Dear Honorable Mayor Driscoll:

Attached please find a Council Orders to address appropriations set forth to reduce the FY2017 tax rate. To keep the tax rate down, and limit the impact on residents, I am proposing the use of the following funding source to offset the tax increase.

Receipts/Reserved: Witch House, Golf Course, and Harbormaster

In accordance with Massachusetts General Laws, Chapter 44, Section 53E, the Park and Recreation Commission has approved the following appropriations from the Park and Recreation Receipts Reserved for Appropriation Accounts for the Fiscal Year 2017 tax rate setting process, Witch House \$208,398 and Golf Course \$760,000.

Additionally, the City will be utilizing an additional \$270,000 from the Harbormaster Receipts Reserved for Appropriations Accounts account to assist in the tax rate setting process.

Sincerely,

A handwritten signature in cursive script, appearing to read "Sarah A. Stanton".

Sarah A. Stanton
Finance Director/City Auditor

CITY OF SALEM
REDUCE TAX RATE REQUEST

Date 11-30-16

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

Amount: \$ 208,398

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

Amount: \$ 760,000.

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

Amount: \$ 270,000

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: 810,566.82
Witch House

Receipts Reserve – City Council Approval Current Fund Balance: 860,317.84
Golf Course

Receipts Reserve – City Council Approval Current Fund Balance: 301,334.61
Harbormaster

(MS)

Recommendation:

Approved Denied



Finance Director

Processed: Date: _____ By: _____

CO # _____ JE#: _____ Transfer #: _____



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll
Mayor

December 8, 2016

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 the excess funds to reduce the amount raised by taxation.

Enclosed herewith is a request to transfer the sum of \$1,300,000 from free cash to be applied to reduce the gross amount to be raised by taxation for Fiscal Year 2017.

This appropriation will save the average single-family property taxpayer \$278, pending adoption of the recommended tax rate by the City Council. When combined with the reduction possible due to appropriations from our receipts reserved accounts, which has been submitted to you under separate cover, the total savings to the average single family taxpayer is approximately \$543.

I recommend passage of the accompanying Order to once again help reduce the burden on Salem taxpayers this fiscal year.

Sincerely,

A handwritten signature in cursive script that reads "Kim Driscoll".

Kimberley Driscoll
Mayor
City of Salem



CITY OF SALEM

In City Council,

Ordered:

December 8, 2016

That the sum of One Million Three Hundred Thousand Dollars (\$1,300,000) 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 2017 tax rate is set in accordance with the recommendation of Her Honor the Mayor.

CITY OF SALEM
REDUCE TAX RATE REQUEST

Date 12/5/16

Transfer From: 1-3245 Desc: Free Cash

Amount: \$ 1,300,000.00

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: 5,380,858.00
Free Cash

Recommendation:

Approved Denied



Finance Director

Processed: Date: _____ By: _____

CO # _____ JE#: _____ Transfer #: _____



City of Salem, Massachusetts

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

Kimberley L. Driscoll, Mayor

Sarah A. Stanton, Finance Director

December 5, 2016

The Honorable Kimberley L. Driscoll
Mayor of Salem
93 Washington Street
Salem, Massachusetts 01970

RE: Free Cash/ Receipts/Reserved: Appropriations to Reduce the Tax Rate

Dear Honorable Mayor Driscoll:

Attached please find two Council Orders to address appropriations set forth to reduce the FY2017 tax rate. To keep the tax rate down, and limit the impact on residents, I am proposing the use of the following two funding sources to offset the tax increase.

Free Cash

As free cash has been certified, I am proposing the use of free cash in the amount of \$1,300,000 to offset the tax rate.

Receipts/Reserved: Witch House, Golf Course, and Harbormaster

In accordance with Massachusetts General Laws, Chapter 44, Section 53E, the Park and Recreation Commission has approved the following appropriations from the Park and Recreation Receipts Reserved for Appropriation Accounts for the Fiscal Year 2016 tax rate setting process, Witch House \$208,398 and Golf Course \$760,000.

Additionally, the City will be utilizing an additional \$270,000 from the Harbormaster Receipts Reserved for Appropriations account to assist in the tax rate setting process.

Sincerely,

A handwritten signature in blue ink, appearing to read "Sarah A. Stanton".

Sarah A. Stanton
Finance Director/City Auditor



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll
Mayor

December 8, 2016

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 2016.

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 almost \$2.9 million over the past eight years. A copy of the most recent Department of Revenue report on these exemptions for FY2016 is attached for informational purposes.

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 cursive script that reads "Kim Driscoll".

Kimberley Driscoll
Mayor
City of Salem

SALEM

Fiscal Year:

2016

Department of Revenue - Division of Local Services

Exemptions have been granted on real estate taxes under the provisions of the following clauses:

Clause Type with Description	Fiscal Year	Number of Exemptions Granted	Tax Dollars Abated on Exemption
17D Surviving Spouses, minors or persons 70 years or over	2016	78	40,780
22(a-f) Veterans	2016	136	97,151
22B Veterans & surviving spouses	2016	1	2,000
22D Surviving spouse	2016	1	4,212
22E Veterans & surviving spouses	2016	35	54,280
37A Blind	2016	28	25,496
41C Certain elderly persons 70 years of age or over	2016	56	46,432
42 Surv. spouses of police officers/firefighters killed in the line of duty	2016	3	15,217
TOTALS		338	285,568



CITY OF SALEM

In City Council, December 8, 2016

Ordered:

That the City of Salem accept the provision of Section 4, Chapter 73 of the Acts of 1986 for Fiscal Year 2017, and that such additional exemptions granted by 100% of the statutory exemption amounts, provided all other qualifications specified in said Section 4, Chapter 73 of the Acts of 1986 are met.



CITY OF SALEM, MASSACHUSETTS

Kimberley Driscoll
Mayor

December 8, 2016

Honorable Salem City Council
Salem City Hall
Salem, Massachusetts 01970

Ladies and Gentlemen of the City Council:

As you know, each year the City Council must vote to set the residential tax factor, which establishes 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 tax rate being recommended – \$15.86 for residential and \$29.99 for commercial – is nearly \$4.9 million dollars under the City's allowable levy capacity and represents an increase of 3.8% increase in the average single family tax bill over last fiscal year. Being able to set a tax rate that is substantially under our allowable levy capacity validates our City's approach to budgeting and managing public finances in a responsible way.

The average single family home would see an increase of approximately \$197 (3.8%) per year. For the average two-family property, the annual tax bill would increase by \$178 (3.3%) per year. Please know that we realize it is never easy or pleasant to increase taxes and we are always vigilant when it comes to finding ways we can reduce the overall burden on our City's homeowners.

One tool is through supporting responsible development that adds to our tax base. We also have been extremely pro-active in pursuing grant opportunities whenever they become available. Since my first election eleven years ago we have successfully received well in excess of \$150 million in state and federal grants, almost the equivalent to a full year's City budget. And, of course, more than one-fifth of our revenues are local aid from the state or federal government. This year, as in past years, the Administration and the City Council have partnered together to adopt a sensible and affordable budget.

Among surrounding North Shore communities, Salem continues to have the second lowest average single family tax bill increase over the last eleven years, whether measured in dollars or as a percentage increase.

Community	FY07-FY17 \$ Increase
Swampscott	\$292
Gloucester	\$232
Marblehead	\$191
Beverly	\$167
Lynn	*
Salem	\$139
Peabody	\$133
Community	FY07-FY17 % Increase
Gloucester	+4.4%
Peabody	+3.9%
Swampscott	+3.5%
Beverly	+3.3%
Lynn	*
Salem	+3.2%
Marblehead	+2.9%

This year, compared to our surrounding communities, the change in the average single family tax bill in Salem will be close to the middle of the grouping; over the North Shore average by 0.4% when measured as a percentage change, but slightly under the North Shore average in terms of dollars.

Community	Avg. 1-Family \$ Change	Avg. 1-Family % Change
Beverly	\$157	2.6%
Danvers	\$209	3.8%
Gloucester	\$273	4.1%
Lynn	*	*
Marblehead	\$332	4.2%
Peabody	\$137	3.4%
Salem	\$197	3.8%
Swampscott	\$176	2.0%
Average	\$212	3.4%

*Lynn has not yet voted on their tax rate for FY2017.

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 are up 2.6%, residential condos by 4.5%, two-family homes by 2.1%, 3-family homes by 2.2%, larger multi-unit residences by 3.0%, commercial property by 0.4%, and industrial property is down by 3.4%. In all, the City's total taxable property valuation increased by 3.9%. In all classifications, 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.

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 more than three times the number of roads this year compared to last year. And from supporting our fantastic library, 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 trajectory of improvement and 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 District Court and the under-utilized parcels that comprise the North River Canal Corridor. I am extremely pleased that certified new growth this fiscal year was a record \$1,851,206, a 55% increase from the FY16 amount and more than double the average amount of annual new growth we saw over the previous 14 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 1.7% over the same 1-year time period of that \$1.85 million in new growth.

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 around \$150 million in state and federal grants. More than one-fifth of our revenues are local aid from the state or federal government, although state aid is not increasing at the same rate as state assessments, resulting in a net decrease in state aid for Salem this year of over \$350,000.

We additionally 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 required, non-discretionary expenditures. Our overall budget grew by only 4.3% this fiscal year, however we saw fixed costs grow by \$2.8 million. 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 maintain the current 1.65 CIP split tax rate (or 0.874987). Any reduction in the CIP would burden residential property owners, while any increase would only serve to burden our commercial property owners. I believe the current split maintains a reasonable balance between trying to provide relief to our homeowners, while also trying to grow our commercial base.

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 record growth, a vibrant local economy, record bond ratings, and award-winning balanced budgets.

In closing, our City's bond rating from Standard & Poor's was upgraded three years ago to AA, the highest in the City's history, and was recently reaffirmed by the agency for another year at that record level. 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 collectively is the correct one for our community.

Sincerely,

A handwritten signature in black ink, appearing to read "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