

Budget Document Survey

Your opinion is important to us! Please take a few minutes to tell us what you think about our budget document. Your comments will be used to help improve this document.

1. Readability: Is the subject matter presented in an easy to read format and in terms that are understandable?

Please Circle One: Difficult Somewhat Difficult Adequate Good Very Easy

2. Using the following scale, please rate the following sections (1-Very Helpful, 2-Helpful, 3-Not Helpful):

Sec 1 – General Overview	_____	Sec 2 – City Overview	_____
Sec 3 – Budget Overview All Funds	_____	Sec 4 – Budget Overview School	_____
Sec 5 – Budget Overview Enterprise Funds	_____	Sec 6 – Financial Forecasts, Plans & Policies	_____
Sec 7 – Capital Improvement Program	_____	Sec 8 – Departmental Budgets	_____
Sec 9 – Appendix	_____	Sec10- Glossary	_____

3. Content: What would you like to see added, expanded, reduced or removed?

4. Overall Impressions: How would you rate the entire document?

Please Circle One: Start Over Minimal Help Answered Most Questions Good Very Helpful

5. Comments

Please send this page to:

Nina Bridgman, Assistant Finance Director
City of Salem, Massachusetts
93 Washington Street, Salem, MA 01970
nbridgman@salem.com

The Budget Process

The Budget and Appropriation Process

The budget document is the instrument used by the budget-making authority to present a comprehensive financial program to the appropriating body. The legalistic view is that a budget is a plan of financial operation embodying an estimate of proposed expenditures for a given period of time and the proposed means of financing them. In a much more general sense, budgets may be regarded as devised to aid management to operate an organization more effectively. In the general sense, budgets are the financial expression of plans prepared by managers for operating an organization during a time period and for changing its physical facilities and its capital structure.

The budget preparation process for all Cities is governed by Massachusetts General Law (MGL) Ch. 44. The General Laws require that the budget be supported by revenues earned during the year plus any savings from prior years. The General Laws also requires public involvement in the process, including the requirement for a public hearing on the proposed budget.

The Mayor provides leadership in the budget process by developing budgetary policy and working closely with department heads and the City Council to assure that the process identifies community needs and priorities and develops a farsighted and well crafted plan. The Mayor initiates the budget process that provides the policy context for identification of priorities and development of initiatives.

Within 170 days after the annual organization of the city government (which is ordinarily in early January), the Mayor is required to submit a budget of proposed expenditures for the fiscal year beginning on the next July 1. The City Council may make appropriations for the recommended purposes and may reduce or reject any item. Without a recommendation of the Mayor, the City Council may not increase any item or make an appropriation for a purpose not included in the proposed budget (except by a two-thirds vote in case of the failure of the Mayor to recommend an appropriation for such a purpose within 7 days after a request from the City Council). If the City Council fails to act on any item of the proposed budget within 45 days, that item takes effect.

If the Mayor does not make a timely budget submission, provision is made for preparation of a budget by the City Council. Provision is also made for supplementary appropriations upon recommendation of the Mayor. Enterprise Fund expenditures are required to be included in the budget adopted by the City Council. The school budget is limited to the amount appropriated by the City Council, but the school committee retains full power to allocate the funds appropriated.

Under certain circumstances and subject to certain limits and requirements, the city council of a city, upon the recommendation of the Mayor, may transfer amounts appropriated for the use of the department (except for a municipal light department or a school department) to another appropriation for the same department or for the use of any other department.

Commencing September 1, 1992, the City established enterprise funds in accordance with Chapter 44, Section 531F 1/2, of the General Laws for the City's water and sewer services. In FY 2007 the City established an enterprise fund for Trash Disposal.

The Finance Department prepares budget packages for each department in January. The Mayor holds a City wide budget meeting, attended by all department heads and finance personnel, concerning a general overview of the state of the economy, and to outline specific guidelines dictating the preparation of individual department budgets. In consultation with the Finance Department, each department then prepares an operating budgets and a mission statement outlining the projected goals for the future. These operating budgets are submitted to the Finance Department for review and entry into the computerized accounting system. The budgets are then prepared for the Mayor's review.

In March and April, each department head meets with the Mayor, Mayor's Chief Administrative Aide, Finance Director, and Assistant Finance Director to review their proposed budgets and program changes for the coming year. As the proposed budgets are reviewed by the Mayor, the budgets submitted may be adjusted based on the individual needs of each department. During the months of April and May, the Mayor finalizes the Annual Budget document for submission to the City Council. The proposed budget documentation is prepared by the Finance Department. The City Council accepts the budget and submits it to the subcommittee on Administration and Finance. The City Council Subcommittee on Administration and Finance then holds subcommittee meetings with the Mayor, Finance Director, Assistant Finance Director, and Department heads to review each departmental budget. The budget must be approved by a majority vote of the City Council within 45 days of receipt of the budget, but no later than June 30th of each year.

The school department budgets are prepared by the Superintendent of Schools and the School Business Manager. The school budget is reviewed and approved by the School Committee, and subsequently submitted to the City Finance Department for inclusion in the City Budget presented to the City Council for approval and appropriation.

WHAT IS A BALANCED BUDGET?

A budget is considered in balance when revenues are equal to, or exceed expenditures. This is a requirement of all Massachusetts communities.

THE BUDGET FORMAT

The budget summary contains summary totals from all operating segments. The revenue section details revenue sources with expected trends. Each departmental section contains a department mission statement and financial data relating to the entire department, including personnel detail. The enterprise section includes revenue and expenditure trends of the self-sustaining enterprise funds along with departmental goals. The CIP section details all expected capital program outlays in the current fiscal year, as well as a summary of the next following years.

BUDGET AMENDMENTS

Budget Amendment Increases – Any increase to the budget must be submitted to the City Council by the Mayor for approval. Budget amendments usually occur from transfers from other special revenue funds (usually receipts reserved for appropriation funds), free cash appropriations in general fund,

or retained earnings appropriations within the Enterprise Funds. They can also be voted as an additional appropriation to the budget to be offset by property taxes, local revenue, state aid, and reserves prior to the tax rate being set in December of each year.

Budget Amendment Transfers– Budget transfers within the school department are submitted to the School Committee for their approval, and are processed by the Finance Department once approved. Budget transfers for City (non-school) budgets, either between personnel and non-personnel line items or between departments, must be submitted to City Council for their approval. This is due to the fact that the City Council votes the original budget as follows:

- City Budgets – The City Council votes each personnel and non-personnel line separately within each departmental unit.
- School Budgets - The City Council votes the TOTAL for the school budget, not separate departments and/or organizational units as they do for the City budgets.

BUDGET GOALS

Policy Driven Planning: The budget is developed based upon community values and key City strategic financial and program policies. The City's Five Year Financial Forecast provides the nexus between the long-term financial plan and budgetary development. The plan includes a comprehensive multi-year projection of the financial position and budget projections, including documentation of revenue and cost assumptions and projections.

Program of Services for the Community: The budget is designed to focus on financial information and missions and goals that have value added outcomes to the community through City services. The Mayor and the City Council will use the City's fundamental principles as a basis for allocation choices and policy discussions. It also provides a basis for measuring progress toward goals during the budget period.

Financial Plan of Allocation and Resource Management: The budget establishes the plan and legal appropriations to allow the City to operate during the fiscal year. The budget provides specific direction for departments and agencies for management of resources. It also provides broad goals related to the City's overall financial position and identifies business decisions required to keep the City financially viable and strong. It is developed using all available financial and planning reviews, including the Five Year Financial Forecast and the five-year rolling Capital Improvement Program.

Communication Tool: The budget is intended to communicate to a broad range of readers, both locally and around the region, as well as the larger governmental and financial community. The budget expresses priorities and goals, assignments and plans, targets and hopes. It is a key statement of City priorities, and is meant to provide confidence in, and confirmation of, the Ordinance mandated Mayor form of government.

SUMMARY OF BUDGETING AND ACCOUNTING PRACTICES

The *basic financial statements* of the City of Salem, Massachusetts are prepared in accordance with Generally Accepted Accounting Principles (GAAP) in the United States of America. The Governmental Accounting Standards Board (GASB) is the recognized standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies are described herein.

For budgetary financial reporting purposes, the Uniform Municipal Accounting System (UMAS) basis of accounting (established by the Commonwealth of Massachusetts) is followed, which differs from the GAAP basis of accounting are listed below. A reconciliation of budgetary-basis to GAAP-basis results for the general fund for the fiscal year ended June 30, can be found in the City's Comprehensive Annual Financial Statement (CAFR) at the following website: http://www.salem.com/Pages/SalemMA_Finance/Financials

BASIS OF BUDGETING

Budgetary basis departs from GAAP as follows:

1. Real and personal property taxes are recorded as revenue when levied (budgetary), as opposed to when susceptible to accrual (GAAP).
2. Encumbrances are recorded as the equivalent of expenditures (budgetary), as opposed to a reservation of fund balance (GAAP).
3. Certain activities and transactions are presented as components of the general fund (budgetary), rather than as separate funds (GAAP).
4. Prior years' deficits and available funds from prior year's surpluses are recorded as expenditure and revenue items (budgetary), but have no effect on GAAP expenditures and revenues.

BASIS OF ACCOUNTING

FUND ACCOUNTING

Fund accounting is an accounting system organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses as appropriate. Resources are allocated to and accounted for in individual funds based upon purposed for which they are to be spent and the means by which spending activities are controlled. Fund accounting is used by states and local governments and by not-for-profit organizations that need to account for resources the use of which is restricted by donors or grantors.

TYPES OF FUNDS

There are seven types of funds that can be used, as needed, by state and local governments, both general purpose and limited purpose. The types of funds are as follows:

Governmental Funds

1. ***The General Fund*** – The General Fund is the major operating fund of municipal governments, and it accounts for the vast majority of municipal operations. The General Fund is supported by revenues from real estate and personal property taxes, state and federal aid, excise taxes, investment income, fines and forfeitures, and fees and charges. Most of the municipal departments, including the schools, are supported in whole or in part by the General Fund.
2. ***Special Revenue Funds*** – to account for the proceeds of specific revenue sources (other than expendable trust or for major capital projects) that are legally restricted to expenditures for specific purposes. These funds are used mostly for donations, state, federal, and other intergovernmental revenue and expenditures.
3. ***Capital Projects Funds*** – to account for financial resources to be used for the acquisition or construction of major capital facilities – other than those financed by proprietary funds and trust funds.
4. ***Debt Service Funds*** – to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Proprietary Funds

5. ***Enterprise Funds*** – to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided the periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.
6. ***Internal Service Funds*** – to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost-reimbursement basis.

Fiduciary Funds

7. ***Trust and Agency Funds*** – to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. These include (a) expendable trust funds, (b) nonexpendable trust funds, (c) pension trust funds, and (d) agency funds.

Accrual Basis in Governmental Accounting- The modified accrual basis of accounting, as appropriate, should be utilized in measuring financial position and operating results.

Governmental fund revenues and expenditures should be recognized on the modified accrual basis. Revenues should be recognized in the accounting period in which they become available and measurable. Expenditures should be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

Proprietary fund revenues and expenses should be recognized on the accrual basis. Revenues should be recognized in the accounting period in which they are earned and become measurable; expense should be recognized in the period incurred, if measurable.

Fiduciary fund revenues and expense or expenditures (as appropriate) should be recognized on the basis consistent with the fund's accounting measurement objective. Nonexpendable trust and pension trust funds (and investment trust funds) should be accounted for on the accrual basis; expendable trust funds should be accounted for on the modified accrual basis. Agency fund assets and liabilities should be accounted for on the modified accrual basis.

Transfers should be recognized in the accounting period in which the interfund receivable or payable arises.

Fund Balance & Fund Equity – The arithmetic difference between the amount of financial resources and the amount of liabilities recorded in the fund is the FUND EQUITY. Residents of the governmental unit have no legal claim on any excess of liquid assets over current liabilities; therefore, the Fund Equity is not analogous to the capital accounts of an investor-owned entity. Accounts in the Fund Equity category of the General Fund and special revenue funds consist of reserve accounts established to disclose that portions of the equity are not available for appropriation (reserved or designated); the portion of equity available for appropriation is disclosed in an account called FUND BALANCE.

Annual Audits

At the close of each fiscal year, state law requires the City of Salem to publish a complete set of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP), and that are audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, the City of Salem has been audited by the firm of Powers & Sullivan, Certified Public Accountants, of Wakefield, Massachusetts. A copy of the most current CAFR and prior fiscal year financial statements can be found on the City's website at http://www.salem.com/Pages/SalemMA_Finance/Financials.

Reporting Entity

For financial reporting purposes, the City has included all funds, organizations, agencies, boards, commissions and institutions. The City has also considered all potential component units for which it is financially accountable as well as other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the basic financial statements to be misleading or incomplete. As required by GAAP, these basic financial statements present the City (the primary government) and its component units. One entity has been included as a component unit in the reporting entity, because of the significance of its operational and/or financial relationship.

Blended Component Units – Blended component units are entities that are legally separate from the City, but are so related that they are, in substance, the same as the City, or entities providing services entirely or almost entirely for the benefit of the City. The following component unit is blended within the Fiduciary Funds of the primary government:

The Salem Contributory Retirement System (CRS) was established to provide retirement benefits to City employees, the Salem Housing Authority employees, the South Essex Sewerage District employees, the Salem-Beverly Water Supply Board employees, the North Shore Regional Vocational School employees and their beneficiaries. The System is governed by a five-member board comprised of the Finance Director (ex-officio), two members elected by the System's participants, one member appointed by the Mayor and one member appointed by the other board members. The CRS is presented using the accrual basis of accounting and is reported as a pension trust fund in the fiduciary fund financial statements.

The City is a member of the South Essex Sewerage District (SESD), a joint venture with the Cities of Salem and Beverly and the Towns of Danvers and Marblehead, for the operation of a septage disposal facility. The members share in overseeing the operations of SESD. Each member is responsible for its proportionate share of the operational costs of the SESD, which are paid in the form of assessments. Complete financial statements for the District can be obtained by contacting them at 50 Fort Avenue, Salem, MA 01970.

The City is a member of the Salem-Beverly Water Supply Board (SBWSB), a joint venture with the City of Beverly for the operation of a water distribution system. The City does not have an equity interest in the Salem-Beverly Water Supply Board. Complete financial information for the SBWSB can be obtained by contacting them at 50 Arlington Avenue, Beverly, MA 01915.

Availability of Financial Information for Component Units

The Salem Contributory Retirement System does not issue separate audited financial statement. The CRS issues a publicly available unaudited financial report in accordance with guidelines established by the Commonwealth of Massachusetts' (Commonwealth) Public Employee Retirement Administration Commission (PERAC). That report may be obtained by contacting the CRS located at 20 Central Street, Suite 110, Salem, Massachusetts 01970.

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The government-wide financial statements (i.e., statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the primary government and its component units. *Governmental activities*, which are primarily supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which are supported primarily by user fees and charges.

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Non-major funds are aggregated and displayed in a single column.

Major Fund Criteria

Major funds must be reported if the following criteria are met:

- If the total assets, liabilities, revenues, or expenditures/expenses of an individual governmental or enterprise fund are at least 10 percent of the corresponding element (assets, liabilities, etc.) for all funds of that category or type (total governmental or total enterprise funds), *and*
- If the total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding element for all governmental and enterprise funds combined.

Additionally, any other governmental or enterprise fund that management believes is particularly significant to the basic financial statements may be reported as a major fund.

Internal service funds and fiduciary funds are reported by fund type.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded when the liabilities are incurred. Real estate and personal property taxes are recognized as revenues in the fiscal year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The statement of activities demonstrates the degree to which the direct expenses of a particular function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include the following:

- Charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment.

- Grants and contributions are restricted to meeting the operational requirements of a particular function or segment.
- Grants and contributions are restricted to meeting the capital requirements of a particular function or segment.

Taxes and other items not identifiable as program revenues are reported as general revenues.

For the most part, the effect of inter-fund activity has been removed from the government-wide financial statements. However, the effect of inter-fund services provided and used between functions is not eliminated as the elimination of these charges would distort the direct costs and program revenues reported for the functions affected.

Fund Financial Statements

Governmental fund financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for un-matured interest on general long-term debt which is recognized when due, and certain compensated absences, claims and judgments which are recognized when the obligations are expected to be liquidated with current expendable available resources.

Real estate and personal property tax revenues are considered available if they are collected within 60 days after fiscal year-end. Investment income is susceptible to accrual. Other receipts and tax revenues become measurable and available when the cash is received and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria is met. Expenditure driven grants recognize revenue when the qualifying expenditures are incurred and all other grant requirements are met.

The following major governmental funds are reported:

The *general fund* is the primary operating fund. It is used to account for all financial resources, except those that are required to be accounted for in another fund.

The *stabilization fund* is a special revenue fund used to account for the accumulation of resources to be used for general and/or capital purposes upon approval of City Council.

The *school capital projects fund* is used to account for the ongoing construction and renovations of the City's school buildings.

The non-major governmental funds consist of other special revenue, capital projects and permanent funds that are aggregated and presented in the *non-major governmental funds* column on the governmental funds financial statements. The following describes the general use of these fund types:

The *special revenue fund* is used to account for the proceeds of specific revenue sources (other than permanent funds or capital projects funds) that are restricted by law or administrative action to expenditures for specified purposes.

The *capital projects fund* is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Enterprise Funds).

The *permanent fund* is used to account for financial resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the governmental programs.

Proprietary fund financial statements are reported using the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded when the liabilities are incurred.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary funds principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The following major proprietary funds are reported:

The *sewer enterprise fund* is used to account for the sewer activities.

The *water enterprise fund* is used to account for the water activities.

The *golf course enterprise fund* is used to account for the golf course activities.

The *parking activities enterprise fund* is used to account for parking activities.

The *trash enterprise fund* is used to account for the solid waste disposal activities.

Additionally, the following proprietary fund type is reported:

The *internal service fund* is used to account for the financing of services provided by one department to other departments or governmental units. This fund is used to account for risk financing activities related to retirees' health insurance.

Fiduciary fund financial statements are reported using the flow of economic resources measurement focus and use the accrual basis of accounting except for the Agency Fund, which has no measurement focus. Fiduciary funds are used to account for assets held in a trustee capacity for others that cannot be used to support the governmental programs.

The following fiduciary fund types are reported:

The *pension trust fund* is used to account for the activities of the System, which accumulates resources to provide pension benefits to eligible retirees and their beneficiaries.

The *private-purpose trust fund* is used to account for trust arrangements that exclusively benefit individuals, private organizations, or other governments. Some of these trusts have donor restrictions and trustee policies that do not allow the endowment portion and any unrealized appreciation to be spent. The donor restrictions and trustee policies only allow the trustees to authorize spending of the realized investment earnings. The City's educational scholarships and housing subsidy trust funds are accounted for in this fund.

The *agency fund* is used to account for assets held in a purely custodial capacity. The City's agency funds consist primarily of payroll withholdings, police and fire details, escrow deposits and unclaimed property.

Government-Wide and Fund Financial Statements

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

PERFORMANCE MANAGEMENT & MEASURERS

The Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award program requires all submitting agencies to incorporate Performance Management and Performance Measurers into their budget. The City of Salem is continuing to incorporate those ideas and strategies as part of the overall operation and management of the City.

City of Salem conducts an annual citizen survey on the City's website (www.salem.com) that allowed all citizens of Salem to voice their opinions on various issues. The results of the recent year's survey are listed in the next few pages.

Long and Short Term Strategic Goals

The City of Salem Long and Short Term Strategic Plan Summary is a listing of the Mayor's top priorities for the City of Salem for the current fiscal year and beyond. A chart of these goals is listed on the following pages. Several of the goals are high priority items of the current Citizens Survey result as noted.

Each department is required to include a table of Outcomes and Performance measurers in their mission statements. They are also required to include a description of "How Fiscal Year Departmental Goals relate to the City's Overall Long & Short Term Goals". This information defines how each department's goals tie in to the overall goals of the City and is included for each department in their mission statements throughout section 8.

What is Performance Management?

Performance management is a logical and integrated approach to all aspects of the cycle of planning, budgeting, operations and evaluations that is based on data and analysis, for the purpose of continuously improving results. Performance management is:

- Data driven – using reliable, verifiable and relevant data.
- Outcome oriented – focused primarily on results, less on inputs and outputs.
- Citizen focused – based on community needs.
- Logically aligned – mission, goals, objectives, measurers, responsibilities are integrated.
- Transparent – information is available and understandable by outsiders and insiders alike.
- Sustainable – survives leadership changes.
- Learning, improvement and accountability driven.

Performance measurement has become increasingly prevalent in local government, yet most government managers still struggle with the fundamental question of what to do with performance measurement data when they have it. Management teams want to know how they can incorporate performance measurement into their management and decision making processes. Rather than simply reporting performance results, performance based management focuses on linking

performance measurement to strategic planning and using it as a lever for cultural change. By creating a learning environment in which performance measures are regularly reviewed and discussed, organization can improve the pace of learning and decision making, improve performance, and facilitate broader cultural change.

Where to get more information

The information above was obtained from the GFOA website (www.gfoa.org) and more information on performance management and measurers is available on that website.

GFOA Recommended Practices:

Budgeting for Results and Outcome (2007):

<http://www.gfoa.org/downloads/budgetingforresults.pdf>

Performance Management: Using Performance Measurement for Decision Making (2002 and 2007):

<http://www.gfoa.org/downloads/budgetperfmagement.pdf>

City of Salem Resident Survey 2013

2013 survey results collected as of May 9, 2013.

1. How do you rate Salem as a place to live?

	<u>2013</u>	<u>2012</u>
Great place to live	71.8%	63.1%
Average place to live	25.5%	33.8%
Not a great place to live	2.7%	3.1%

Good	37.1%	39.7%
Fair	16.3%	23.6%
Poor	3.4%	6.2%

2. How do you rate your neighborhood as a place to live?

	<u>2013</u>	<u>2012</u>
Great place to live	66.2%	57.3%
Average place to live	29.7%	35.3%
Not a great place to live	4.1%	7.3%

Representing and providing for the needs of all its citizens

	<u>2013</u>	<u>2012</u>
Very good	17.4%	14.4%
Good	43.3%	41.4%
Fair	27.5%	28.7%
Poor	11.8%	8.1%

3. Would you recommend Salem as a place to live?

	<u>2013</u>	<u>2012</u>
Yes	87.2%	87.6%
No	12.8%	12.4%

Effectively planning for the future

	<u>2013</u>	<u>2012</u>
Very good	24.9%	16.1%
Good	45.2%	37.8%
Fair	20.9%	22.7%
Poor	9.0%	8.5%

4. How would you describe your overall opinion of Salem City government?

	<u>2013</u>	<u>2012</u>
Very satisfied	22.9%	15.9%
Satisfied	45.3%	41.9%
Neutral	15.1%	31.8%
Dissatisfied	16.2%	8.7%
Very dissatisfied	0.6%	1.7%

Providing value for your tax dollars

	<u>2013</u>	<u>2012</u>
Very good	16.5%	10.2%
Good	44.3%	37.0%
Fair	26.1%	35.7%
Poor	13.1%	11.9%

5. How would you rate City government on the following?

Informing residents on major issues in the City

	<u>2013</u>	<u>2012</u>
Very good	43.3%	28.5%

Providing meaningful opportunities for citizens to give input on issues

	<u>2013</u>	<u>2012</u>
Very good	24.9%	17.4%
Good	45.8%	39.4%
Fair	21.5%	30.7%
Poor	7.9%	7.0%

The overall direction that the City is taking

	<u>2013</u>	<u>2012</u>
Very good	31.5%	22.7%
Good	38.2%	42.0%
Fair	19.1%	22.7%
Poor	11.2%	8.1%

6. Please rank the importance of the following City services to you, with 1 being most important and 10 being least important.

In previous years this question was not a forced ranking. The number in parentheses is the service's rank in 2012 survey. The issues are listed here in the order of their average ranking by all 2013 respondents.

1. Fire protection and emergency medical services – 4.20 (#1)
2. Police services – 4.22 (#3)
3. Quality public schools – 4.48 (#2)
4. Repairing streets and sidewalks – 5.18 (#5)
5. Keeping streets and public areas clean – 5.24 (#4)
6. Garbage collection and recycling services – 5.56 (#6)
7. Maintaining recreation and community programs (Library, Council on Aging, etc.) – 5.85 (#7)
8. Revitalizing downtown – 5.88 (#8)
9. Improving parks and playgrounds – 6.37 (#9)
10. Cleaning up graffiti – 7.15 (#10)

7. Please rate your satisfaction with the following City services.

Parking enforcement

	<u>2013</u>	<u>2012</u>
Very satisfied	14.9%	11.9%
Satisfied	57.1%	52.9%
Somewhat dissatisfied	13.7%	16.1%
Very dissatisfied	10.9%	7.9%
Not applicable to me	3.4%	11.1%

Snow removal and plowing

	<u>2013</u>	<u>2012</u>
Very satisfied	19.8%	16.5%
Satisfied	54.2%	55.4%
Somewhat dissatisfied	18.6%	16.7%
Very dissatisfied	6.8%	4.2%
Not applicable to me	0.6%	7.1%

Road maintenance and repair

	<u>2013</u>	<u>2012</u>
Very satisfied	5.1%	3.8%
Satisfied	30.3%	30.8%
Somewhat dissatisfied	46.6%	44.1%
Very dissatisfied	16.9%	20.3%
Not applicable to me	1.1%	1.0%

Traffic enforcement

	<u>2013</u>	<u>2012</u>
Very satisfied	18.1%	6.1%
Satisfied	48.6%	49.6%
Somewhat dissatisfied	20.3%	30.1%
Very dissatisfied	10.7%	11.3%
Not applicable to me	2.3%	2.9%

Recreation programs

	<u>2013</u>	<u>2012</u>
Very satisfied	28.0%	13.6%
Satisfied	49.1%	56.5%
Somewhat dissatisfied	6.3%	6.9%
Very dissatisfied	2.3%	1.3%
Not applicable to me	14.3%	21.8%

Senior Center programs

	<u>2013</u>	<u>2012</u>
Very satisfied	7.9%	6.3%
Satisfied	30.3%	23.2%
Somewhat dissatisfied	10.1%	3.1%
Very dissatisfied	2.2%	0.6%
Not applicable to me	49.4%	66.7%

Overall cleanliness of the City

	<u>2013</u>	<u>2012</u>
Very satisfied	17.0%	10.5%
Satisfied	41.5%	53.1%
Somewhat dissatisfied	30.7%	29.7%
Very dissatisfied	10.2%	6.5%
Not applicable to me	0.6%	0.2%

Police services

	<u>2013</u>	<u>2012</u>
Very satisfied	46.9%	29.9%
Satisfied	37.3%	53.8%
Somewhat dissatisfied	7.3%	7.1%
Very dissatisfied	4.0%	2.5%
Not applicable to me	4.5%	6.7%

Fire services

	<u>2013</u>	<u>2012</u>
Very satisfied	52.8%	35.8%
Satisfied	36.0%	50.2%
Somewhat dissatisfied	1.1%	1.5%
Very dissatisfied	1.7%	0.6%
Not applicable to me	8.4%	11.9%

Trash and recycling collection

In 2012 trash and recycling were asked as separate questions, but had nearly identical response rates. The 2012 figure here is the average of the responses for both trash and recycling in 2012.

	<u>2013</u>	<u>2012</u>
Very satisfied	31.5%	33.3%
Satisfied	48.3%	50.5%
Somewhat dissatisfied	14.0%	10.3%
Very dissatisfied	3.4%	3.2%
Not applicable to me	2.8%	2.8%

Public Library services

	<u>2013</u>	<u>2012</u>
Very satisfied	49.4%	44.8%
Satisfied	33.0%	37.9%
Somewhat dissatisfied	1.7%	2.5%
Very dissatisfied	1.1%	0.2%
Not applicable to me	14.8%	14.6%

Appearance and maintenance of parks

	<u>2013</u>	<u>2012</u>
Very satisfied	18.0%	13.8%
Satisfied	44.4%	54.2%
Somewhat dissatisfied	27.5%	22.6%
Very dissatisfied	9.6%	5.9%
Not applicable to me	0.6%	3.6%

Public schools

	<u>2013</u>	<u>2012</u>
Very satisfied	7.3%	4.8%
Satisfied	27.7%	18.6%
Somewhat dissatisfied	25.4%	26.2%
Very dissatisfied	16.9%	21.1%
Not applicable to me	22.5%	29.3%

8. Please rank the importance of the following issues, with 1 being most important and 9 being least important.

In previous years this question was not a forced ranking. The number in parentheses is the issue's rank in 2012 survey. The issues are listed here in the order of their average ranking by all 2013 respondents.

1. Offering quality public education – 3.33 (#1)
2. Stabilizing property taxes – 3.51 (#3)
3. Support the growth of new and existing businesses – 3.78 (#4)
4. Encourage appropriate re-use of Salem Harbor Power Station property – 3.88 (#2)
5. Providing support for tourism, arts, and cultural opportunities – 4.06 (#6)
6. Renewable energy and energy efficiency initiatives – 4.40 (#7)
7. Improving communication between the City and residents – 4.52 (#5)
8. Improving recreational opportunities for youth and adults – 4.89 (#8)
9. Regionalizing and combining City functions – 5.26 (#9)

9. Do you live or work in downtown Salem?

	<u>2013</u>	<u>2012</u>
Live	31.7%	34.8%
Work	7.8%	8.6%
Neither	47.9%	47.1%
Both	12.6%	9.5%

10. In the past year, how often, if ever, did you go downtown?

This question was only asked of those who answered "Neither" to Question 9.

	<u>2013</u>	<u>2012</u>
Never	1.3%	1.7%
Less than a dozen times	16.3%	14.0%
Frequently	40.0%	41.0%
Regularly spend time downtown	42.5%	42.8%

11. What is the main reason that keeps you from spending more time in downtown Salem?

This question was only asked of those who answered either "Never" or "Less than a dozen times" to Question 10. Responses are listed in order of most cited to least cited by 2013 respondents; the number in parentheses is the percentage of 2012 respondents who cited the same reason.

1. Lack of parking (76.3%)
2. Cost of parking (55.3%)
3. Not interested in downtown shops (23.7%)
4. Inconvenient (21.1%)
5. Prefer other shopping areas (28.9%)
6. Too expensive (23.7%)
7. Traffic (47.4%)
8. Cleanliness (10.5%)
9. Safety (10.5%)

12. In general, how safe do you feel in downtown Salem?

	<u>2013</u>	<u>2012</u>
Very safe	64.7%	52.5%
Somewhat safe	31.7%	42.2%
Not very safe	2.4%	4.1%
Not at all safe	1.2%	0.4%

13. About how often in the last 12 months have you used the Salem-Boston Ferry?

Not asked in 2012.

	<u>2013</u>
Once or twice	31.1%
Occasionally	12.6%
Frequently, but not as a regular method of commuting	3.6%
My regular method of commuting to and from Boston	0.0%
Never	52.7%

14. What is the main reason you have not used the Salem-Boston Ferry?

Not asked in 2012. Only asked of those answered "Never" to Question 13.

	<u>2013</u>
Do not need to travel to Boston	40.9%
Too expensive	20.5%
Lack of parking at the Ferry Wharf	4.5%
Concerned about safety	3.4%
Other	30.7%

15. Do you place your recycling curbside or otherwise out for pick-up on a regular basis?

Not asked in 2012.

	<u>2013</u>
Yes	95.8%
No	4.2%

16. What is the main reason you do not regularly place your recycling curbside or otherwise out for pick-up?

Not asked in 2012. Only asked of those who answered "No" to Question 15.

	<u>2013</u>
My building or landlord does not make recycling available	57.1%
I do place it out, but not on a regular basis	42.9%
I do not recycle	0.0%

17. How familiar or unfamiliar are you with CodeRED, the City's automated alert system?

	<u>2013</u>	<u>2012</u>
Very familiar	50.6%	43.4%
Somewhat familiar	26.5%	30.0%
Not at all familiar	22.9%	26.5%

18. Have you registered your telephone number and/or email address with CodeRED so that you may receive automated notices from the City?

	<u>2013</u>	<u>2012</u>
Yes	75.8%	66.3%
No	24.8%	34.2%

19. How do you receive notices and other information from the City?

	<u>2013</u>	<u>2012</u>
CodeRED telephone call	73.9%	68.3%
City of Salem website	41.8%	29.2%
Email notification	33.9%	30.6%
Word of mouth	32.1%	25.3%
Newspapers	32.1%	11.4%

20. Where do you normally learn about news concerning Salem City government?

Not asked in 2012.

	<u>2013</u>
Salem News	69.1%
Word of mouth, including social media and email	67.3%
Salem Patch	53.9%
City website or other official City notification	41.2%
Salem Gazette	32.7%
Television or radio news outlets	13.3%
Other	6.7%

21. In the last 12 months, have you contacted the City to obtain information or request services?

	<u>2013</u>	<u>2012</u>
Yes	59.8%	58.0%
No	40.2%	40.3%

22. How have you contacted the City?

Only asked of those answering "Yes" to Question 21.

	<u>2013</u>	<u>2012</u>
Telephone	77.2%	69.2%
In person	45.9%	52.3%
Email	38.1%	39.3%
Mail	5.7%	7.5%
Citizen Request Action Center at www.salem.com	4.6%	3.7%
Other	5.0%	5.6%

23. How would you describe the City employee with whom you most recently had contact?

	<u>2013</u>	<u>2012</u>
Knowledgeable		
Very good	54.7%	49.5%
Good	30.2%	34.9%
Fair	7.5%	9.3%
Poor	2.8%	1.1%
Not applicable	4.7%	5.3%

	<u>2013</u>	<u>2012</u>
Courteous		
Very good	62.3%	56.6%
Good	24.5%	28.5%
Fair	5.7%	8.5%
Poor	2.8%	1.4%
Not applicable	4.7%	5.0%

Responsive to your needs

	<u>2013</u>	<u>2012</u>
Very good	53.3%	48.0%
Good	24.8%	30.2%
Fair	6.7%	11.0%
Poor	11.4%	6.0%
Not applicable	3.8%	4.6%

Ease of getting in touch with the employee

	<u>2013</u>	<u>2012</u>
Very good	51.9%	42.9%
Good	27.4%	31.1%
Fair	11.3%	16.8%
Poor	3.8%	3.9%
Not applicable	5.7%	5.4%

Respectfulness

	<u>2013</u>	<u>2012</u>
Very good	63.2%	53.9%
Good	22.6%	31.1%
Fair	6.6%	8.2%
Poor	2.8%	1.1%
Not applicable	4.7%	5.7%

Timeliness of response

	<u>2013</u>	<u>2012</u>
Very good	48.6%	43.5%
Good	24.3%	28.3%
Fair	8.4%	11.2%
Poor	10.3%	10.5%
Not applicable	8.4%	6.5%

Willingness to accommodate the need for foreign language or sign language

	<u>2013</u>	<u>2012</u>
Very good	9.9%	9.4%
Good	5.9%	4.7%
Fair	2.0%	1.4%
Poor	1.0%	1.1%
Not applicable	81.2%	83.5%

24. In the last 12 months have you visited the City's website, www.salem.com?

Not asked in 2012.

	<u>2013</u>
Yes	91.9%
No	8.1%

25. How would you rate each of the following characteristics of the City website?

Not asked in 2012. Only asked of those who answered "Yes" to Question 24.

Usefulness of information

	<u>2013</u>
Very good	24.5%
Good	57.6%
Fair	16.6%
Poor	1.3%

Ease of use or navigation

	<u>2013</u>
Very good	14.6%
Good	47.0%
Fair	32.5%
Poor	6.0%

Design and graphics

	<u>2013</u>
Very good	13.4%
Good	40.9%
Fair	36.2%
Poor	9.4%

26. With cutbacks in state funding, the City will need to operate differently and more efficiently. Please indicate how you feel about the following revenue and reform options?

Privatizing or outsourcing some services

	<u>2013</u>	<u>2012</u>
Strongly support	14.0%	17.1%
Support	28.0%	29.9%
Somewhat support	30.5%	26.7%
Do not support	27.4%	16.0%

Combining services with other communities (regionalization)

	<u>2013</u>	<u>2012</u>
Strongly support	22.6%	29.3%
Support	43.9%	33.3%
Somewhat support	28.0%	22.7%
Do not support	5.5%	10.1%

Layoffs and reducing personnel

	<u>2013</u>	<u>2012</u>
Strongly support	6.1%	6.5%
Support	11.0%	13.5%
Somewhat support	38.4%	33.1%
Do not support	44.5%	41.3%

Encouraging non-profits to pay the City payments in lieu of taxes

	<u>2013</u>	<u>2012</u>
Strongly support	29.3%	27.4%
Support	25.6%	28.8%
Somewhat support	29.3%	19.2%
Do not support	15.9%	11.2%

Offer fewer City services

	<u>2013</u>	<u>2012</u>
Strongly support	3.7%	2.5%
Support	4.3%	10.3%
Somewhat support	24.4%	24.0%
Do not support	67.7%	57.9%

27. How long have you lived in Salem?

	<u>2013</u>	<u>2012</u>
Less than a year	0.6%	4.4%
1-5 years	10.4%	18.4%
5-15 years	28.7%	28.6%
More than 15 years	60.4%	48.5%

28. Which neighborhood of Salem do you live in?

	<u>2013</u>	<u>2012</u>
Bridge Street Neck	5.5%	5.3%
Castle Hill	0.0%	1.9%
Derby Street neighborhood	8.5%	5.7%
Downtown Salem	6.1%	6.4%
Gallows Hill	1.8%	2.5%
Greater Endicott Street	1.2%	1.9%
Highland Avenue	4.3%	4.7%
McIntire Historic District	14.0%	17.2%
North Salem	20.7%	13.8%
The Point	0.6%	1.9%

Salem Common	10.4%	8.7%
Salem Willows	1.8%	2.3%
South Salem	15.2%	18.0%
Witchcraft Heights	2.4%	4.0%
Other	7.3%	5.7%

29. What is your gender?

	<u>2013</u>	<u>2012</u>
Female	64.0%	61.4%
Male	36.0%	38.6%

30. Do you have children in the Salem Public Schools?

	<u>2013</u>	<u>2012</u>
Yes	21.5%	19.9%
No	78.5%	80.1%

31. What age group are you in?

	<u>2013</u>	<u>2012</u>
Less than 18 years old	0.0%	0.8%
18-30 years old	3.1%	9.7%
31-40 years old	12.3%	21.8%
41-50 years old	24.5%	26.3%
51-64 years old	38.7%	29.0%
65 years old or older	21.5%	12.3%

32. Do you own your home or rent?

	<u>2013</u>	<u>2012</u>
Own	82.1%	80.9%
Rent	17.3%	16.9%
Other	0.6%	2.1%

Massachusetts School Building Authority (MSBA)

City of Salem REIMBURSEMENTS BY FISCAL YEAR

MSBA ID	School Name	Pay Qtr	2013	2014	2015	2016	2017	2018
C20003730	BATES ELEMENTARY	Q1	850,966	850,966	850,966	850,966	850,966	850,966
C20033838	CARLTON	Q3	578,710	578,710	578,710	578,710	578,710	578,710
C20033839	FEDERAL STREET ELEM. (Bowditch)	Q3	1,104,663	1,104,663	1,104,663	1,104,663	1,104,663	1,104,663
Total			2,534,339	2,534,339	2,534,339	2,534,339	2,534,339	2,534,339

MSBA ID	School Name	Pay Qtr	2019	2020	2021	2022	2023	Total
C20003730	BATES ELEMENTARY	Q1	850,966	850,966				16,323,004
C20033838	CARLTON	Q3	578,710	578,710	578,710	578,710	578,713	12,349,843
C20033839	FEDERAL STREET ELEM. (Bowditch)	Q3	1,104,663	1,104,663	1,104,663	1,104,663	1,104,666	23,203,623
Total			2,534,339	2,534,339	1,683,373	1,683,373	1,683,379	51,876,470

**FY 2014
Revolving Funds**

Department	Fund Name	Fund #	Programs & Purposes	Type of Receipts Credited	Authorization for Spending	FY 2014 Budget Request Maximum Annual Expenditures
Fire	R/A Local Emergency Planning Comm	2433	Training and special equipment needed to resopnd to hazardous materials incidents per CH 21E	Fees charged to persons spilling or releasing hazardous materials	Fire Chief and Mayor	\$ 10,000.00
Fire	R/A Confined Space Drills	2449	Confined space training for Firefighters.	Fee charged to Dominion Power Plant to cover OT costs for Firefighter Confined Space Drill training.	Fire Chief and Mayor	\$ 48,000.00
Harbormaster	Boat/Float Storage	2368	To fund Capital items for Harbormaster and to fund maintenance costs of equipment.	Fees charged for boat and float storage at Winter Island and Kernwood Marina	Harbormaster and Mayor	\$ 30,000.00
Health	Health Clinics	2364	To support vaccination program and other health promotion activities of the Health Department	Reimbursements from vaccination programs	Health Agent and Mayor	\$ 20,000.00
Mayor	Special Events	2361	To cover expenses for July 4th and Haunted Happenings events.	Funding from RFP's for services, vendors and miscellaneous sponsorships.	Mayor	\$ 125,000.00
Recreation	Winter Island	2362	To increase and replenish store inventory as needed and to enhance and maintain WI store.	Revenue from sale of inventor at the Winter Island Store	Recreation Director and Mayor	\$ 30,000.00
Recreation	Dog Park	2435	Renovations and Maintenance of Dog Park at Leslie's Retreat Park.	Fee charged for pass to use dog park (pooch pass). Twenty-Five dollars annually for pass.	Recreation Director and Mayor	\$ 10,000.00
Recreation	Park & Rec Public Access	2452	To be used for the operation and maintenance of Winter Island and McCabe Marina	Parking and launch fees charged at McCabe Marina & Winter Island	Recreation Director and Mayor	\$ 30,000.00
Recreation	Salem Willows Meters	2459	Renovations and Maintenance of Willows Park.	Money generated from Willows Meters	Recreation Director and Mayor	\$ 35,000.00
Recreation	Witch House	2499	To support Salem Award committee and the Salem Witch Trial Memorial	Twenty-Five cent surcharge to tickets beginning in May 2009	Recreation Director and Mayor	\$ 10,000.00
Planning & Community Development	Salem Ferry Operational	2453	Fund operational costs of the Salem Ferry and Blaney Street Dock	Fees received during the off season for use/rent of ferry	Director of Planning and Mayor	\$ 20,000.00
Public Services	Sticker Program	2455	To pay for costs of disposal of hazardous items picked up as part of sticker program, and for abandoned pieces picked up by this department.	\$20.00 fee charged for each sticker bought when scheduling a curbside pick up for item disposal.	Public Service Director and Mayor	\$ 25,000.00
Engineering	Water Backflow Test	2363	Mass DEP required backflow testing program to comply with 310 CMR 22.22.	Fee charged for testing of backflow devices and cover the cost of periodic surveye or properties potentially requiring a device.	City Engineer and Mayor	\$ 85,000.00

**FY 2014
Revolving Funds**

						FY 2014 Budget Request Maximum Annual Expenditures
Department	Fund Name	Fund #	Programs & Purposes	Type of Receipts Credited	Authorization for Spending	
Engineering	Environmental Fund	2438	Provide for City purchase of environmental items such as recycling bins, recycling toters, rain barrels, composters, water conservation devises, erylcing calendar and educational material.	Fees charged for recycling bins, recycling toters, rain barrels, composters, water conservation devices.	City Engineer and Mayor	\$ 30,000.00
Engineering	Traffic Island	2439	Projects related to City beautification events including Traffic Island, Beautification, and special events such as Treemendous	Primarily from: Traffic Island Sponsorships, Special Events Revenues, Event and Beautification effort sponsors	City Engineer and Mayor	\$ 25,000.00
School	Building Rental	2601	Building Rental	Payments for rental of building by outside groups	School Committee and Mayor	\$ 200,000.00
School	Early Childhood	2608	Pre-School Tuition	Tuition payments for students attending the pre-school program at the Early Childhood Center	School Committee and Mayor	\$ 110,000.00
School	School Busing	2614	School Bus pass	Purchases of school bus passes	School Committee and Mayor	\$ 100,000.00
School	Night School	2620	Night School Tuition	Tuition payments for students attending the night school program	School Committee and Mayor	\$ 50,000.00
School	Special Ed Tuition	2627	Special Ed Tuition	Tuition payments for students from other districts attending Special Ed programs in Salem	School Committee and Mayor	\$ 150,000.00
School	SHS Automotive	2645	To pay for parts and materials for automotive repairs to vehicles brought in to the HS Automotive Vocational School by citizens	Fees charged for parts and materials for automotive repairs to vehicles brought in by citizens	School Committee and Mayor	\$ 50,000.00

Total All Revolving Funds \$ 1,193,000.00

Revolving funds are special revenue funds established by the Commonwealth of Massachusetts under Massachusetts General Law (MGL) chapter 44, Section 53E 1/2. The expenditures in the revolving funds must be voted annually in accordance to the MGL. Further information on Revolving Funds can be found at <http://www.mass.gov/legis/laws/mgl/44-53e.5.htm>.

The above revolving fund Council Order was sent to City Council on May 23, 2013 and adopted by a roll call vote of 10 yeas, 0 nays, and 1 absent on May 23, 2013 - CO # 373

CHANGES IN FUND BALANCE BY FISCAL YEAR - APPROPRIATED, CIP & STABILIZATION FUNDS

General Fund - 100

	Beg FB	End FB	Inc (Decr)	% Var in FB
FY 2005	4,552,406.00	4,167,259.00	(385,147.00)	
FY 2006	4,167,259.00	2,010,721.00	(2,156,538.00)	-52%
FY 2007	2,010,721.00	1,969,775.00	(40,946.00)	-2%
FY 2008	1,969,775.00	1,666,376.00	(303,399.00)	-15%
FY 2009	1,666,376.00	1,463,285.00	(203,091.00)	-12%
FY 2010	1,463,285.00	2,031,102.00	567,817.00	39%
FY 2011	2,031,102.00	5,352,058.41	3,320,956.41	164%
FY 2012	5,352,058.41	5,916,542.97	564,484.56	11%
FY 2013	5,916,542.97	5,916,542.97	-	0%
FY 2014	5,916,542.97	5,916,542.97	-	0%

No increase anticipated in FY 2013

Water Enterprise Fund - 6100

	Beg FB	End FB	Inc (Decr)	% Var in FB
FY 2005	584,098.00	431,126.00	(152,972.00)	
FY 2006	431,126.00	1,195,963.00	764,837.00	177%
FY 2007	1,195,963.00	1,836,129.00	640,166.00	54%
FY 2008	1,836,129.00	1,743,685.33	(92,443.67)	-5%
FY 2009	1,743,685.33	1,189,261.00	(554,424.33)	-32%
FY 2010	1,189,261.00	729,741.00	(459,520.00)	-39%
FY 2011	729,741.00	450,153.47	(279,587.53)	-38%
FY 2012	450,153.47	(218,737.73)	(668,891.20)	-149%
FY 2013	(218,737.73)	-	218,737.73	-100%
FY 2014	-	-	-	

Fluctuations due to additional Bond payments & rate increases

Deficit Fund Balance raised on FY 2013 recap.

Stabilization Fund - 8301

	Beg FB	End FB	Inc (Decr)	% Var in FB
FY 2005	1,297,417.00	1,021,351.00	(276,066.00)	
FY 2006	1,021,351.00	277,759.00	(743,592.00)	-73%
FY 2007	277,759.00	487,979.00	210,220.00	76%
FY 2008	487,979.00	648,946.66	160,967.66	33%
FY 2009	648,946.66	1,489,906.53	840,959.87	130%
FY 2010	1,489,906.53	1,913,913.00	424,006.47	28%
FY 2011	1,913,913.00	2,736,776.70	822,863.70	43%
FY 2012	2,736,776.70	3,453,722.00	716,945.30	26%
FY 2013	3,453,722.00	3,592,083.97	138,361.97	4%
FY 2014	3,592,083.97	4,000,000.00	407,916.03	11%

Increase due to Finance Policy of 20% of Free Cash to Stabilization

And balance of Free Cash on 6/30. Funds used in FY13 to cover Union Contract Settlements

Sewer Enterprise Fund - 6000

	Beg FB	End FB	Inc (Decr)	% Var in FB
FY 2005	395,482.00	590,516.00	195,034.00	
FY 2006	590,516.00	364,609.00	(225,907.00)	-38%
FY 2007	364,609.00	511,158.00	146,549.00	40%
FY 2008	511,158.00	168,999.31	(342,158.69)	-67%
FY 2009	168,999.31	424,141.00	255,141.69	151%
FY 2010	424,141.00	395,337.00	(28,804.00)	-7%
FY 2011	395,337.00	729,765.97	334,428.97	85%
FY 2012	729,765.97	640,064.23	(89,701.74)	-12%
FY 2013	640,064.23	1,000,000.00	359,935.77	56%
FY 2014	1,000,000.00	1,500,000.00	500,000.00	50%

Fluctuations due to additional Bond payments & rate increases

Trash Enterprise Fund - 6200

	Beg FB	End FB	Inc (Decr)	% Var in FB
FY 2005				
FY 2006				
FY 2007				
FY 2008	-	(11,054.00)	(11,054.00)	
FY 2009	(11,054.00)	(43,454.65)	(32,400.65)	293%
FY 2010	(43,454.65)	7,904.99	51,359.64	-118%
FY 2011	7,904.99	66,613.27	58,708.28	743%
FY 2012	66,613.27	110,107.76	43,494.49	65%
FY 2013	110,107.76	110,107.76	-	0%
FY 2014	110,107.76	110,107.76	-	0%

No increase anticipated in FY 2013

Stabilization Retirement Anticipation Fund - 8311

	Beg FB	End FB	Inc (Decr)	% Var in FB
FY 2009	400,000.00	42,526.32	(357,473.68)	
FY 2010	367,526.32	7,790.55	(359,735.77)	-82%
FY 2011	857,784.67	256,088.78	(601,695.89)	3187%
FY 2012	656,088.78	50,000.00	(606,088.78)	-80%
FY 2013	900,000.00	130,520.06	(769,479.94)	161%
FY 2014	130,520.06	200,000.00	69,479.94	53%

Changes due to large volume of retirements during fiscal year

CHANGES IN FUND BALANCE BY FISCAL YEAR - APPROPRIATED, CIP & STABILIZATION FUNDS

Capital Improvement Fund (Short Term) - 2000

	Beg FB	End FB	Inc (Decr)	% Var in FB
FY 2005	1,184,200.00	1,027,976.00	(156,224.00)	
FY 2006	1,027,976.00	265,606.00	(762,370.00)	-74%
FY 2007	265,606.00	53,259.00	(212,347.00)	-80%
FY 2008	53,259.00	146,130.93	92,871.93	174%
FY 2009	146,130.93	367,566.93	221,436.00	152%
FY 2010	467,566.93	300,000.00	(167,566.93)	-18%
FY 2011	980,000.00	182,751.37	(797,248.63)	-39%
FY 2012	1,032,626.37	525,874.00	(506,752.37)	188%
FY 2013	1,253,900.00	500,000.00	(753,900.00)	-5%
FY 2014	803,000.00	500,000.00	(303,000.00)	0%

Changes due to free cash added to fund per financial policy and annual appropriations

Sale of City Land Fund - 2441

	Beg FB	End FB	Inc (Decr)	% Var in FB
FY 2006	-	350,000.00	350,000.00	
FY 2007	350,000.00	350,000.00	-	0%
FY 2008	350,000.00	95,290.50	(254,709.50)	-73%
FY 2009	95,290.50	44,290.50	(51,000.00)	-54%
FY 2010	44,290.50	44,290.50	-	0%
FY 2011	44,290.50	44,290.50	-	0%
FY 2012	44,290.50	44,290.50	-	0%
FY 2013	44,290.50	44,290.50	-	0%
FY 2014	44,290.50	44,290.50	-	0%

Funds not being used.

Other Post Employment Benefits (OPEB) GASB 45 - 8313

	Beg FB	End FB	Inc (Decr)	% Var in FB
FY 2005				
FY 2006				
FY 2007				
FY 2008				
FY 2009				
FY 2010				
FY 2011	-	50,000.00	50,000.00	
FY 2012	50,000.00	381,012.37	331,012.37	662%
FY 2013	381,012.37	627,506.00	246,493.63	65%
FY 2014	627,506.00	700,000.00	72,494.00	12%

Changes due to free cash added to fund per financial policy

FY 2014 - #DIV/0!

City of Salem Full-Time Equivalent Employee Comparisons

	FY 2012	FY 2013	FY 2014	Change From Prior FY
GENERAL FUND				
EXECUTIVE DIVISION				
Mayor	4.0	4.0	4.0	0.0
LEGISLATIVE DIVISION				
City Clerk				
City Council	0.0	0.0	0.0	0.0
City Clerk-Record Maint	5.0	5.0	5.0	0.0
Elections & Registrations	2.0	2.0	2.0	0.0
FINANCE DIVISION				
Assessors	4.8	4.8	5.0	0.2
Collector	4.0	4.0	4.0	0.0
Data Processing- IT/GIS - General Admin	2.7	1.7	2.7	1.0
Finance	3.9	4.0	4.0	0.0
Parking Department	11.0	11.0	12.0	1.0
Purchasing	2.0	2.0	2.0	0.0
Treasurer	3.0	4.0	4.0	0.0
LEGAL DIVISION				
Solicitor	3.2	3.2	3.5	0.3
HUMAN RESOURCE DIVISION				
Human Resources	4.5	4.5	4.5	0.0
FIRE DIVISION				
Fire	91.0	93.0	95.0	2.0
POLICE DIVISION				
Police	94.0	98.5	100.5	2.0
Harbormaster	1.0	1.0	2.0	1.0

City of Salem Full-Time Equivalent Employee Comparisons

	FY 2012	FY 2013	FY 2014	Change From Prior FY
INSPECTIONAL SERVICES DIVISION				
Public Property - Inspections	5.0	5.0	6.0	1.0
Electrical	5.0	5.0	6.0	1.0
Health	6.0	6.0	6.0	0.0
PLANNING & COMMUNITY DEVELOPMENT DIVISION				
Planning - General Admin	4.1	4.6	5.2	0.6
Conservation Commission	0.5	0.5	0.5	0.0
Planning Board	0.5	0.5	0.5	0.0
Historic Preservation	0.1	0.1	0.1	0.0
PUBLIC SERVICES DIVISION				
Public Services - General Admin	27.7	27.7	28.7	1.0
Sewer Enterprise Fund	5.0	5.0	5.5	0.5
Water Enterprise Fund	5.0	5.0	5.5	0.5
ENGINEERING DIVISION				
Engineering - General Admin	1.1	1.1	1.1	0.0
Sewer Enterprise Fund	3.4	3.4	3.1	-0.3
Water Enterprise Fund	3.4	3.4	3.1	-0.3
Trash Enterprise Fund	0.7	0.7	0.8	0.1
RECREATION & COMMUNITY SERVICES DIVISION				
Council On Aging	7.7	7.7	6.8	-0.9
Library	15.6	15.6	15.6	0.0
Recreation - General Admin	3.3	3.3	3.3	0.0
Golf Course	3.0	3.0	3.0	0.0
Witch House	0.0	0.0	1.0	1.0
Winter Island	1.0	1.0	1.0	0.0
Veterans	1.0	1.0	1.0	0.0
EDUCATION DIVISION				
School				
District	800.0	845.8	830.7	-15.1
Salem Community Charter School		13.6	13.6	0.0
Grand Totals	1,135.2	1,188.1	1,184.7	-3.4