Capital Improvement Program Mayor's Message

Goals of the Capital Improvement Program (CIP)

The City of Salem relies on a capital improvement program and capital budget to ensure that capital needs are being addressed in a responsible manner based on priority and thoughtful planning. A capital improvement program is a critical component of the capital improvement budget and the overall budget strategy. By formalizing a capital plan and capital budget, the City of Salem now has the ability and knowledge to address deferred maintenance issues that have been postponed and ignored in prior years, as well as plan for the future needs of the City.

When considering funding items in the Capital Improvement Program, the City strategically pursues available options from grants at the state and federal levels, and also utilizes monies available from water and sewer retained earnings to avoid the issuance of long term debt for certain projects that can be covered in full by such retained earnings. From a financing perspective, priority is given to projects with grant revenues or other matching funds to offset the costs of borrowing.

Addressing capital needs when appropriate will assist the City in reaching many of its longer-term goals such as reducing fuel consumption, decreasing deferred maintenance costs, reducing heating and electricity expenses, and creating efficiencies by means of technological advances and automation. As important, a sound capital improvement program will continue to ensure that our facilities, equipment and vehicles are safe, energy efficient and operable at all times to deliver top-notch services to the City's residents.

Goals of the Mayor – FY2015 Capital Improvement Program (CIP)

The Mayor's main goals are to improve the overall planning and budget process for addressing capital needs and to ensure accountability as it relates to implementation of capital work projects. Our early efforts focused on overhauling and renovating neglected parks, playgrounds and recreational spaces, as well as a full assessment of roadway, sidewalk and utility infrastructure conditions which enabled us to begin implementation of a comprehensive strategy to address

long overdue maintenance needs in these areas. Priority is given to projects that can use grant funds to help offset overall costs of projects, or in some cases, fund an entire project. Otherwise, projects are ranked based upon priority as well as the ability to reduce long term operational costs.

FY2015 Capital Improvement Program (CIP) – highlights of proposed CIP and FY2015 Capital Budget

For FY2015, the Mayor and Finance Director have created a capital plan that is fiscally responsible and transparent. The plan includes a particular focus on asset preservation, replacement of apparatus and equipment, and continued improvements to the City's infrastructure.

Also, with regards to the City's infrastructure, the City is scheduled to receive an estimated $1,000,000 from the State for road repairs. In addition to the continuation of our sign program, and a new Salt Shed, the City will be funding an additional $650,000 for roadway improvements and sidewalks beyond the Chapter 90 aid.

Other infrastructure related improvements include the City's committed financial continuation of the development of the Salem Wharf project at Blaney Street pier, upgrades to the security systems at Salem Public Schools, replacement and maintenance of seawalls, upkeep and maintenance of the Museum Place Garage, and the continued replacement of sections of the historic wrought iron fence at Salem Common.

The City proposes to fund the replacement of capital equipment, including computer hardware, various public service and parks department equipment, as well as building repairs and maintenance.

The City also proposes to enter into a capital lease of $363,552 the purchase of city vehicles and equipment, including but not limited to one marked and one un-marked police cruiser, one school bus, one backhoe, one dump truck, one heavy duty pick-up truck.

Capital Improvement Program Overview

A capital improvement program (CIP) is a blueprint for planning a community's capital expenditures. A CIP is typically a multi-year plan identifying capital projects and equipment to be funded during the planning period. A CIP is composed of two parts, a *capital program* and a *capital budget.* The capital program is a plan for capital expenditures that extends out past the capital budget. The capital budget is the upcoming year's spending plan for capital items.

Developing a CIP that will ensure sound financial and capital planning requires effective leadership and the involvement and cooperation of all municipal departments. A properly developed CIP will help the City in many ways such as enhancing a community's credit rating, stabilizing debt service payments, and identifying the most economical means of financing capital projects. It will also help increase opportunities to obtain federal and state aid and help avoid duplication by overlapping governmental units.

The City has several ways to finance its CIP, including state and federal grants, appropriations from the City's Capital Outlay account, capital leases, and long-term borrowing. Depending on the cost and the useful life, the Finance Director will make recommendations to the Mayor for funding the City's capital needs.

Capital leases are often three years or less and are built into the operating budget. Capital leases are often used for items such as school buses, office equipment, and other items that may not last five years in useful life. The City's Capital Outlay account typically funds items under $25,000, but can be used to fund items over $25,000 if it is deemed prudent. Funding capital improvements through the Capital Outlay account is beneficial because there is no borrowing or interest costs; you simply pay for the item in the year that it is purchased. Many of the City's capital items over $25,000 require long-term borrowing as authorized by a 2/3rd vote of the City Council upon recommendation of the Mayor. Long term bonding helps spread the costs of expensive capital improvements over their full useful life (per MGL Chapter 44/7 and Chapter 44/8).

The CIP dovetails into the City's five-year financial forecast for planning purposes. The CIP has to be worked into the operational part of the budget so that both the operational and capital needs of the municipal departments are met on a year-to-year basis. Oftentimes the CIP suffers as fixed costs such as health insurance and retirement assessments continue to rise which places further pressure on the operational budget. However, it is incumbent upon the Mayor and Finance Director to ensure that both the operating budget and CIP are reasonable and attainable to ensure fiscal stability within the limitations of Proposition 2 ½.

What is a Capital Asset?

- Capital items are tangible assets or projects with a value of $25,000 or more.
- Must have a depreciable life of five (5) or more years.

Examples of Capital Assets are DPW equipment, Buildings (purchase or major renovations), water and sewer infrastructure. Items that are NOT capital assets include services, painting rooms or buildings, books, field maintenance, routine building maintenance.

FY 2015 CIP Overview

During the FY2015 budget process, the City's Finance Director met with department heads to review the requests for FY2015. The Finance Director subsequently met with the Mayor to discuss funding options and priority levels for the requested items. This resulted in the FY2015 Capital Plan for the General Fund included in this section of the budget. This year's Capital Plan relies on a mix of one-time appropriations from the City's Capital Outlay account, grant dollars, and long term debt financing.

The CIP for the general fund budget totals $8,468,913 of which $4,000,000 will come from State and Federal Grants, $70,000 from R/Reserved, $117,208 from Revolving Funds, $90,000 from estimated Community Preservation Act Funds, $363,552 from capital leases, $190,000 from short-term CIP/Fund 2000 and $2,657,153 will come from a loan order.

FY 2015 Routine Debt

Routine debt is issued for items used during normal operations by City departments. Vehicle replacement, departmental equipment, general repairs, and maintenance are all considered routine. The debt service proposed for FY2015 that is routine in nature would be as follows:

Vehicles

• One Marked Police Cruiser	$	38,325
• One Unmarked Police Cruiser	$	38,325
• Replace Chief's Response Vehicle	$	32,000
• Replace Mayor's Car	$	25,451

• Replace Park Foreman's Vehicle	$	25,451
Buses/Vans		
• Council on Aging Van	$	75,000
• 42 Passenger School Bus	$	94,000
TOTAL: Vehicle Replacement	**$**	**328,552**

Heavy Equipment (Public Services Department, Parks and Recreation, Electrical Dept.)		
• Replace 1988 Loader (Unit #40)	$	198,200
• Replace 2000 International Dump Truck (Unit #12)	$	152,136
• Replace Utility Truck (Electrical Department)	$	35,000
• Parks and Recreation – Equipment Lease	$	113,639
TOTAL: Heavy Equipment Replacement	**$**	**498,975**

Public Safety Equipment		
Fire Department		
• Personal Protective Clothing	$	40,000
Police Department		
• CAD/RMS Replacement System	$	320,378
• GPS Units in Vehicles	$	40,000
TOTAL: Public Safety Equipment	**$**	**400,378**

Departmental Equipment

• I.T. (Hardware/Software/Redundant Servers)	$	100,000
• Electrical (Fire Alarm Terminal Boxes/Painting)	$	25,000
TOTAL: Departmental Equipment	**$**	**125,000**

General Repairs/Infrastructure

• Replacement/Installation of New Salt Shed	$	85,000
• Purchase and Replacement of Non-Conforming Signs	$	46,000
• Roads, Sidewalks & Crosswalks (non-Chapter 90 eligible)	$	650,000
• Engineering – Willows Seawall	$	200,000
• Engineering- Bike Path - Design/Construction	$	25,000
• Planning- Blaney Street (City Match)	$	250,000
• Planning- Winter Island Scenic Pathway and Restoration	$	50,000
• Parks and Recreation (Salem Common Fence)	$	50,000
• Parks and Recreation- Facilities/Grounds Needs Assessment	$	25,000
• Parks and Recreation-Memorial Park Pillars and Fencing	$	27,800
• Parking- Museum Place Garage Upgrades	$	150,000
• Parking- Kiosk Umbrellas	$	50,000
TOTAL: General Repairs/Infrastructure	**$**	**1,608,800**

School Department

• District Wide Security Updates	$	75,000
• Computer Replacement Program	$	210,000
• Replacement of Lunch Room/Cafeteria Equipment	$	35,000
• Transformer Replacement at Salem HS	$	60,000
TOTAL: School Department	**$**	**380,000**

R/Reserve/Revolving Fund Projects (No impact on General Fund)

• Harbormaster – Electronic Replacement 27' Whaler	$	28,870
• Harbormaster – 6.5 Ribcraft Aluminum Vessel w/Trailer	$	88,338
• Parks and Recreation – Golf Course Equipment	$	40,000
• Parks and Recreation – Olde Salem Green Cart Paths	$	30,000
TOTAL: R/Reserve and Revolving Fund Projects	**$**	**187,208**

Community Preservation Act Funds – (Contingent upon approval of Community Preservation Committee (CPC))

• Library – Roof Replacement	$	90,000
TOTAL: Community Preservation Act Projects	**$**	**90,000**

Grant Funding and Other Financial Sources (Ch. 90 included)

• Planning - Blaney Street Pier and Terminal	$	4,000,000
• Engineering – Ch. 90 roadway Improvements	$	850,000
TOTAL: Projects Dependent on Grant Funding	**$**	**4,850,000**
GRAND TOTAL:	**$**	**8,468,913**
NET AMOUNT TO BE BONDED:	**$**	**3,210,705**

FY 2015 Non-Routine Debt

Non-routine debt is debt that is issued for purchasing items for new initiatives and projects of the City. New buildings, additions, and capital projects are all considered non-routine. The City does not have any debt service proposed for FY2015 that is non-routine in nature.

FY 2015 CIP GENERAL FUND EXECUTIVE SUMMARY

The total proposed Capital Plan for the City of Salem for is $8,468,913. However, the total amount proposed for borrowing is $3,210,705. This Capital Plan has multiple funding sources, including grant funds, capital lease, one-time appropriations, Community Preservation Act funds, and bonding. The list proposed is a scaled down list from departmental requests, with priority given to those projects that are supplemented by grant dollars or any other revenue sources that will keep net general fund expenditures to a minimum.

FY15 CIP – Funding Sources

FY15 CIP – funded from one time revenue sources – Capital Outlay Fund

• Information Technology – Redundant Servers/Windows Upgrades	$	50,000
• Information Technology – Emergency Preparedness UPS	$	50,000
• Electrical – Painting Pedestrian and Historical Lights	$	25,000
• Parks and Rec.—Facilities Needs Assessment	$	25,000
• Fire – Personal Protective Clothing	$	40,000
TOTAL ~ CAPITAL OUTLAY FUND:	**$**	**190,000**

FY15 CIP – funded from Grants and other financial sources (Ch. 90 Included)

• Planning – Blaney Street Pier and Terminal	$	4,000,000
• Engineering – Ch. 90 Roadway Improvements	$	850,000
• Public Services – Purchase/Installation of New Salt Shed	$	85,000
• Public Services – Purchase and Replacement of Non-Conforming Signs	$	46,000
TOTAL ~ GRANTS AND OFS:	**$**	**4,981,000**

FY15 CIP – funded from capital lease (built into operating budgets)

• Parks and Rec – Council on Aging Van	$	75,000
• Fire – Chief's Response Vehicle	$	32,000
• Electric – Replace Utility Truck	$	35,000
• Mayor – Replacement of Car	$	25,451

• Police – One Marked/One Unmarked Patrol Car	$	76,650
• Public Services – Replacement of Park Foreman's Car	$	25,451
• School Department –One 42 Passenger School Bus	$	94,000
TOTAL ~ CAPITAL LEASES	**$**	**363,552**

FY15 CIP – funded from anticipated Bond Authorization

• Parks and Rec -- Upgrades to Historic Wrought Iron Fence	$	50,000
• Parks and Rec --- Equipment for Golf Course	$	113,639
• Parks and Rec – Memorial Park Pillars and Fencing	$	27,800
• Parking- Garage Upgrades	$	150,000
• Parking – Kiosk Umbrellas	$	50,000
• Planning – Blaney Street Terminal (City Match)	$	250,000
• Planning – Winter Island Scenic Pathway and Fort Restoration	$	50,000
• Police – CAD/RMS Replacement	$	320,378
• Police – GPS Units for Vehicles	$	40,000
• Public Services – Replace 1988 Loader	$	198,200
• Public Services – Replace 2000 International Dump Truck	$	152,136
• Engineering – Non Ch. 90 Eligible Roadway Improvements	$	650,000
• Engineering – Seawalls	$	200,000
• Engineering – Bike paths	$	25,000
• Schools– Computer Replacement Program	$	210,000
• Schools – District Wide Security Updates	$	75,000
• Schools – Replacement of Lunch Room/Cafeteria Equipment	$	35,000
• Schools – Transformer Replacement at Salem HS	$	60,000
TOTAL ~ BOND AUTHORIZATION	**$**	**2,657,153**

FY15 CIP – funded from Community Preservation Act Funds

These projects are contingent upon approval of the Community Preservation Committee (CPC) and City Council.

• Library – Replacement of Roof	$	90,000
TOTAL ~ COMMUNITY PRESERVATION ACT FUNDS	**$**	**90,000**

FY15 CIP -- Funded from R/Reserve and Revolving Funds

Please note, these projects have no impact on the General Fund

• Harbormaster – Electronic Replacement 27' Whaler	$	28,870
• Harbormaster – 6.5 Ribcraft Aluminum Vessel with Trailer	$	88,338
• Parks and Recreation – Golf Course Equipment	$	40,000
• Parks and Recreation – Olde Salem Green Cart Paths	$	30,000
TOTAL ~ R/RESERVE AND REVOLVING FUNDS	**$**	**187,208**

IMPACT OF CAPITAL IMPROVEMENT PROJECTS ON OPERATING BUDGET

Description	Cost	Funding	Impact on Operating Budget
I.T. – Redundant Servers	50,000	Capital Outlay Fund	More efficient communication between departments.
I.T. – Emergency Preparedness UPS	50,000	Capital Outlay Fund	Decrease in maintenance and more efficient communication between departments.
Electrical -- Painting Pedestrian and Historical Lights	25,000	Capital Outlay Fund	Asset preservation and decrease in long term capital outlay for new poles.
Parks and Recreation-Facilities Needs Assessment	25,000	Capital Outlay Fund	Creating an inventory of existing parks and a comprehensive capital maintenance plan.
Fire --- Personal Protective Clothing	40,000	Capital Outlay Fund	No impact.
Parks and Recreation – Council on Aging Van	75,000	Capital Lease	Annual payments for each vehicle through the capital leasing program. Increasing transportation opportunities for our City's seniors. Reducing maintenance cost of repairing aging vehicles.
Electric-Replacement of Utility Truck	35,000	Capital Lease	Annual payments for the vehicle through the capital leasing program. Reducing maintenance cost of repairing aging vehicles.
Fire – Chief's Response Vehicle	32,000	Capital Lease	Annual payments for the vehicle through the capital leasing program. Reducing maintenance cost of repairing aging vehicles.
Mayor – Replacement of Car	25,451	Capital Lease	Annual payments for the vehicle through the capital leasing program. Reducing maintenance cost of repairing aging vehicles.
Police – One Marked and One Unmarked Patrol Car	75,650	Capital Lease	Annual payments for each vehicle through the capital leasing program. Reducing maintenance cost of repairing aging vehicles.
Public Services – Replacement of Parks Foreman's Car	25,451	Capital Lease	Annual payments for each vehicle through the capital leasing program. Reducing maintenance cost of repairing aging vehicles.

Description	Cost	Funding	Impact on Operating Budget
Schools – One 42 Passenger School Bus	94,000	Capital Lease	Annual payments for each vehicle through the capital leasing program. Reducing maintenance cost of repairing aging vehicles.
Parks and Recreation – Upgrades to the Historic Wrought Iron Fence	50,000	Bonding	Extends life of fence and reduces annual maintenance costs.
Parks and Recreation – Equipment for Golf Course	113,639	Bonding	Extends life of equipment.
Parking- Garage Upgrades	150,000	Bonding	Extends life of garage and reduces annual maintenance and electricity costs.
Parking – Kiosk Umbrellas	50,000	Bonding	Extends life of parking kiosks, reduces annual maintenance.
Planning – Blaney Street Terminal (City Match)	250,000	Bonding	Increases revenue opportunities for the wharf area.
Planning – Winter Island Scenic Pathway and Historic Fort Restoration	50,000	Bonding	No impact.
Police – CAD/RMS Replacement	320,378	Bonding	Decreases maintenance costs for software, improves efficiency for public safety response and data tracking.
Police – GPS Units for Vehicles	40,000	Bonding	Decreases maintenance costs for software, improves efficiency for public safety response and data tracking
Public Services – Replace 1988 Loader	198,200	Bonding	No impact.
Public Services – Replace 2000 International Dump Truck	152,135	Bonding	No impact.
Engineering – Non-Ch. 90 Eligible Roadway Improvement	650,000	Bonding	No impact.
Engineering- Seawalls	200,000	Bonding	Decreases annual maintenance costs.
Engineering- Bike Paths	25,000	Bonding	No impact.
Schools-District Wide Security Updates	75,000	Bonding	No impact.
Schools- Computer Replacement Program	25,000	Bonding	No impact.

Description	Cost	Funding	Impact on Operating Budget
Schools – Replacement of Lunch/Cafeteria Equipment	35,000	Bonding	Decreases annual maintenance costs.
Schools – Transformer Replacement at Salem HS	60,000	Bonding	No impact

City of Salem
Capital Plan - General Fund
Fiscal Year 2015 - 2019

CAPITAL REQUEST	ACTUAL FY 2014	FY15 Priority	FY15 Funding Source	Dept. Request FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Council on Aging								
Community Life Center	4,994,136.00							
Senior Center - Furniture, Fixtures, and Equipment (FFE) (160K From Donation)					500,000.00			
Council on Aging Vans			Lease	75,000.00	25,000.00	25,000.00		
Subtotal: Council on Aging	4,994,136.00			75,000.00	525,000.00	25,000.00		
Data Processing/Information Tech.								
Replace Windows XP machines with Windows 7 on Virtual Desktop - phase 1	60,000.00							
Replace Windows XP machines with Windows 7 on Virtual Desktop - phase 2					60,000.00			
Replace Windows XP machines with Windows 7 on Virtual Desktop - phase 3						60,000.00		
Emergency Preparedness - Redundant servers-City			Fund 2000	50,000.00				
Emergency Preparedness - Redundant servers-Police					50,000.00			
Emergency Preparedness - UPS	50,000.00		Fund 2000	50,000.00				
IT Consulting Services: Consolidation of School/City IT Services	30,000.00							
ViewNForce-View Permit Enforcement Module					60,000.00			
Subtotal: Data Processing	140,000.00			100,000.00	170,000.00	60,000.00		
Electrical								
Streetlight Pole and Luminere Replacement	25,000.00					25,000.00		
Fire Alarm Terminal Boxes					25,000.00			
Generator for DPW	65,000.00							
Painting Pedestrian and Historical Lights (Preventative Maintenance)	25,000.00		Fund 2000	25,000.00		25,000.00		
Utility Truck - F350			Lease	35,000.00				
North & Summer Streets Loop Detector System	25,000.00							
Subtotal: Electrical				60,000.00	25,000.00	50,000.00		
Fire								
Vehicle Replacement - 95 Van used for Towing trailers & boats					38,000.00			
General Building Maintenance					25,000.00	25,000.00		
Self-Contained Breathing Apparatus - cylinders (10 year life)	55,000.00							
Jaws of Life for New Ladder Truck	42,000.00							
Alter Door Height to accommodate Ladder 1 at Station 4	60,000.00							
New Ladder Truck #1						475,000.00		
Chief's Response Vehicle			Lease	32,000.00				
Replace Squad One					28,200.00			
Replace Car Two					32,000.00			
Replace Engine #2					520,000.00			
Replace Engine #5					530,400.00			
Personal Protective Clothing			Fund 2000	40,000.00	40,000.00	40,000.00	40,000.00	
Subtotal: Fire	157,000.00			72,000.00	1,213,600.00	540,000.00		

City of Salem
Capital Plan - General Fund
Fiscal Year 2015 - 2019

CAPITAL REQUEST	ACTUAL FY 2014	FY15 Priority	FY15 Funding Source	Dept. Request FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Harbormaster								
Repowers Pacific Patrol Boat	26,200.00							
Electronic Replacement 27 Whaler			Revolving Fund	28,870.00				
6.5 Ribcraft Aluminum Vessel w/Trailer			Revolving Fund	88,338.00				
Multi Vessell Trailer					25,999.00			
Repower 27' Whaler					46,000.00			
Subtotal: Harbormaster	26,200.00			117,208.00	71,999.00			
Library								
Replacement of Window Frames and Sills			CPA	90,000.00				
Roof & HVAC	135,000.00							
Subtotal: Library				90,000.00				
Mayor								
Ford Escape			Lease	25,451.00				
Subtotal: Mayor				25,451.00				
Parks, Recreation & Community Services								
Playground Upgrades	50,000.00							
Upgrades to Historic Wrought Iron Fence - Salem Common	50,000.00		Bonding	50,000.00	50,000.00	50,000.00	50,000.00	
Upgrades to Historic Wrought Iron Fence - Salem Common	100,000.00							
Equipment - Golf Course	40,000.00		R/RES	40,000.00	40,000.00	40,000.00	40,000.00	
Olde Salem Greens Cart Paths	25,000.00		R/RES	30,000.00	30,000.00	30,000.00	30,000.00	
Equipment Lease - Olde Salem Greens			Bonding	113,639.00				
Renovations & Repairs - Witch House	25,000.00							
Memorial Park - Pillars & Fencing			Bonding	27,800.00	25,350.00			
Security & Acess Control - Winter Island	25,000.00							
Wall around Mack Park					200,000.00			
Ford Escape - Rec Director					25,451.00			
Splash Pad- Mary Jane Lee	200,000.00							
Facilities Needs Assessment			Fund 2000	25,000.00				
Parking Kiosk at Kernwood Marina								
Playground Upgrades								
Mack Park Restrooms						35,500.00		
Upgrade Gazebos						25,000.00	25,000.00	
Forest River Restrooms						35,500.00		
Subtotal: Recreation	515,000.00			286,439.00	370,801.00	216,000.00	145,000.00	

City of Salem
Capital Plan - General Fund
Fiscal Year 2015 - 2019

CAPITAL REQUEST	ACTUAL FY 2014	FY15 Priority	FY15 Funding Source	Dept. Request FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Parking Department								
Parking Garage Upgrades			Bonding	150,000.00				
Museum Place Garage - Waterproof (Design/Construction)	1,120,000.00							
Automation of Downtown Garage					330,000.00			
Automation of Waterfront Garage					170,000.00			
Construct 60 new spots @ Riley Plaza					75,000.00			
Crombie St. Lot - regrade/resurface/restripe						150,000.00		
South Harbor Garage - Waterproof, inspect/repair/replace joints					75,000.00			
Sweeper to maintain garages and lots						75,000.00		
New pickup truck (small Ranger/Colorado type, no plow or liftgate)						25,000.00		
Parking Kiosk Umbrellas			Bonding	50,000.00				
Subtotal: Parking Dept.	1,120,000.00			200,000.00	650,000.00	250,000.00		
Planning								
Blaney Street Pier and Terminal -City Match			Bonding	250,000.00	250,000.00			
Blaney Street Pier and Terminal-Construction	700,000.00		Grant/Bonding	4,000,000.00				
MBTA Garage	500,000.00							
Cleaning of Conant and Choate Statues	41,700.00							
Open Space Beautification (Place Building)	50,000.00							
Winter Island Scenic Pathway and Historic Fort Restoration	500,000.00		Bonding	50,000.00				
Subtotal: Planning	1,791,700.00			4,300,000.00	250,000.00	-	-	-
Police								
Vehicle Replacement 2 Patrol Cars (3 Cars Purchased in FY14)	38,000.00		Lease	76,650.00	78,000.00	78,000.00	80,000.00	80,000.00
Vehicle Replacement 1 Unmarked Car	34,000.00				72,000.00	74,000.00		
Equipment - File Cabinets for Records Retention					30,000.00			
New Roof - Police Station						200,000.00		
Bullet Proof Vest Replacement - Federal Grant	30,800.00							
City Portion	38,000.00							
Evidence Room					151,479.00			
CAD/RMS Replacement			Bonding	320,378.00				
GPS Units for Vehicles			Bonding	40,000.00				
Subtotal: Police	140,800.00			437,028.00	331,479.00	352,000.00	80,000.00	80,000.00
Public Property								
DPW heating controls/automation and EF Controls					68,000.00			
City Hall heating controls/automation and thermostatic radiator valves					35,000.00			
Subtotal: Public Property					103,000.00			

City of Salem
Capital Plan - General Fund
Fiscal Year 2015 - 2019

CAPITAL REQUEST	ACTUAL FY 2014	FY15 Priority	FY15 Funding Source	Dept. Request FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Public Services - Equipment								
Replace 1999 Ford F550 Dump Truck (Unit #86)	69,000.00							
Replace 1987 John Deere Backhoe (Unit # 37) 12 year life	128,000.00							
Replace 1988 Loader (Unit #40)			Bonding	198,200.00				
Replace 1999 Ford F350 pickup (Unit # 121)	38,000.00							
Replace 2000 International Dump Truck (Unit 15) - 12 year life						160,000.00		
Replace 2000 International Dump Truck (Unit 14) - 12 year life					155,000.00			
Replace 2000 International Dump Truck (Unit 12) - 12 year life			Bonding	152,136.00				
Street Sweeper					200,000.00			
Backhoe with Breaker					125,000.00			
Graffiti Removal Machine						45,000.00		
General Building Repairs (DPS Garage)					75,000.00			
General Building Repairs (bathroom renovations)					35,000.00			
2013 F-550 1 ton dump diesel (sander/plow)					75,000.00			
4x4 economical Ford F350 pickup					35,000.00			
2014 F-550 1 ton dump diesel (sander/plow)					80,000.00			
Aeriel Lift Truck (Shade Tree Division)						150,000.00		
2015 F-550 1 ton dump diesel (sander/plow)						85,000.00	85,000.00	85,000.00
Ford 550 - Plow & Spreader					68,735.00	68,735.00	68,735.00	68,735.00
Replace Ford F550 Utility Truck (Unit #36)					58,000.00			
Compressor					21,995.00			
Ford Escape for the Park Foreman			Lease	25,451.00				
Replace Ford F350 (Unit #38)					39,073.00			
Purchase and Installation of Salt Shed			Chapter 90	85,000.00				
Replace Ford 550 Six Wheel Dump (Unit #71)					68,965.00			
Utility Vehicle to Replace Existing Vactor (#8)						360,000.00		
Water Utility Vehicle						60,000.00		
Purchase and Replacement of Non-Conforming Signs			Chapter 90	46,000.00	34,000.00	44,000.00		
Subtotal: Public Services	235,000.00			506,787.00	1,070,768.00	972,735.00	153,735.00	153,735.00
Engineering - Roads, Sidewalks, & Crosswalks								
Roads, Sidewalks & Crosswalks (Chapter 90)	1,000,000.00		Chapter 90	850,000.00	500,000.00	500,000.00	500,000.00	500,000.00
Roads, Sidewalks & Crosswalks (non Chapter 90 eligible)	150,000.00		Bonding	650,000.00	150,000.00	150,000.00	150,000.00	150,000.00
Engineering - Canal Street (interim improvements)	210,000.00							
Bike Path - Design/Construction	25,000.00		Bonding	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00
Subtotal: Eng. - Roads, Sidewalks, Crosswalks	1,385,000.00			1,525,000.00	675,000.00	675,000.00	675,000.00	675,000.00
Engineering - Seawalls								
Seawall - Willows			Bonding	200,000.00	100,000.00			
Seawall - Columbus Ave.					100,000.00			
Subtotal: Engineering - Seawalls				200,000.00	200,000.00			

City of Salem
Capital Plan - General Fund
Fiscal Year 2015 - 2019

CAPITAL REQUEST	ACTUAL FY 2014	FY15 Priority	FY15 Funding Source	Dept. Request FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Veteran Services								
Vehicle Replacement-Ford Explorer					27,783.00			
Subtotal: Veteran Services					27,783.00	-	-	-
Schools								
Collins - MSBA Project (waterproofing/masonry, etc - design/build)								
Saltonstall - MSBA Project (waterproofing/masonry, etc. - design/build)								
Carpet Replacement at Bentley					240,000.00			
Interactive Whiteboards - Districtwide					112,500.00	112,500.00		
Computer Replacement - Districtwide			Bonding	210,000.00	210,000.00			
Building Wireless Infrastructure - Districtwide					240,000.00	240,000.00		
District Wide Security Updates	125,000.00		Bonding	75,000.00				
Bates - Elevator repair					120,000.00			
Early Childhood Center and Elementary Building Transition	25,000.00							
Relocation of Building Services Office					35,000.00			
77 Passenger school bus	100,000.00				92,000.00			
42 Passenger School Bus			Lease	94,000.00				
Roof HVAC unit - Salerno Vocational School					85,000.00			
Roof Replacement - Salerno Tech					25,000.00			
Roof Replacement - Bentley					110,500.00			
Masonry Repairs - Bates						300,000.00		
Replacement of HVAC Equipment-High School and Bentley					100,000.00			
Replacement of Lunch Room/Cafeteria Equipment			Bonding	35,000.00				
Transformer Replacement at Salem HS			Bonding	60,000.00				
Subtotal: Schools	250,000.00			474,000.00	1,370,000.00	652,500.00		-
Total - CIP				8,468,913.00	7,054,430.00	3,793,235.00	1,053,735.00	908,735.00
2015 CIP								
			Bonding	2,657,153.00				
			Fund 2000	190,000.00				
			CH90	981,000.00				
			Capital Leases	363,552.00				
			R/Reserve	70,000.00				
			Revolving Funds	117,208.00				
			CPA	90,000.00				
			Grants	4,000,000.00				
			TOTAL	$ 8,468,913.00				
Net - General Fund Expenses				$ 3,210,705.00				

FY15 CIP Enterprise Funds Executive Summary

- The total proposed Capital Plan for the City of Salem's Enterprise Funds for FY14 is $7,225,000.
- The Enterprise Fund's Capital Plan has multiple funding sources, including retained earnings, SESD funds, and bonding.
- The list proposed has been reviewed and approved by the City's Engineer.

FY14 Enterprise Fund CIP – Funding Sources

FY14 Enterprise Fund CIP – funded from one time revenue sources – Retained Earnings

• Sewer: Sewer Line Extension/Rehabilitation/Upgrades	$	50,000
TOTAL -- WATER/SEWER RETAINED EARNINGS:	**$**	**50,000**

FY14 Enterprise Fund CIP – funded from other financial sources (SESD)

• Sewer: I/I Removal Program	$	25,000
TOTAL -- GRANTS and OTHER FINANCIAL SOURCES:	**$**	**25,000**

• Water: Internal/External Rehabilitation-Folly Hills Storage Tank	$	2,5000,00
• Water: City Wide Water System Flushing, Valve Maintenance	$	400,000
• Water: City Wide Water Meter Replacement Program	$	200,000
• Sewer: I/I Study, Design and Construction	$	750,000
• Sewer: Canal Street-Phase II	$	3,300,000
TOTAL – BONDING:	**$**	**7,150,000**

City of Salem
Capital Plan - Water and Sewer Enterprise Fund

Fiscal Year 2015 - 2019

CAPITAL REQUEST	ACTUAL FY 2014	FY15 Funding Source	Dept Request FY2015	FY2016	FY2017	FY 2018	FY 2019
Water Enterprise-Engineering							
Pump Stations and Tanks							
Internal/External Rehabilitation-Gallows Hills Storage Tanks				1,300,000.00			
Internal/External Rehabilitation: Folly Hills Storage Tanks	$ 1,000,000.00	Bonding	2,500,000.00				
Energy efficiency evaluation - SBWSB Pump Station				150,000.00			
Transmission System							
Salem PS and Booster Station				150,000.00	850,000.00		
Sohier Road				1,903,000.00			
Transmission Main Rehab and Easements (10 Year Program)						7,800,000.00	7,800,000.00
Distribution System							
Main System Upgrades: Valve/Hydrant Replacement Program	$ 100,000.00			100,000.00	100,000.00	100,000.00	100,000.00
Water Distribution System Annual Improvements				1,145,000.00	1,145,000.00	1,145,000.00	1,145,000.00
City Wide Water System Flushing, Valve Maintenance, Leak Detection and GIS Administration		Bonding	400,000.00	400,000.00	400,000.00	400,000.00	400,000.00
City Wide Water Meter Replacement Program		Bonding	200,000.00				
Subtotal: Water Enterprise	**$ 1,100,000.00**		**3,100,000.00**	**5,148,000.00**	**2,495,000.00**	**9,445,000.00**	**9,445,000.00**

City of Salem
Capital Plan - Water and Sewer Enterprise Fund

Fiscal Year 2015 - 2019

CAPITAL REQUEST	ACTUAL FY 2014	FY15 Funding Source	Dept Request FY2015	FY2016	FY2017	FY 2018	FY 2019
Sewer Enterprise-Engineering							
Illicit Connection Removal (Study, Design, Construction)	$ 400,000.00	Bonding	750,000.00	500,000.00	500,000.00	500,000.00	500,000.00
Sewer Line Extension/Upgrade/Rehabilitation	$ 50,000.00	R/E	50,000.00	50,000.00	50,000.00	100,000.00	100,000.00
I/I Removal Program	$ 25,000.00	SESD	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00
Canal Street Upgrades							
Canal Street Utility Program-Phase I							
Drainage	$ 4,200,000.00						
Sewer	$ 400,000.00						
Water	$ 400,000.00						
So River Conduit	$ 900,000.00						
Canal Street- SSU Flood Mitigation Improvements-Phase II							
Pump Station ($1.5 Million FEMA Grant Reduction)		Bonding	2,750,000.00				
Storage Tank and Treatment				12,625,000.00			
Collection System		Bonding	175,000.00	1,575,000.00			
Force Main		Bonding	375,000.00	3,375,000.00			
Subtotal: Sewer Enterprise	**$ 6,375,000.00**		**4,125,000.00**	**18,150,000.00**	**575,000.00**	**625,000.00**	**625,000.00**
Total: Enterprise Fund	**$ 7,475,000.00**		**7,225,000.00**	**23,298,000.00**	**3,070,000.00**	**10,070,000.00**	**10,070,000.00**

Bonding:	**7,150,000.00**
R/E	**50,000.00**
SESD	**25,000.00**
Total	**7,225,000.00**

IMPACT OF CAPITAL IMPROVEMENT PROJECTS ON OPERATING BUDGET

Description	Cost	Funding	Impact on Operating Budget
Sewer – Illicit Connection Removal Study, Design and Construction	750,000	Retained Earnings – Enterprise Fund	The study, design, and construction to reduce structural defects and address aging infrastructure.
Sewer – Illicit Connection removal	25,000	Retained Earnings – Enterprise Fund	Reductions in penalties/fines from DEP and EPA on mandates for correction illicit connections.
Sewer – Sewer Line Extension/Upgrades/Rehabilitation	50,000	Retained Earnings – Enterprise Fund	Reductions in emergency repairs.
Sewer – Inflow/Infiltration Removal Program	25,000	South Essex Sewerage District - Retained Earnings	No impact.
Sewer- Canal Street Phase II	3,300,000	Bonding	Flood mitigation improvements.
Water-Internal/External Rehabilitation for Folly Hills Storage Tank.	2,500,000	Bonding	Repairing structural defects, as well as sealing the roof to prevent future water leaks.
Water-City Wide Meter Replacement Program	200,000	Bonding	Completing City-wide meter replacement initiative.
Water- City Wide Water System Flushing, Valve Maintenance, Leak Detection and GIS Administration	400,000	Bonding	Repairing structural defects and addressing needed repairs to water infrastructure.

Water and Sewer Enterprise Fund

Capital Projects Update – Approved Projects
May 16, 2014

Water Enterprise Fund

Highland Avenue Water Tank & Main System Upgrades (2003)

- Authorized: $ 12,000,000
- Issued: $ 7,671,792 (bonded)
- Unissued: $ 4,328,208

  - **As of May 9, 2014, we have $1.4 million encumbered, $2.9 million available, and $8.7 million expended**

The 2003 $12 million loan authorization included the completed Lafayette and Loring Ave. water main improvement project, the Highland Ave water tank design and construction, and various system-wide upgrades to ensure proper long term operation of the city's water distribution system.

The Highland Ave water tank project is on hold pending the advancement of potential commercial development at the site which may impact the location of the tank. All other aspects of this loan authorization are complete.

The existing $2 million BAN has been converted to bonds in FY2011. The balance of the authorization ($4,328,208) will continue to remain unauthorized and unissued until the Highland Avenue Water Tank work begins.

Transmission Main – Rantoul St. (2009)

- Authorized: $ 2,500,000
- Issued: $ 2,500,000 (bonded)
- Unissued: $ 0

  - **As of May 9, 2014, we have $204,000 encumbered, $47,000 available, and $2.25 million expended**

The 2009 $2.5 million loan authorization was for the upgrade of the City's 20-inch transmission main in Rantoul Street, from Beverly Hospital to the Salem Beverly Bridge. The cleaning and lining of that segment of water main was completed in 2010 and a portion of the remaining funds were used to prepare construction documents for the remaining segment of transmission main, from the Beverly Hospital to the Water Treatment Plant on Arlington Avenue in Beverly.

The remaining funds will be used to continue the water meter replacement project.

The existing $2,500,000 BAN has been converted to bonds in FY2011.

Upgrade of Water Meters (2009)

- Authorized: $ 3,000,000
- Issued: $ 3,000,000 (bonded)
- Unissued: $ 0

- **As of May 9, 2014, we have $35,000 encumbered, $125 available, and $2,996,375 expended**

The 2007 $3.0 million loan authorization is for the replacement of aging and inaccurate water meters and replacement of the meter reading capability in the city. A 100% replacement program is expected.

The installation of new automatic meter reading system and the new meters throughout the City is underway , as of the end of FY 2013, with the entire loan authorization expended, approximately 80% of the meters will have been replaced. The available funds from the Transmission Main loan authorization will be used to continue the meter project. All BAN's have been converted to bonds in FY2011. It is estimated that an additional $250,000 may be needed to compete this project.

Internal and External Rehabilitation – Gallows and Folly Hills Storage Tanks (2011)

- Authorized $ 1,000,000
- Issued $ 1,000,000
- Unissued $ 0

- **As of May 9, 2014, we have $18,500 encumbered, $6,115 available, and $975,385 expended**

Both Storage tanks were inspected in 2010, the results found the protective paining system at the Gallows Hill Tank was failing and needs to be replaced, and the Folly Hill Tank required further structural inspection.

The Folly Hill Tank was drained and inspected in the fall of 2011, a report summarizing the findings of the inspection has been prepared and the necessary repairs are expected to begin in early FY 2015is expected by the end of FY 2013.

The current loan authorization is be expended to complete the investigations of both tanks. Necessary improvements will require additional funding.

Sewer Enterprise Fund

South River Basin Upgrade (2009)

- Authorized: $ 4,350,000
- Issued: $ 1,500,000
- Unissued: $ 2,850,000

    - **As of May 9, 2014, we have $429,000 encumbered, $23,000 available, and $3,898,000 expended**

The 2007 $4.35 million loan authorization included investigations and exhaustive elevation surveys, conduit cleanings, modeling and analysis to identify specific mitigation measures that should be implemented to achieve the projects objectives. Immediately following, the implementation of the selected measures, including permitting, design and construction would be conducted.

Conceptual improvement alternatives have been developed and Flood Mitigation Grant Funding has been requested to make improvements to the Canal/Salem Statue University Area and the Rosie's Pond/Jefferson Avenue Area. The City has received a $3 million grant from Flood Mitigation Grant to offset the costs of this project. The first of 2 phases of drainage improvements on Canal Street, which include new drainage piping and other utility improvements in Canal Street that are needed prior to the City stating the Canal Street Corridor Roadway Improvement construction was completed in the fall of 2013,. Phase II drainage improvements are currently being designed and will be constructed after the roadway improvements are complete.

The $1,451,000 BAN has been converted to $1,500,000 in bonds in FY2011. The remaining $2,850,000 will remain authorized and unissued.

The remaining loan authorization will fund the advancement of the Phase II Utility Improvements to construction. Further Phase II construction and construction oversight funding will be needed, along with design, permitting and construction

City of Salem, Massachusetts

Projected FY15 Long-Term Debt Service Payment List

Aggregate Net Debt Service

Date	Issue : Purpose	Principal	Interest	Total D/S
07/01/2014	January 1 2005 Non-Called : School (Witchcraft Elementary) (I)	-	2,375.00	2,375.00
	January 1 2005 Non-Called : Carlton School (O)	-	750.00	750.00
	January 1 2005 Non-Called : Parking Garage Repairs (I)	-	1,875.00	1,875.00
Subtotal		-	$5,000.00	$5,000.00
07/15/2014	December 14 2006 DW-05-12 (O)	110,303.00	16,213.03	126,516.03
Subtotal		$110,303.00	$16,213.03	$126,516.03
09/01/2014	January 27 2010 NSR (SQ) : Cur Ref July 1 1996 Middle East Elementary (O)	20,000.00	300.00	20,300.00
	January 27 2010 NSR (SQ) : Cur Ref July 1 1996 School Ren (I)	85,000.00	2,550.00	87,550.00
	January 27 2010 NSR (SQ) : Adv Ref Sept 15 2000 Bates School (O)	705,000.00	75,702.50	780,702.50
	January 27 2010 NSR (SQ) : Adv Ref Sept 15 2000 Golf Course Clubhouse (I)	30,000.00	1,185.00	31,185.00
	October 15 2010 (SQ) : Water Systems Improvement (O)	100,000.00	32,200.00	132,200.00
	October 15 2010 (SQ) : Water Meters (O)	200,000.00	46,000.00	246,000.00
	October 15 2010 (SQ) : Water Main (O)	140,000.00	40,200.00	180,200.00
	October 15 2010 (SQ) : Sewer Pump Station (I)	10,000.00	2,900.00	12,900.00
	October 15 2010 (SQ) : South River Basin Upgrade (I)	85,000.00	23,950.00	108,950.00
	October 15 2010 (SQ) : Golf Course Dept. Equip (I)	10,000.00	1,300.00	11,300.00
	October 15 2010 (SQ) : Dump Truck (I)	10,000.00	625.00	10,625.00
	October 15 2010 (SQ) : DPW Equipment (I)	10,000.00	625.00	10,625.00
	October 15 2010 (SQ) : Engineering Infrastructure (I)	15,000.00	1,950.00	16,950.00
	October 15 2010 (SQ) : Engineering Seawalls (I)	5,000.00	650.00	5,650.00
	October 15 2010 (SQ) : Police Vehicles (I)	15,000.00	375.00	15,375.00
	October 15 2010 (SQ) : Police Equipment (I)	10,000.00	300.00	10,300.00
	October 15 2010 (SQ) : Police Radar (I)	5,000.00	150.00	5,150.00
	October 15 2010 (SQ) : Police Range Repair (I)	5,000.00	150.00	5,150.00
	October 15 2010 (SQ) : Fire Pumper Truck (I)	25,000.00	5,750.00	30,750.00
	October 15 2010 (SQ) : Turnout Gear Equipment (I)	5,000.00	150.00	5,150.00
	October 15 2010 (SQ) : Parking Equipment (I)	5,000.00	650.00	5,650.00
	October 15 2010 (SQ) : Witch House (I)	5,000.00	650.00	5,650.00
	October 15 2010 (SQ) : Departmental Equipment (I)	5,000.00	650.00	5,650.00
	October 15 2010 (SQ) : Forest River Pool (I)	15,000.00	1,950.00	16,950.00
	October 15 2010 (SQ) : Forest River Park (I)	5,000.00	650.00	5,650.00
	October 15 2010 (SQ) : Willow Public Bathroom (I)	10,000.00	1,300.00	11,300.00
	October 15 2010 (SQ) : Fire Alarm Receiver (I)	5,000.00	250.00	5,250.00
	October 15 2010 (SQ) : Traffic Signal (I)	20,000.00	600.00	20,600.00
	October 15 2010 (SQ) : School Fire Alarm Systems (I)	15,000.00	1,550.00	16,550.00
	October 15 2010 (SQ) : School Buses (I)	15,000.00	1,650.00	16,650.00
	October 15 2010 (SQ) : School Infrastructure (I)	5,000.00	1,150.00	6,150.00
	October 15 2010 (SQ) : School Equipment (I)	5,000.00	150.00	5,150.00
	October 15 2010 (SQ) : Parking Multi Space Meters (I)	10,000.00	300.00	10,300.00
	October 15 2010 (SQ) : Parking Posts & Signage (I)	10,000.00	300.00	10,300.00
	October 15 2010 (SQ) : Police Vehicles 2 (I)	25,000.00	750.00	25,750.00

City of Salem, Massachusetts

Projected FY15 Long-Term Debt Service Payment List

Aggregate Net Debt Service

Date	Issue : Purpose	Principal	Interest	Total D/S
	October 15 2010 (SQ) : Fire SCBA Compressor (I)	5,000.00	650.00	5,650.00
	October 15 2010 (SQ) : Public Service Equip. & Vehicles (I)	30,000.00	3,800.00	33,800.00
	October 15 2010 (SQ) : Public Service Garage Doors (I)	5,000.00	250.00	5,250.00
	October 15 2010 (SQ) : Roads, Sidewalks & Crosswalks (I)	110,000.00	22,300.00	132,300.00
	October 15 2010 (SQ) : Playground Equipment (I)	5,000.00	650.00	5,650.00
	October 15 2010 (SQ) : Furlong Park Remodeling (I)	20,000.00	4,200.00	24,200.00
	October 15 2010 (SQ) : Willows Gazebo Roof (I)	5,000.00	150.00	5,150.00
	October 15 2010 (SQ) : Roads, Sidewalks & Crosswalks 2 (I)	10,000.00	2,300.00	12,300.00
	October 15 2010 (SQ) : Canal St. Improvement Design (I)	35,000.00	7,150.00	42,150.00
	October 15 2010 (SQ) : Storage Tanks (O)	100,000.00	13,000.00	113,000.00
	October 15 2010 (SQ) : School Ballfield Remodeling (I)	5,000.00	1,050.00	6,050.00
	October 15 2010 (SQ) : School Field House Remodeling (I)	5,000.00	450.00	5,450.00
	September 27 2012 : Water System Improvements (OSQ)	55,000.00	21,125.00	76,125.00
	September 27 2012 : Sewer Pump Station Upgrade (ISQ)	10,000.00	3,118.75	13,118.75
	September 27 2012 : South River Basin Upgrade (ISQ)	20,000.00	7,456.25	27,456.25
	September 27 2012 : South River Basin Upgrade 2 (ISQ)	15,000.00	5,262.50	20,262.50
	September 27 2012 : Forrester Street Drain Relief (ISQ)	15,000.00	5,612.50	20,612.50
	September 27 2012 : Domain Controller & Exchange Services (ISQ)	10,000.00	600.00	10,600.00
	September 27 2012 : Domain Contoller & Exchange Services 2 (ISQ)	15,000.00	900.00	15,900.00
	September 27 2012 : City Hall Roof (ISQ)	15,000.00	10,562.50	25,562.50
	September 27 2012 : City Hall Skylights (ISQ)	5,000.00	2,350.00	7,350.00
	September 27 2012 : City Hall Windows (ISQ)	5,000.00	5,506.25	10,506.25
	September 27 2012 : City Hall Masonry Repairs (ISQ)	20,000.00	13,671.88	33,671.88
	September 27 2012 : Parking Study (ISQ)	40,000.00	2,400.00	42,400.00
	September 27 2012 : Police Vehicle Replacement (ISQ)	25,000.00	1,500.00	26,500.00
	September 27 2012 : Public Service Equipment (ISQ)	10,000.00	825.00	10,825.00
	September 27 2012 : Roads, Sidewalks & Crosswalks (ISQ)	45,000.00	11,984.38	56,984.38
	September 27 2012 : Collins Cove Seawall (ISQ)	5,000.00	1,859.38	6,859.38
	September 27 2012 : Parks & Rec. Equipment (ISQ)	5,000.00	450.00	5,450.00
	September 27 2012 : School- Wheelchair Bus (ISQ)	15,000.00	1,050.00	16,050.00
	September 27 2012 : School- Conventional Bus (ISQ)	15,000.00	1,125.00	16,125.00
	September 27 2012 : Remediation (ISQ)	30,000.00	22,293.75	52,293.75
	September 27 2012 : Collins School (OSQ)	30,000.00	20,931.25	50,931.25
	September 27 2012 : Collins School 2 (OSQ)	110,000.00	85,490.63	195,490.63
	September 27 2012 : Saltonstall School (OSQ)	25,000.00	18,971.88	43,971.88
	September 27 2012 : Saltonstall School 2 (OSQ)	50,000.00	39,625.00	89,625.00
Subtotal		$2,570,000.00	$590,184.40	$3,160,184.40

City of Salem, Massachusetts

Projected FY15 Long-Term Debt Service Payment List

Aggregate Net Debt Service

Date	Issue : Purpose	Principal	Interest	Total D/S
10/15/2014	October 15 2007 : High School (I)	345,000.00	96,721.88	441,721.88
	October 15 2007 : Police Equipment (I)	80,000.00	3,100.00	83,100.00
	October 15 2007 : Ferry Boat Project (I)	60,000.00	8,225.00	68,225.00
	October 15 2007 : Water System Improvements (O)	165,000.00	45,293.75	210,293.75
Subtotal		$650,000.00	$153,340.63	$803,340.63
12/01/2014	December 19 2013 : Saltonstall School (OSQ)	55,000.00	30,268.75	85,268.75
	December 19 2013 : Collins Middle School (OSQ)	115,000.00	62,531.25	177,531.25
	December 19 2013 : School Building Repairs (ISQ)	10,000.00	2,753.13	12,753.13
	December 19 2013 : School Equipment (ISQ)	10,000.00	1,900.00	11,900.00
	December 19 2013 : Police Equipment (ISQ)	20,000.00	3,800.00	23,800.00
	December 19 2013 : Fire Equipment (ISQ)	60,000.00	20,168.75	80,168.75
	December 19 2013 : Electric Dept Equipment (ISQ)	10,000.00	1,900.00	11,900.00
	December 19 2013 : Parks & Rec (ISQ)	5,000.00	2,625.00	7,625.00
	December 19 2013 : Canal Street Utility Program (ISQ)	135,000.00	73,993.75	208,993.75
	December 19 2013 : Cur Ref of Jan 15 2003 Bowditch School (OSQ)	80,000.00	14,417.50	94,417.50
	December 19 2013 : Cur Ref of Jan 15 2003 Carlton School (OSQ)	60,000.00	10,291.00	70,291.00
	December 19 2013 : Adv Ref of Jan 1 2005 Witchcraft School (ISQ)	-	17,218.13	17,218.13
	December 19 2013 : Adv Ref of Jan 1 2005 Carlton School (OSQ)	-	5,054.00	5,054.00
	December 19 2013 : Adv Ref of Jan 1 2005 Parking Garage Repairs (ISQ)	-	6,160.00	6,160.00
Subtotal		$560,000.00	$253,081.26	$813,081.26
01/01/2015	January 1 2005 Non-Called : School (Witchcraft Elementary) (I)	95,000.00	2,375.00	97,375.00
	January 1 2005 Non-Called : Carlton School (O)	30,000.00	750.00	30,750.00
	January 1 2005 Non-Called : Parking Garage Repairs (I)	75,000.00	1,875.00	76,875.00
Subtotal		$200,000.00	$5,000.00	$205,000.00
01/15/2015	December 14 2006 DW-05-12 (O)	-	15,110.00	15,110.00
Subtotal		-	$15,110.00	$15,110.00
03/01/2015	January 27 2010 NSR (SQ) : Cur Ref July 1 1996 School Ren (I)	-	1,275.00	1,275.00
	January 27 2010 NSR (SQ) : Adv Ref Sept 15 2000 Bates School (O)	-	65,127.50	65,127.50
	January 27 2010 NSR (SQ) : Adv Ref Sept 15 2000 Golf Course Clubhouse (I)	-	735.00	735.00
	October 15 2010 (SQ) : Water Systems Improvement (O)	-	30,700.00	30,700.00
	October 15 2010 (SQ) : Water Meters (O)	-	43,000.00	43,000.00
	October 15 2010 (SQ) : Water Main (O)	-	38,100.00	38,100.00
	October 15 2010 (SQ) : Sewer Pump Station (I)	-	2,750.00	2,750.00
	October 15 2010 (SQ) : South River Basin Upgrade (I)	-	22,675.00	22,675.00
	October 15 2010 (SQ) : Golf Course Dept. Equip (I)	-	1,150.00	1,150.00
	October 15 2010 (SQ) : Dump Truck (I)	-	475.00	475.00
	October 15 2010 (SQ) : DPW Equipment (I)	-	475.00	475.00
	October 15 2010 (SQ) : Engineering Infrastructure (I)	-	1,725.00	1,725.00
	October 15 2010 (SQ) : Engineering Seawalls (I)	-	575.00	575.00

City of Salem, Massachusetts

Projected FY15 Long-Term Debt Service Payment List

Aggregate Net Debt Service

Date	Issue : Purpose	Principal	Interest	Total D/S
	October 15 2010 (SQ) : Police Vehicles (I)	-	150.00	150.00
	October 15 2010 (SQ) : Police Equipment (I)	-	150.00	150.00
	October 15 2010 (SQ) : Police Radar (I)	-	75.00	75.00
	October 15 2010 (SQ) : Police Range Repair (I)	-	75.00	75.00
	October 15 2010 (SQ) : Fire Pumper Truck (I)	-	5,375.00	5,375.00
	October 15 2010 (SQ) : Turnout Gear Equipment (I)	-	75.00	75.00
	October 15 2010 (SQ) : Parking Equipment (I)	-	575.00	575.00
	October 15 2010 (SQ) : Witch House (I)	-	575.00	575.00
	October 15 2010 (SQ) : Departmental Equipment (I)	-	575.00	575.00
	October 15 2010 (SQ) : Forest River Pool (I)	-	1,725.00	1,725.00
	October 15 2010 (SQ) : Forest River Park (I)	-	575.00	575.00
	October 15 2010 (SQ) : Willow Public Bathroom (I)	-	1,150.00	1,150.00
	October 15 2010 (SQ) : Fire Alarm Receiver (I)	-	175.00	175.00
	October 15 2010 (SQ) : Traffic Signal (I)	-	300.00	300.00
	October 15 2010 (SQ) : School Fire Alarm Systems (I)	-	1,325.00	1,325.00
	October 15 2010 (SQ) : School Buses (I)	-	1,425.00	1,425.00
	October 15 2010 (SQ) : School Infrastructure (I)	-	1,075.00	1,075.00
	October 15 2010 (SQ) : School Equipment (I)	-	75.00	75.00
	October 15 2010 (SQ) : Parking Multi Space Meters (I)	-	150.00	150.00
	October 15 2010 (SQ) : Parking Posts & Signage (I)	-	150.00	150.00
	October 15 2010 (SQ) : Police Vehicles 2 (I)	-	375.00	375.00
	October 15 2010 (SQ) : Fire SCBA Compressor (I)	-	575.00	575.00
	October 15 2010 (SQ) : Public Service Equip. & Vehicles (I)	-	3,350.00	3,350.00
	October 15 2010 (SQ) : Public Service Garage Doors (I)	-	175.00	175.00

City of Salem, Massachusetts

Projected FY15 Long-Term Debt Service Payment List

Aggregate Net Debt Service

Date	Issue : Purpose	Principal	Interest	Total D/S
03/01/2015 (con't.)	October 15 2010 (SQ) : Roads, Sidewalks & Crosswalks (I)	-	20,650.00	20,650.00
	October 15 2010 (SQ) : Playground Equipment (I)	-	575.00	575.00
	October 15 2010 (SQ) : Furlong Park Remodeling (I)	-	3,900.00	3,900.00
	October 15 2010 (SQ) : Willows Gazebo Roof (I)	-	75.00	75.00
	October 15 2010 (SQ) : Roads, Sidewalks & Crosswalks 2 (I)	-	2,150.00	2,150.00
	October 15 2010 (SQ) : Canal St. Improvement Design (I)	-	6,625.00	6,625.00
	October 15 2010 (SQ) : Storage Tanks (O)	-	11,500.00	11,500.00
	October 15 2010 (SQ) : School Ballfield Remodeling (I)	-	975.00	975.00
	October 15 2010 (SQ) : School Field House Remodeling (I)	-	375.00	375.00
	September 27 2012 : Water System Improvements (OSQ)	-	20,300.00	20,300.00
	September 27 2012 : Sewer Pump Station Upgrade (ISQ)	-	2,968.75	2,968.75
	September 27 2012 : South River Basin Upgrade (ISQ)	-	7,156.25	7,156.25
	September 27 2012 : South River Basin Upgrade 2 (ISQ)	-	5,037.50	5,037.50
	September 27 2012 : Forrester Street Drain Relief (ISQ)	-	5,387.50	5,387.50
	September 27 2012 : Domain Controller & Exchange Services (ISQ)	-	450.00	450.00
	September 27 2012 : Domain Contoller & Exchange Services 2 (ISQ)	-	675.00	675.00
	September 27 2012 : City Hall Roof (ISQ)	-	10,337.50	10,337.50
	September 27 2012 : City Hall Skylights (ISQ)	-	2,275.00	2,275.00
	September 27 2012 : City Hall Windows (ISQ)	-	5,431.25	5,431.25
	September 27 2012 : City Hall Masonry Repairs (ISQ)	-	13,371.88	13,371.88
	September 27 2012 : Parking Study (ISQ)	-	1,800.00	1,800.00
	September 27 2012 : Police Vehicle Replacement (ISQ)	-	1,125.00	1,125.00
	September 27 2012 : Public Service Equipment (ISQ)	-	675.00	675.00
	September 27 2012 : Roads, Sidewalks & Crosswalks (ISQ)	-	11,309.38	11,309.38
	September 27 2012 : Collins Cove Seawall (ISQ)	-	1,784.38	1,784.38
	September 27 2012 : Parks & Rec. Equipment (ISQ)	-	375.00	375.00
	September 27 2012 : School- Wheelchair Bus (ISQ)	-	825.00	825.00
	September 27 2012 : School- Conventional Bus (ISQ)	-	900.00	900.00
	September 27 2012 : Remediation (ISQ)	-	21,843.75	21,843.75
	September 27 2012 : Collins School (OSQ)	-	20,481.25	20,481.25
	September 27 2012 : Collins School 2 (OSQ)	-	83,840.63	83,840.63
	September 27 2012 : Saltonstall School (OSQ)	-	18,596.88	18,596.88
	September 27 2012 : Saltonstall School 2 (OSQ)	-	38,875.00	38,875.00
Subtotal		-	$551,634.40	$551,634.40
04/15/2015	October 15 2007 : High School (I)	-	89,821.88	89,821.88
	October 15 2007 : Police Equipment (I)	-	1,500.00	1,500.00
	October 15 2007 : Ferry Boat Project (I)	-	7,025.00	7,025.00
	October 15 2007 : Water System Improvements (O)	-	41,993.75	41,993.75
Subtotal		-	$140,340.63	$140,340.63

City of Salem, Massachusetts

Projected FY15 Long-Term Debt Service Payment List

Aggregate Net Debt Service

Date	Issue : Purpose	Principal	Interest	Total D/S
06/01/2015	December 19 2013 : Saltonstall School (OSQ)	-	29,168.75	29,168.75
	December 19 2013 : Collins Middle School (OSQ)	-	60,231.25	60,231.25
	December 19 2013 : School Building Repairs (ISQ)	-	2,553.13	2,553.13
	December 19 2013 : School Equipment (ISQ)	-	1,700.00	1,700.00
	December 19 2013 : Police Equipment (ISQ)	-	3,400.00	3,400.00
	December 19 2013 : Fire Equipment (ISQ)	-	18,968.75	18,968.75
	December 19 2013 : Electric Dept Equipment (ISQ)	-	1,700.00	1,700.00
	December 19 2013 : Parks & Rec (ISQ)	-	2,525.00	2,525.00
	December 19 2013 : Canal Street Utility Program (ISQ)	-	71,293.75	71,293.75
	December 19 2013 : Cur Ref of Jan 15 2003 Bowditch School (OSQ)	-	12,817.50	12,817.50
	December 19 2013 : Cur Ref of Jan 15 2003 Carlton School (OSQ)	-	9,091.00	9,091.00
	December 19 2013 : Adv Ref of Jan 1 2005 Witchcraft School (ISQ)	-	17,218.13	17,218.13
	December 19 2013 : Adv Ref of Jan 1 2005 Carlton School (OSQ)	-	5,054.00	5,054.00
	December 19 2013 : Adv Ref of Jan 1 2005 Parking Garage Repairs (ISQ)	-	6,160.00	6,160.00
Subtotal		-	$241,881.26	$241,881.26
Total		$4,090,303.00	$1,971,785.61	$6,062,088.61

City of Salem
FY 2014 Debt Service Payments

CIP DEBT SERVICE EXPENSES	CIP 2009 PRINCIPAL	CIP 2010 PRINCIPAL	CIP 2011 PRINCIPAL	CIP 2012 PRINCIPAL	CIP 2009 INTEREST	CIP 2010 INTEREST	CIP 2011 INTEREST	CIP 2012 INTEREST
Golf Course Dept. Equipment - Principal	$ 10,000.00							
Dump Truck - Principal	$ 10,000.00							
DPW Equipment - Principal	$ 10,000.00							
Engineering Infrastructure - Principal	$ 15,000.00							
Engineering Seawalls - Principal	$ 5,000.00							
Police Vehicles - Principal	$ 15,000.00							
Police Equipment - Principal	$ 10,000.00							
Police Radar - Principal	$ 5,000.00							
Police Range Repair - Principal	$ 10,000.00							
Fire Pump Truck - Principal	$ 25,000.00							
Turnout Gear Equipment - Principal	$ 5,000.00							
Parking Equipment - Principal	$ 5,000.00							
Witch House - Principal	$ 5,000.00							
Departmental Equipment - Principal	$ 5,000.00							
Forest River Pool - Principal	$ 20,000.00							
Forest River Park - Principal	$ 5,000.00							
Willow Public Bathroom - Principal	$ 10,000.00							
Fire Alarm Receiver - Principal	$ 5,000.00							
Traffic Signal - Principal	$ 20,000.00							
School Fire Alarm Systems - Principal	$ 15,000.00							
School Buses - Principal	$ 15,000.00							
School Infrastructure - Principal	$ 5,000.00							
School Equipment - Principal	$ 5,000.00							
Sewer Pump Station - Principal	$ 10,000.00							
Sewer Pump Station - Principal	$ 10,000.00							
South River Basin Upgrade - Principal	$ 85,000.00							
South River Basin Upgrade 2 - Principal	$ 30,000.00							
Water System Improvements - Principal	$ 100,000.00							
Water System Improvements - Principal	$ 52,402.00							
Water Meters - Principal	$ 200,000.00							
Water Main - Principal	$ 140,000.00							
Parking Multi Space Meters - Principal		$ 10,000.00						
Parking Posts & Signage - Principal		$ 10,000.00						
Police Vehicles 2 - Principal		$ 30,000.00						
Fire SCBA Compressor - Principal		$ 5,000.00						
Public Service Equipment & Vehicles - Principal		$ 30,000.00						
Public Service Garage Doors - Principal		$ 5,000.00						
Roads, Sidewalks & Crosswalks - Principal		$ 110,000.00						
Playground Equipment - Principal		$ 5,000.00						
Furlong Park Remodeling - Principal		$ 20,000.00						
Willows Gazebo Roof - Principal		$ 5,000.00						
School Ballfield Remodeling - Principal		$ 5,000.00						
School Field House Remodeling - Principal		$ 5,000.00						
Roads, Sidewalks & Crosswalks 2 - Principal			$ 10,000.00					
Canal Street Improvement Design - Principal			$ 35,000.00					

City of Salem
FY 2014 Debt Service Payments

CIP DEBT SERVICE EXPENSES	CIP 2009 PRINCIPAL	CIP 2010 PRINCIPAL	CIP 2011 PRINCIPAL	CIP 2012 PRINCIPAL	CIP 2009 INTEREST	CIP 2010 INTEREST	CIP 2011 INTEREST	CIP 2012 INTEREST
Water - Storage Tanks - Principal			$ 100,000.00					
Replace Domain Controller & Exchange Services - Principal				$ 10,000.00				
Replace Domain Controller & Exchange Services 2 - Principal				$ 15,000.00				
City Hall Roof - Principal				$ 15,000.00				
City Hall Skylights - Principal				$ 5,000.00				
City Hall Windows - Principal				$ 5,000.00				
City Hall Masonry Repairs - Principal				$ 15,000.00				
Parking Study - Principal				$ 40,000.00				
Police Vehicles - Principal				$ 20,000.00				
PublicService Equipment - Principal				$ 10,000.00				
Roads, Sidewalks & Crosswalks - Principal				$ 40,000.00				
Collins Cove Seawall - Principal				$ 5,000.00				
Parks & Recreation Equipment - Principal				$ 5,000.00				
School Wheelchair Bus - Principal				$ 17,500.00				
School Buses - Principal				$ 15,000.00				
Sewer Infrastructure Forrester Street Drain Relief - Principal				$ 15,000.00				
Golf Course Dept. Equipment - Interest					$ 2,750.00			
Dump Truck - Interest					$ 1,400.00			
DPW Equipment - Interest					$ 1,400.00			
Engineering Infrastructure - Interest					$ 4,125.00			
Engineering Seawalls - Interest					$ 1,375.00			
Police Vehicles - Interest					$ 975.00			
Police Equipment - Interest					$ 750.00			
Police Radar - Interest					$ 375.00			
Police Range Repair - Interest					$ 450.00			
Fire Pump Truck - Interest					$ 11,875.00			
Turnout Gear Equipment - Interest					$ 375.00			
Parking Equipment - Interest					$ 1,375.00			
Witch House - Interest					$ 1,375.00			
Departmental Equipment - Interest					$ 1,375.00			
Forest River Pool - Interest					$ 4,200.00			
Forest River Park - Interest					$ 1,375.00			
Willow Public Bathroom - Interest					$ 2,750.00			
Fire Alarm Receiver - Interest					$ 575.00			
Traffic Signal - Interest					$ 1,500.00			
School Fire Alarm Systems - Interest					$ 3,325.00			
School Buses - Interest					$ 3,525.00			
School Infrastructure - Interest					$ 2,375.00			
School Equipment - Interest					$ 375.00			
Sewer Pump Station - Interest					$ 5,950.00			
Sewer Pump Station - Interest					$ 6,387.50			
South River Basin Upgrade - Interest					$ 49,175.00			
South River Basin Upgrade 2 - Interest					$ 25,887.50			
Water System Improvements - Interest					$ 65,900.00			
Water System Improvements - Interest					$ 43,036.03			
Water Meters - Interest					$ 95,000.00			

City of Salem
FY 2014 Debt Service Payments

CIP DEBT SERVICE EXPENSES	CIP 2009 PRINCIPAL	CIP 2010 PRINCIPAL	CIP 2011 PRINCIPAL	CIP 2012 PRINCIPAL	CIP 2009 INTEREST	CIP 2010 INTEREST	CIP 2011 INTEREST	CIP 2012 INTEREST
Water Main - Interest					$ 82,500.00			
Parking Multi Space Meters - Interest						$ 750.00		
Parking Posts & Signage - Interest						$ 750.00		
Police Vehicles 2 - Interest						$ 1,950.00		
Fire SCBA Compressor - Interest						$ 1,375.00		
Public Service Equipment & Vehicles - Interest						$ 8,050.00		
Public Service Garage Doors - Interest						$ 575.00		
Roads, Sidewalks & Crosswalks - Interest						$ 46,250.00		
Playground Equipment - Interest						$ 1,375.00		
Furlong Park Remodeling - Interest						$ 8,700.00		
Willows Gazebo Roof - Interest						$ 375.00		
School Ballfield Remodeling - Interest						$ 2,175.00		
School Field House Remodeling - Interest						$ 975.00		
Roads, Sidewalks & Crosswalks 2 - Interest							$ 4,750.00	
Canal Street Improvement Design - Interest							$ 14,825.00	
Storage Tanks - Interest							$ 27,500.00	
Replace Domain Controller & Exchange Services - Interest								$ 1,350.00
Replace Domain Controller & Exchange Services 2 - Interest								$ 2,025.00
City Hall Roof - Interest								$ 21,350.00
City Hall Skylights - Interest								$ 4,775.00
City Hall Windows - Interest								$ 11,087.50
City Hall Masonry Repairs - Interest								$ 27,568.76
Parking Study - Interest								$ 5,400.00
Police Vehicles - Interest								$ 3,300.00
Public Service Equipment - Interest								$ 1,800.00
Roads, Sidewalks & Crosswalks - Interest								$ 24,568.76
Collins Cove Seawall - Interest								$ 3,793.76
Parks & Recreation Equipment - Interest								$ 975.00
School Wheelchair Bus - Interest								$ 2,362.50
School Buses - Interest								$ 2,475.00
Sewer Infrastructure Forrester Street Drain Relief - Interest								$ 11,450.00
Total GF & Enterprise	$ 862,402.00	$ 240,000.00	$ 145,000.00	$ 232,500.00	$ 423,811.03	$ 73,300.00	$ 47,075.00	$ 124,281.28
Total Enterprise	$ 627,402.00		$ 100,000.00	$ 15,000.00	$ 373,836.03		$ 27,500.00	$ 11,450.00
Total General Fund	$ 235,000.00	$ 240,000.00	$ 45,000.00	$ 217,500.00	$ 49,975.00	$ 73,300.00	$ 19,575.00	$ 112,831.28
Grand Total GF & Enterprise								$ 2,148,369.31
Grand Total Enterprise								$ 1,155,188.03
Grand Total General Fund								$ 993,181.28

Capital Improvement Policies

Budget Policies

- The city will make all capital purchases and improvements in accordance with the adopted capital improvement program.
- The city will develop a multi-year plan for capital improvements and update it annually.
- The city will enact an annual capital budget based on the multi-year capital improvement plan. Future capital expenditures necessitated by changes in population, changes in real estate development or changes in economic base will be calculated and included in capital budget projections.
- The city will coordinate development of the capital improvement budget with the development of the operating budget. Future operating costs associated with new capital improvement will be projected and included in operating budget forecasts.
- The city will use intergovernmental assistance to finance only those capital improvements that are consistent with the capital improvement plan and priorities, and who's operating and maintenance costs have been included in operating budget forecasts.
- The city will maintain all its assets at a level adequate to protect the city's capital investment and to minimize future maintenance and replacement costs.
- The city, as part of its capital planning process, will project its equipment replacement and maintenance needs for the next several years and will update this projection each year. From this projection, a maintenance and replacement schedule will be developed and followed.
- The city will identify the estimated costs and potential funding sources for each capital project proposal before it is submitted to the City Council for approval.
- The city will determine the least costly financing method for all new projects.

Debt Policies

- The city will confine long-term borrowing to capital improvements or projects/equipment that cannot be finance from current revenues.
- When the city finances capital projects by issuing bonds, it will pay back the bonds within a period not to exceed the expected useful life of the project.
- Total net debt service from general obligation debt will not exceed five (5) percent of total annual operating budget as listed on part 1a of the annual tax rate recapitulation as submitted to the Department of Revenue.
- Debt will only be issued for capital that is valued greater than $25,000, and has a depreciable life of five (5) or more years.
- Total general obligation debt will not exceed that provided in the state statues.
- Whenever possible, the city will use special revenue funds, special assessments, or other self-supporting bonds, instead of general obligation bonds.
- The city will not use long-term debt for current operations unless otherwise allowed via special legislation.
- The city will retire bond anticipation debt within six months after completion of the project.
- The city will maintain good communications with bond rating agencies about its financial condition.
- The city will follow a policy of full disclosure on every financial report and bond prospectus.

Source: "Handbook 4, Financial Performance Goals", Evaluating Local Government Financial Condition, International City Management Association