

Finance Committee Report



Photo By Colleen King

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ANNUAL TOWN MEETING
JUNE 29, 2020
MARBLEHEAD VETERANS MIDDLE SCHOOL
PERFORMING ARTS CENTER
MARBLEHEAD, MASSACHUSETTS

TO THE RESIDENTS OF MARBLEHEAD

Dear Residents of Marblehead:

The Finance Committee once again respectfully welcomes the opportunity to present this report and to make its recommendations regarding the Town of Marblehead's Fiscal Year 2021 (FY21) budget and other financial matters to be voted on at the 2020 Annual Town Meeting

This year started as a normal budget year would typically begin, commencing in January when the State of the Town was delivered. Once again, during the budget season, the Finance Committee formed smaller liaison groups to work with department heads, managers, administrators, and elected officials to review their respective budgets in a series of posted liaison meetings. Many department budgets were finalized in March and the Finance Committee had meetings scheduled to review and consider those budgets. Then COVID-19 came along and had significant impact on, not only our budget process, but on all of town government operations, the public health of our community and town finances.

This said, the Town continues to enjoy a AAA bond rating for the tenth consecutive year, which is the result of the Town's long-term consistency regarding budget oversight, strong cooperation from the departments on service levels within level funding expectations, and pro-active management of the largest cost drivers that impact all of the Town (energy costs, health care insurance, and collective bargaining). Marblehead remains one of the S&P's highest AAA rated Massachusetts communities.

To develop the FY21 budget, the following conservative revenue assumptions were made:

- The statutory 2½% increase on the Town's tax levy plus projected new growth.
- Due to the pandemic, State Aid assumes a 10% reduction from FY20 levels (except charter school re-imbursement which is based on a state formula).
- Local receipts are projected to decrease by 7%, again due to the projected economic impacts of the pandemic, which mirrors the decline during the last recession in 2008.

On the expense side, assumptions were made based on level-funded expense budgets and multi-year assessments of needs.

- Health insurance budget is projected to increase by 2.6%.
- All existing contractual obligations are funded.
- The energy reserve is level-funded for the tenth year in a row at \$553,544, sufficient to cover potential fluctuations for FY21.
- The utility reserve is level-funded for the fourth year in a row at \$100,000, sufficient to cover potential water and sewer expense fluctuations for FY20.
- Debt service expenses are based on schedules as of 2019 issuance.

Understandably, the COVID-19 pandemic caused a shift in focus and financial uncertainty that delayed and shortened the normal budget process. However, with all of the impacts caused by the pandemic the budget process was amazingly collaborative and efficient. The Finance Committee, Board of Selectmen, School Committee, oversight boards and committees, and town officials worked together effectively to address the anticipated revenue shortfall, revised

department budgets and made some difficult decisions that have not been taken lightly.

As we all know, COVID-19 has caused not only a public health crisis but also an economic crisis. The Finance Committee believes that the revised revenue estimates used to balance this budget are prudent and responsible. A 10% reduction in state aid and a 7% reduction in local receipts revenue are anticipated in this budget. The result of these estimates, along with a higher than anticipated increase in health insurance costs, caused a \$1.6 million revenue shortfall for FY21. To address the revenue shortfall non-union town employees are forgoing salary increases in FY21, non-union positions have been reduced and certain non-union staff have been furloughed, hours for non-union employees are planned to reduce, and planned capital investments have been necessarily delayed.

The good news - the many meetings of our Finance Committee liaisons and the full Finance Committee along with the tireless work of the Board of Selectmen and other town oversight boards have resulted in a balanced FY21 budget. However, we should not lose sight of the lasting impacts COVID-19 is likely to have on our economy and revenues well into the future. During the Commonwealth's last economic recession in 2008-2009 town revenues didn't fully recover for a period of 5 years. It was not a one year experience. Thus, we need to continue our budgetary vigilance moving forward.

We are not alone. COVID-19 has impacted municipal budgets across the Commonwealth and municipalities are dealing with the same financial stresses as Marblehead. Cities and towns, along with small and large scale businesses, have been forced to make similar budget decisions which have resulted in the economic downturn we are now experiencing and the highest unemployment rate since the Great Depression.

While this will undoubtedly cause financial challenges in the future, Marblehead is well-equipped to deal with these challenges. We all remain optimistic about the Town's future and the great work being done by our volunteer board and committees and our dedicated town officials. I am grateful to all of the town partners that have helped us get to this point during what has been the most challenging year in recent memory.

Earlier this month, the Finance Committee finally held budget meetings to discuss and vote on recommendations of the individual department budgets. The Finance Committee then held an open public hearing on the Town Warrant last Monday night and voted to make the recommendations at this Town Meeting. Assuming Finance Committee recommendations on the various money articles are accepted by the Town Meeting, the FY20 budget, as presented in Article 21, will be balanced.

The Finance Committee would like to thank and commend the Board of Selectman, all department heads, union representatives, appointed and elected boards, and involved citizens for all their efforts this year. We specifically wish to express our thanks to the Town's accounting department, for the significant time, resources, and guidance that they dedicated to this budget process. Thanks too to our colleagues on the Finance Committee for their devoted efforts during the FY20 budget cycle, and to our Secretary, Yeimi Colon. Finally, we would like to thank Town Administrator Jason Silva for his counsel, support and encouragement in what was an arduous

budget season that required a measured and responsible guiding hand focused on the best financial interests of the town long term while appreciating the priorities of the present fiscal cycle.

We have a lot of work ahead of us. It will take the full year to assess our financial position and plan out strategies to maintain service levels and continue to make important capital investments, given the unanticipated situation we are now find ourselves. The Finance Committee looks forward to getting to work on these issues, taking these issues head on, and continuing our collaborative work on behalf of the residents of Marblehead.

Respectfully submitted,

Benjamin Berman
Chairman, Marblehead Finance Committee

Blair Nelson
Vice Chairman, Marblehead Finance Committee

Emily Belfbecker
Vice Chairman, Marblehead Finance Committee

Fiscal 2019 RESERVE FUND

The following is an accounting of funds entrusted to the Finance Committee for Fiscal 2019 Reserve Fund use.

Reserve Funds – Fiscal 2019 ending June 30, 2019.....	\$144,000.00
DEPARTMENTS FUNDS TRANSFERRED TO:	
Town Counsel Expense.....	\$60,000.00
Elections and Registrations Expense.....	\$4,000.00
Total Transferred.....	<u>\$64,000.00</u>
Returned to Treasury.....	<u>\$80,000.00</u>

Fiscal 2020 RESERVE FUND

The following detail represents funds voted to various departments by the Finance Committee from the Reserve Fund covering the period July 1, 2019 thru June 29, 2020.

Annual Town Meeting Appropriation May 6, 2019	\$144,000.00
DEPARTMENT FUNDS TRANSFERRED TO:	
Town Counsel Expense.....	\$48,000.00
Fire Expense.....	\$28,500.00
Highway Expense.....	\$6,000.00
Veterans Expense.....	\$4,525.00
Total Transferred.....	<u>\$87,025.00</u>
Balance Remaining.....	<u>\$56,975.00</u>

Respectfully Submitted,
MARBLEHEAD FINANCE COMMITTEE

Benjamin Berman, Chairman
Emily Belfbecker, Vice Chair
Blair Nelson, Vice Chair
Kevin Brodrick
Pat Franklin
Alec Goolsby
Adriaan Zur Muhlen

Article 7 Departmental Revolving Funds

To see if the Town will vote to fix the maximum amount that may be spent during FY 2021 beginning July 1, 2020 for the revolving funds established in the town bylaws for certain departments, boards, committees, agencies or officers in accordance with G.L. c. 44 § 53E 1/2, or take any other action relative thereto. Sponsored by the Board of Selectmen.

Recommended: That the maximum amount to be spent during FY 2020 be as follows:

Recreation	800,000.00
Historic	15,000.00
Council on Aging	250,000.00
Special Education	900,000.00
Stormwater & Erosion Control	10,000.00
Animal Control	20,000.00
Commercial Waste	550,000.00
Sump Pump Improvement	25,000.00
Conservation Fines	75,000.00
Health Flu shots	8,000.00
Highway Street Opening fees	75,000.00

Article 8 Purchase of Equipment of Several Departments

To see if the Town will raise and appropriate any sums of money for the purchase and/or lease of equipment for several departments of the Town, to authorize the Board of Selectmen to trade old equipment as part of the purchase price and to determine whether this appropriation shall be raised by borrowing or otherwise, or take any other action relative thereto. Sponsored by the Board of Selectmen.

Recommendation: That the Sum of \$68,000.00 be appropriated, and to meet this appropriation; \$68,000 to be transferred from Harbor receipts. To include the following:

Harbor Department

1 Pick-Up Truck

Article 9 Lease Purchase

To see if the Town will vote pursuant to G.L. c. 44 §21C, to authorize the Board of Selectmen to enter into lease purchase agreements for the lease and purchase of vehicles and certain capital for a period of time not in excess of the useful life of the property to be procured on such terms and conditions as the Board of Selectmen deem in the best interest of the Town; and to authorize the Board of Selectmen to take all actions necessary to administer and implement such agreement and to fund said lease purchase through an annual appropriation in the Capital Budget or take any action relative thereto. Sponsored by the Board of Selectmen.

Recommendation: That the Sum of \$100,596.00 be appropriated, and to meet this appropriation; \$27,696 to be transferred from Waste revolving funds and 72,900 is to be raised by taxation. To include the following:

Police Department

1 Ford Interceptor

Tree Department

1 Dump Truck

Waste Department

1 4WD Loader

School Department

1 School bus

Article 10 Capital Improvements for Public Buildings

To see if the Town will vote to raise and appropriate a sum of money for remodeling, reconstructing and making extraordinary repairs to existing Town or School buildings and the purchase of necessary equipment including computer hardware and software to determine whether this appropriation shall be raised by borrowing or otherwise, or take any other action relative thereto. Sponsored by the Board of Selectmen

Recommended: That the sum of \$125,040.00 be appropriated, and to meet this appropriation; \$20,040.00 is to be transferred from Cemetery Sale of Lots and \$105,000.00 is to be raised by taxation. To include the following:

Building Department

Abbott Hall – Geothermal

Walls & Fences

Sidewalks

Cemetery Department

EZ Screen Soil Screener

Device Stands

Placer bars

Fence - Overlook Rd

Article 12 Water Department Construction

To see if the Town will vote to appropriate a sum of money to be expended by the Water and Sewer Commission for the construction, reconstruction and extending of water mains, replacement of water meters, appurtenances, engineering, consultants, surveys including revenue studies and other general Water Department purposes, and to authorize the Board of Water and Sewer Commissioners to acquire by purchase, eminent domain or otherwise any lands or easements necessary, or take any other action relative thereto. Sponsored by the Board of Water and Sewer Commissioners.

Recommended: That the sum of \$800,549.00 be appropriated, to be taken from Water Retained Earnings.

Article 13 Sewer Department Construction

To see if the Town will vote to appropriate a sum of money to be expended by the Water and Sewer Commission for the construction or reconstruction of sewers for sanitary purposes and for sewerage disposal, pump stations, original pumping equipment, metering equipment, safety equipment, replacement of said equipment, engineering, consultants, surveys, including revenue studies and other general Sewer Department purposes, and to authorize the Board of Water and Sewer Commissioners to acquire by purchase, eminent domain or otherwise any lands or easements necessary, or take any other action relative thereto. Sponsored by the Board of Water and Sewer Commissioners.

Recommended: That the sum of \$937,726.00 be appropriated, to be taken from Sewer Retained Earnings.

Article 15 Storm Drainage Construction

To see if the Town will vote to appropriate, borrow or otherwise fund a sum of money for the construction, reconstruction, permitting and maintenance of storm sewers for surface drainage, including engineering services in connection therewith, and for general Drain Department purposes, including the purchase or lease of equipment, and to authorize the appropriate Town Officers to acquire by purchase, eminent domain or otherwise, any land or easements necessary therefore, and to raise the money for such purposes by the issue of bonds or notes or in any other manner, to be expended by the Water and Sewer Commission; or to take any other action relative thereto. Sponsored by the Board of Water and Sewer Commissioners.

Recommended: That the sum of \$314,000.00 be appropriated

Article 16 Essex North Shore Agricultural and Technical School District

To see if the Town will vote to approve the gross operating and maintenance budget of the Essex North Shore Agricultural and Technical School District for the fiscal year commencing July 1, 2020 and appropriate a sum of money for the Town's assessment of the same, or take any other action relative thereto. Sponsored by the Board of Selectmen.

Recommended: That the sum of \$787,946.00 be appropriated

Article 17 Available Funds Appropriate to Reduce Tax Rate

To see if the Town will vote to appropriate free cash balance in the hands of the Town Treasurer, including any surplus or part of surplus in the Electric Light Department for use of the Assessors in making the tax rate, or take any other action relative thereto. Sponsored by the Finance Director.

Recommended: That the sum of \$7,530,000.00 be appropriated for the use of the Assessors in making the Tax Rate.

From Free Cash	\$7,200,000.00
From Electric Surplus	<u>330,000.00</u>
	\$7,530,000.00

Article 18 Unpaid Accounts

To see if the Town will vote to appropriate or transfer from available funds a sum of money to provide for the payment of any unpaid accounts brought forward from previous years, or take any other action relative thereto. Sponsored by the Finance Director.

Recommended: That the sum of \$3,628.38 be appropriated as follows:

Finance Expense	\$58.50
Public Buildings Expense.....	\$4.76
111F Expense.....	\$1,501.12
Group Insurance Medicare Penalty.....	\$244.20
93-95 Beacon St Peer Review.....	\$1819.80

Article 21 Expenses of Several Departments

To see what sums of money the Town will raise and appropriate, including appropriations from Federal Revenue Sharing moneys, to defray the necessary and usual expenses of the several departments of the Town for the fiscal year beginning July 1, 2020, or take any other action relative thereto. Sponsored by the Finance Director.

TABLE OF ESTIMATED APPROPRIATIONS
(Required by Mass. General Laws, Chapter 41, Section 60)

Fiscal 2019		Fiscal 2020			Fiscal 2021			
Appro- piation	Expended	Appro- piation	6 Mos. Actual	6 Mos. Estimated	Item No.		Departmental Requests	Recom- mended
GENERAL GOVERNMENT								
100.00	100.00	100.00		100.00	1	Moderator Officials Expense	100.00	100.00
5,500.00	5,500.00	5,500.00	2,750.00	2,750.00	2	Selectmen Officials Expense		
424,782.00	395,864.57	380,963.00	179,290.96	201,672.04	3	Salaries	349,903.00	349,903.00
98,245.00	78,534.14	91,915.00	20,570.46	71,344.54	4	Expense	90,450.00	90,450.00
21,000.00	21,000.00	27,000.00	11,529.00	15,471.00	5	Zoning Board Legal Services	27,000.00	27,000.00
2,000.00	2,000.00	2,000.00	2,090.83	-90.83	6	Out of State Travel	2,000.00	2,000.00
551,527.00	502,898.71	507,378.00	216,231.25	291,146.75			469,353.00	469,353.00
						Finance Committee		
9,942.00	9,942.00	10,141.00	2,535.24	7,605.76	7	Salaries		
5,585.00	2,480.00	5,585.00	280.00	5,305.00	8	Expense	5,585.00	5,585.00
175.00		175.00		175.00	9	Local Travel	175.00	175.00
15,702.00	12,422.00	15,901.00	2,815.24	13,085.76			5,760.00	5,760.00
144,000.00		144,000.00		144,000.00	10	Reserve Fund	144,000.00	144,000.00
	64,000.00			87,025.00		Less Transfers		
144,000.00	80,000.00	144,000.00		56,975.00		Net		
						Finance		
652,286.00	637,898.26	684,167.00	296,050.13	388,116.87	12	Salaries	650,396.00	650,396.00
268,310.00	249,858.54	264,610.00	97,530.00	167,080.00	13	Expense	254,610.00	254,610.00
920,596.00	887,756.80	948,777.00	393,580.13	555,196.87			905,006.00	905,006.00
						Assessor		
300.00	300.00	300.00		300.00	17	Officials Expense	300.00	300.00
217,217.00	217,216.16	224,270.00	106,923.75	117,346.25	18	Salaries	218,092.39	218,092.39
33,680.00	33,352.81	33,685.00	28,767.48	4,917.52	19	Expense	63,685.00	63,685.00
500.00	106.47	500.00		500.00	20	Local Travel	500.00	500.00
251,697.00	250,975.44	258,755.00	135,691.23	123,063.77			282,577.39	282,577.39
						Town Counsel		
2,000.00	2,000.00	2,000.00		2,000.00	29	Salaries	2,000.00	2,000.00
81,575.00	141,528.79	96,575.00	35,923.03	60,651.97	30	Expense	96,575.00	96,575.00
83,575.00	143,528.79	98,575.00	35,923.03	62,651.97			98,575.00	98,575.00
						Parking Tickets		
13,095.00	9,382.64	13,095.00	1,109.22	11,985.78	35	Expense	12,650.00	12,650.00
						Town Clerk		
186,807.00	185,596.32	192,790.00	92,416.25	100,373.75	39	Salaries	195,651.00	195,651.00
10,137.00	8,719.93	10,137.00	2,725.46	7,411.54	40	Expense	10,137.00	10,137.00
196,944.00	194,316.25	202,927.00	95,141.71	107,785.29			205,788.00	205,788.00

Fiscal 2019		Fiscal 2020			Item No.		Fiscal 2021	
Appropriation	Expended	Appropriation	6 Mos. Actual	6 Mos. Estimated			Departmental Requests	Recommended
32,462.00	30,821.48	25,334.00	150.00	25,184.00	43	Election & Registration		
25,375.00	28,982.46	25,375.00	7,693.52	17,681.48	44	Salaries	32,462.00	32,462.00
						Expense	25,375.00	25,375.00
57,837.00	59,803.94	50,709.00	7,843.52	42,865.48			57,837.00	57,837.00
1,675.00	897.31	1,675.00	287.00	1,388.00	50	Planning Board		
						Expense	1,675.00	1,675.00
106,899.00	100,495.60	105,972.00	47,726.19	58,245.81	55	Public Buildings		
105,790.00	92,071.26	105,790.00	37,057.72	68,732.28	56	Salaries	113,334.00	113,334.00
400.00		400.00		400.00	57	Expense	105,790.00	105,790.00
						Local Travel	400.00	400.00
213,089.00	192,566.86	212,162.00	84,783.91	127,378.09			219,524.00	219,524.00
4,300.00	3,377.34	4,300.00		4,300.00	59	Town Reports	4,300.00	4,300.00
54,500.00	54,500.00	54,500.00	25,000.00	29,500.00	60	Town Audit	54,500.00	54,500.00
2,508,637.00	2,392,526.08	2,512,854.00	998,406.24	1,427,422.76		TOTAL GENERAL GOVERNMENT	2,461,645.39	2,461,645.39
PUBLIC SAFETY								
3,854,203.00	3,906,788.00	4,048,871.00	1,868,773.50	2,180,097.50	62	Police Department		
182,390.00	382,390.00	182,390.00	124,140.43	58,249.57	63	Salaries	4,089,754.00	4,089,754.00
5,000.00	273.28	5,000.00		5,000.00	64	Expense	182,390.00	182,390.00
						Indemnif. of Officers	5,000.00	5,000.00
4,041,593.00	4,289,451.28	4,236,261.00	1,992,913.93	2,243,347.07			4,277,144.00	4,277,144.00
3,667,953.00	3,651,895.30	3,885,738.00	1,799,964.40	2,085,773.60	68	Fire Department		
187,020.00	201,267.38	189,600.00	110,464.71	79,135.29	69	Salaries	3,990,113.00	3,990,113.00
5,000.00	4,028.04	5,000.00	317.65	4,682.35	70	Expense	196,503.00	196,503.00
					71	Fire Alarm Expense	5,000.00	5,000.00
						Fire SCBA Equipment		
3,859,973.00	3,857,190.72	4,080,338.00	1,910,746.76	2,169,591.24			4,191,616.00	4,191,616.00
531,978.00	495,815.61	532,585.00	242,399.60	290,185.40	73	Building Inspection		
21,355.00	7,453.03	21,355.00	6,320.34	15,034.66	74	Salaries	485,242.00	485,242.00
6,000.00	3,075.94	6,000.00		6,000.00	75	Expense	21,355.00	21,355.00
						Local Travel	6,000.00	6,000.00
559,333.00	506,344.58	559,940.00	248,719.94	311,220.06			512,597.00	512,597.00
725.00	535.00	250.00	65.00	185.00	80	Sealer of Weights & Measures		
						Expense	250.00	250.00
2,400.00	2,200.00	2,400.00	1,200.00	1,200.00	86	Animal Inspector		
						Salaries	2,400.00	2,400.00
8,464,024.00	8,655,721.58	8,879,189.00	4,153,645.63	4,725,543.37		TOTAL PUBLIC SAFETY	8,984,007.00	8,984,007.00
EDUCATION								
37,874,285.00	38,224,285.00	39,624,425.00	15,685,633.10	23,938,791.90	101	Schools	40,521,000.00	40,521,000.00
37,874,285.00	38,224,285.00	39,624,425.00	15,685,633.10	23,938,791.90		TOTAL SCHOOLS	40,521,000.00	40,521,000.00

Fiscal 2019		Fiscal 2020			Fiscal 2021			
Appropriation	Expended	Appropriation	6 Mos. Actual	6 Mos. Estimated	Item No.		Departmental Requests	Recommended
PUBLIC WORKS & FACILITIES								
Engineering								
162,646.00	161,042.33	167,903.00	79,670.50	88,232.50	105	Salaries	168,827.00	168,827.00
10,645.00	8,193.19	10,645.00	4,675.85	5,969.15	106	Expense	10,645.00	10,645.00
173,291.00	169,235.52	178,548.00	84,346.35	94,201.65			179,472.00	179,472.00
Source:								
9,000.00		9,000.00				Conservation Wetlands Fee		9,000.00
164,291.00		169,548.00				Taxation		170,472.00
173,291.00		178,548.00						179,472.00
Highway								
883,105.00	843,189.02	913,989.00	395,633.90	518,355.10	112	Salaries	936,783.00	936,783.00
107,084.00	104,815.59	107,084.00	39,153.20	67,930.80	113	Expense	107,084.00	107,084.00
990,189.00	948,004.61	1,021,073.00	434,787.10	586,285.90			1,043,867.00	1,043,867.00
48,750.00	48,465.93				116	Maintain Streets and Sidewalks	14,425.00	14,425.00
100,000.00	195,940.60				117	Snow Removal	100,000.00	100,000.00
		128,820.00	57,990.14	70,829.86	118	Street Lighting	128,820.00	128,820.00
1,138,939.00	1,192,411.14	1,149,893.00	492,777.24	657,115.76			1,287,112.00	1,287,112.00
Waste Collection								
352,988.00	341,458.12	376,075.00	167,711.93	208,363.07	126	Salaries	379,796.00	379,796.00
1,801,562.00	1,604,059.37	1,839,716.00	705,231.84	1,134,484.16	127	Expense	1,861,502.00	1,861,502.00
114,600.00	112,601.70	114,600.00	71,163.53	43,436.47	129	Landfill Monitoring Expense	114,600.00	114,600.00
2,269,150.00	2,058,119.19	2,330,391.00	944,107.30	1,386,283.70			2,355,898.00	2,355,898.00
Drains								
163,828.00	147,713.03	178,071.00	73,675.93	104,395.07	132	Salaries	149,627.00	149,627.00
5,650.00	4,621.71	5,650.00	2,282.38	3,367.62	133	Expense	5,650.00	5,650.00
169,478.00	152,334.74	183,721.00	75,958.31	107,762.69			155,277.00	155,277.00
Cemetery								
300.00	300.00	300.00		300.00	141	Officials Expense	300.00	300.00
367,805.00	359,389.70	379,822.00	177,594.52	202,227.48	142	Salaries	366,569.76	366,569.76
26,226.00	26,110.51	26,226.00	18,219.39	8,006.61	143	Expense	26,226.00	26,226.00
394,331.00	385,800.21	406,348.00	195,813.91	210,534.09			393,095.76	393,095.76
Source								
368,331.00		380,348.00				Taxation		367,095.76
26,000.00		26,000.00				Perpetual Care		26,000.00
394,331.00		406,348.00						393,095.76
Tree Department								
289,852.00	277,399.89	247,898.00	118,129.21	129,768.79	148	Salaries	256,637.00	256,637.00
51,578.00	40,342.80	56,578.00	31,805.57	24,772.43	149	Expense	56,578.00	56,578.00
341,430.00	317,742.69	304,476.00	149,934.78	154,541.22			313,215.00	313,215.00
4,486,619.00	4,275,643.49	4,553,377.00	1,942,937.89	2,610,439.11		TOTAL PUB. WORKS & FAC.	4,684,069.76	4,684,069.76

Fiscal 2019		Fiscal 2020			Item No.		Fiscal 2021	
Appropriation	Expended	Appropriation	6 Mos. Actual	6 Mos. Estimated			Departmental Requests	Recommended
HUMAN SERVICES								
Health Dept.								
400.00	400.00	400.00	400.00		153	Officials Expense	400.00	400.00
167,356.00	167,355.10	176,261.00	83,174.75	93,086.25	154	Salaries	176,284.00	176,284.00
15,655.00	6,291.70	15,655.00	5,637.38	10,017.62	155	Expense	18,155.00	18,155.00
1,632.00	494.93	1,632.00	158.21	1,473.79	157	Local Travel	1,632.00	1,632.00
4,000.00		4,000.00		4,000.00	158	HAWC	4,000.00	4,000.00
189,043.00	174,541.73	197,948.00	89,370.34	108,577.66			200,471.00	200,471.00
Mental Health								
60,000.00	60,000.00	60,000.00	26,578.88	33,421.12	162	Contractual Services	60,000.00	60,000.00
Council on Aging								
312,340.00	312,111.18	289,896.50	119,834.20	170,062.30	164	Salaries	274,382.94	274,382.94
11,990.00	11,986.28	11,990.00	3,445.46	8,544.54	165	Expense	11,990.00	11,990.00
324,330.00	324,097.46	301,886.50	123,279.66	178,606.84			286,372.94	286,372.94
Veterans Benefits								
66,238.00	66,237.64	68,485.00	32,748.25	35,736.75	175	Salaries	68,226.00	68,226.00
1,243.00	1,240.56	1,243.00	161.80	1,081.20	176	Expense	1,243.00	1,243.00
1,100.00	764.45	1,100.00	352.09	747.91	177	Local Travel	1,100.00	1,100.00
40,000.00	39,573.03	40,000.00	19,766.03	20,233.97	178	Benefits	40,000.00	40,000.00
108,581.00	107,815.68	110,828.00	53,028.17	57,799.83			110,569.00	110,569.00
681,954.00	666,454.87	670,662.50	292,257.05	378,405.45		TOTAL HUMAN SERVICES	657,412.94	657,412.94
CULTURE AND RECREATION								
Library								
853,391.00	747,397.22	893,077.00	405,571.27	487,505.73	185	Salaries	900,080.11	900,080.11
267,448.00	263,563.32	267,365.00	147,732.19	119,632.81	186	Expense	257,259.00	257,259.00
100.00	100.00	100.00	45.27	54.73	187	Local Travel	100.00	100.00
1,120,939.00	1,011,060.54	1,160,542.00	553,348.73	607,193.27			1,157,439.11	1,157,439.11
Park Department								
676,596.00	646,063.49	615,074.00	302,287.86	312,786.14	190	Salaries	625,114.74	625,114.74
171,590.00	157,010.74	171,590.00	77,444.36	94,145.64	191	Expense	171,590.00	171,590.00
46,093.00	43,800.21	46,093.00	15,798.03	30,294.97	192	Facility Expense	46,093.00	46,093.00
894,279.00	846,874.44	832,757.00	395,530.25	437,226.75			842,797.74	842,797.74
6,300.00	4,882.72				210	Memorial & Veterans Day	6,500.00	6,500.00
2,021,518.00	1,862,817.70	1,993,299.00	948,878.98	1,044,420.02		TOTAL CULTURE & RECREATION	2,006,736.85	2,006,736.85

Fiscal 2019		Fiscal 2020					Fiscal 2021	
Appropriation	Expended	Appropriation	6 Mos. Actual	6 Mos. Estimated	Item No.		Departmental Requests	Recommended
DEBT SERVICE								
4,150,000.00	4,150,000.00	4,425,000.00	4,425,000.00		214	Maturing Debt	4,640,012.00	4,640,012.00
2,585,428.25	2,584,428.25	2,491,991.86	1,446,548.56	1,045,443.30	215	Interest	2,868,947.99	2,868,947.99
6,735,428.25	6,734,428.25	6,916,991.86	5,871,548.56	1,045,443.30		TOTAL DEBT SERVICE	7,508,959.99	7,508,959.99
MISCELLANEOUS								
100,000.00	60,015.52	100,000.00		100,000.00	211	Utility Reserve	100,000.00	100,000.00
3,027,427.00	3,027,427.00	3,253,489.00	3,253,489.00		217	Contributory Retirement	3,513,768.00	3,513,768.00
690,000.00	653,319.25	710,000.00	268,258.65	441,741.35	218	Medicare	720,000.00	720,000.00
427,222.75	449,852.31	397,169.00	397,169.00		219	Worker's Compensation	397,169.00	397,169.00
15,000.00	13,937.29	15,000.00	11,406.29	3,593.71	220	Training Expense	15,000.00	15,000.00
13,116,584.00	10,425,547.35	13,461,211.00	5,598,803.85	7,862,407.15	221	Group Insurance	13,812,644.00	13,812,644.00
475,888.00	428,359.57	475,888.00	474,393.65	1,494.35	222	Other Insurance	475,888.00	475,888.00
110,770.00	44,343.32	110,770.00		110,770.00	223	Salary Reserve	110,770.00	110,770.00
79,524.00	73,111.73	80,964.00	29,101.50	51,862.50	224	NonContributory Retirement	61,845.00	61,845.00
533,544.00	331,947.28	533,544.00	2,675.85	530,868.15	225	Energy Reserve	533,544.00	533,544.00
350,000.00	350,000.00	250,000.00		250,000.00	226	Other Post Employment Benefits		
18,925,959.75	15,857,860.62	19,388,035.00	10,035,297.79	9,352,737.21		TOTAL MISCELLANEOUS	19,740,628.00	19,740,628.00
ENTERPRISE								
						Sewer		
756,264.00	715,187.44	790,426.00	369,354.92	421,071.08	227	Salaries	858,027.00	858,027.00
717,227.00	715,815.97	790,517.00	368,487.19	422,029.81	228	Expense	825,867.00	825,867.00
3,225,157.00	3,053,113.01	3,312,677.00	2,270,802.76	1,041,874.24	230	South Essex Sewer District	3,353,386.00	3,353,386.00
4,698,648.00	4,484,116.42	4,893,620.00	3,008,644.87	1,884,975.13			5,037,280.00	5,037,280.00
						Source		
4,698,648.00		4,893,620.00				Sewer Receipts		5,037,280.00
4,698,648.00		4,893,620.00						5,037,280.00

Fiscal 2019		Fiscal 2020			Item No.	Fiscal 2021	
Appropriation	Expended	Appropriation	6 Mos. Actual	6 Mos. Estimated		Departmental Requests	Recommended
745,218.00	688,081.56	771,445.00	351,069.95	420,375.05	231	Water	
649,153.00	552,600.32	683,239.00	291,367.75	391,871.25	232	Salaries	855,186.00
2,677,308.00	2,531,598.00	2,757,628.00	1,288,223.00	1,469,405.00	235	Expense	719,823.00
4,071,679.00	3,772,279.88	4,212,312.00	1,930,660.70	2,281,651.30		Metropolitan Water	3,060,357.00
							4,635,366.00
						Source:	
<u>4,071,679.00</u>		<u>4,212,312.00</u>				Water Receipts	<u>4,635,366.00</u>
Revenue		Revenue			236	Light	
						Operating Expenditures	Revenue
386,388.00	358,708.31	401,972.00	195,093.15	206,878.85	238	Harbor	
402,515.00	380,969.16	407,991.00	159,238.76	248,752.24	239	Salaries	409,803.00
260,000.00	117,582.12	133,000.00		133,000.00	241	Expense	417,056.00
1,048,903.00	857,259.59	942,963.00	354,331.91	588,631.09		Outlays	190,000.00
							1,016,859.00
						Source	
<u>907,903.00</u>		<u>801,963.00</u>				Harbor Receipts	<u>883,859.00</u>
141,000.00		141,000.00				Harbor Retained Earnings	133,000.00
1,048,903.00		942,963.00					<u>1,016,859.00</u>
9,819,230.00	9,113,655.89	10,048,895.00	5,293,637.48	4,755,257.52		TOTAL ENTERPRISE	10,689,505.00
91,517,655.00	87,783,393.48	94,587,728.36	45,222,242.72	49,278,460.64		TOTAL BUDGETS	97,253,964.93

SPECIAL ARTICLES

14,903.63	Art 9, 2017 - Purchase of Equipment
367,699.36	Art 10, 2017 - Capital Improvements for Public Buildings
149,964.05	Art 11, 2017 - Walls and Fences
239,798.23	Art 16, 2017 - Water Construction
	Art 17, 2017 - Sewer Construction
	Art 18, 2017 - Drain Construction
	Art 26, 2017 - Essex North Shore Agricultural and Tech
468,538.00	Art 8, 2018 - Purchase of Equipment
463,596.00	Art 9, 2018 - Capital Improvements for Public Buildings
53,094.37	Art 10, 2018 - Walls and Fences
1,336,652.00	Art 14, 2018 - Water Construction
1,156,786.00	Art 15, 2018 - Sewer Construction
417,000.00	Art 16, 2018 - Drain Construction
455,256.00	Art 27, 2018 - Essex North Shore Agricultural and Tech
6,500,000.00	Art 36, 2018 - Repairs to Abbot Hall
	Fiscal 2020 Special Articles
	Art 10, 2019 - Purchase of Equipment
	Art 11, 2019 - Capital Improvements for Public Buildings
	Art 12, 2019 - Walls and Fences
	Art 13, 2019 - Water Construction
	Art 14, 2019 - Sewer Construction
	Art 16, 2019 - Drain Construction
	Art 20, 2019 - Essex North Shore Agricultural and Tech
	Art 22, 2019 - Unpaid Accounts
	Art 23, 2019 - Special Education Stabilization Fund
	Art 24, 2019 - Medicaid Reimbursement Money

Fiscal 2019		Fiscal 2020			Item No.	Fiscal 2021	
Appropriation	Expended	Appropriation	6 Mos. Actual	6 Mos. Estimated		Departmental Requests	Recommended
		40,000.00			Art 40, 2019 - Affordable Housing/Tax Title		
		4,318.40			Art 41, 2019 - Transportation Network Funds		
		750,000.00			Art 50, 2019 - Repairs to Fort Sewall		
		54,844,767.00			Art 51, 2019 - Construct a New School		
					Fiscal 2021 Special Articles		
					Art 8, 2020- Purchase of Equipment	68,000.00	68,000.00
					Art 9, 2020 - Lease Purchase of Equipment	100,596.00	100,596.00
					Art 10, 2020 - Capital Improvements for Public Building	125,040.00	125,040.00
					Art 15, 2020 - Storm Drain Construction	314,000.00	314,000.00
					Art 26, 2020 - Essex North Shore Agricultural and Tec	787,946.00	787,946.00
					Art 18, 2020 - Unpaid Accounts	3,628.38	3,628.38
					Art 30, 2020 - Affordable Housing/Tax Title Forecloure	34,500.00	34,500.00
					Art 31, 2020 - Transportation Network Funds	6,199.60	6,199.60
10,850,922.37	2,154,784.30	60,387,253.56			TOTAL SPECIAL ARTICLES	1,439,909.98	1,439,909.98
		6,500,000.00			Less: Bond Issue		
10,850,922.37	2,154,784.30	53,887,253.56				1,439,909.98	1,439,909.98
91,517,655.00	87,783,393.48	94,587,728.36	45,222,242.72		Total Depart. Budgets(Above)	97,253,964.93	97,253,964.93
102,368,577.37	89,938,177.78	148,474,981.92	45,222,242.72		TOTAL BUDGETS AND ARTICLES	98,693,874.91	98,693,874.91

Article 25 Proposed Reclassification and Pay Schedule (Administrative)

To see if the Town will vote to amend Chapter 121 of the Bylaws, Classification and Wage Salary Plan, by changing certain job titles where indicated and reclassify certain positions in the Administrative Pay Schedule; to strike out the pay schedule as it relates to Administrative personnel, substitute in place thereof the new pay schedules and to transfer from available funds and/or appropriate a sum of money to make said new pay schedules effective, or take any other action relative thereto. Sponsored by the Board of Selectmen.

Recommendation: That this article be indefinitely postponed.

Article 26 Proposed Pay Schedule and Reclassification (Traffic Supervisors)

To see if the Town will vote to amend Chapter 121 of the Bylaws, Classification and Wage Salary Plan, by changing certain job titles where indicated and reclassify certain positions in the Traffic Supervisors Pay Schedule; to waive the pay schedule as it relates to Traffic Supervisor personnel, substitute in place thereof the new pay schedules and to transfer from available funds and/or appropriate a sum of money to make said new pay schedules effective, or take any other action relative thereto. Sponsored by the Board of Selectmen.

Recommendation: That this article be indefinitely postponed.

Article 27 Proposed Reclassification and Pay Schedule (Seasonal and Temporary Personnel) To see if the Town will vote to amend Chapter 121 of the Bylaws, Classification and Wage Salary Plan, by changing certain job titles where indicated and reclassify certain positions in the Seasonal and Temporary Personnel Pay Schedules; strike out the pay schedules as they relate to seasonal and temporary personnel, substitute in place thereof the new pay schedules and to transfer from available funds and/or appropriate a sum of money to make said new pay schedules effective, or take any other action relative thereto. Sponsored by the Board of Selectmen.

Recommendation: That this article be indefinitely postponed.

Article 28 Compensation - Town Officers

To see if the Town will vote to revise the compensation of the Town Clerk as the Town by vote may determine and to transfer from available funds and/or appropriate a sum of money to make said revision effective, or take any other action relative thereto. Sponsored by the Board of Selectmen.

Recommendation: That the yearly compensation of the Town Officer named in this article be as follows:

Town Clerk \$82,755.92

Said amount to be in full compensation for services as Town Clerk. All fees received by the Town Clerk in their official capacity to be accounted for to the Town Revenue Officer.

That the Town Clerk as elected and having served in that position or as a regular full-time employee for five consecutive years, and for each applicable additional five years on such basis, shall be paid longevity pay annually, in addition to her weekly salary.

Eligibility will be determined on November 30 each year and payment made to the official with the first regular payroll of December of that year. Only those in office on the determination date and qualified by their consecutive years of service, as described above, shall receive longevity pay for the calendar year.

Annual longevity for Town Clerk

Pay Schedule

Not less than 5 years	\$300.00
Not less than 10 years	\$400.00
Not less than 15 years	\$500.00
Not less than 20 years	\$600.00
Not less than 25 years	\$700.00
30 years and over	\$800.00

Article 30 Affordable Housing /Tax Title Foreclosures

To see if the Town will vote to appropriate, \$34,500 from Free Cash to be paid to the Affordable Housing Trust, which is a 10% portion of the proceeds received from the sale of tax foreclosure properties, or take any action relative thereto. Sponsored by the Board of Selectmen.

Recommended: That the sum of \$34,500.00 be appropriated from free cash.

Article 31 Release Funds from Transportation Network

To see if the Town will vote to appropriate or transfer from the reserve for appropriation Fund 27 for the purpose of implementing Transportation Infrastructure Enhancement Fund related to improvements to the rail trail, or take any other action relative thereto. Sponsored by the Finance Director.

Recommended: That the sum of \$6,199.60 ne appropriated, to be taken from Transportation Network Receipts Reserved.