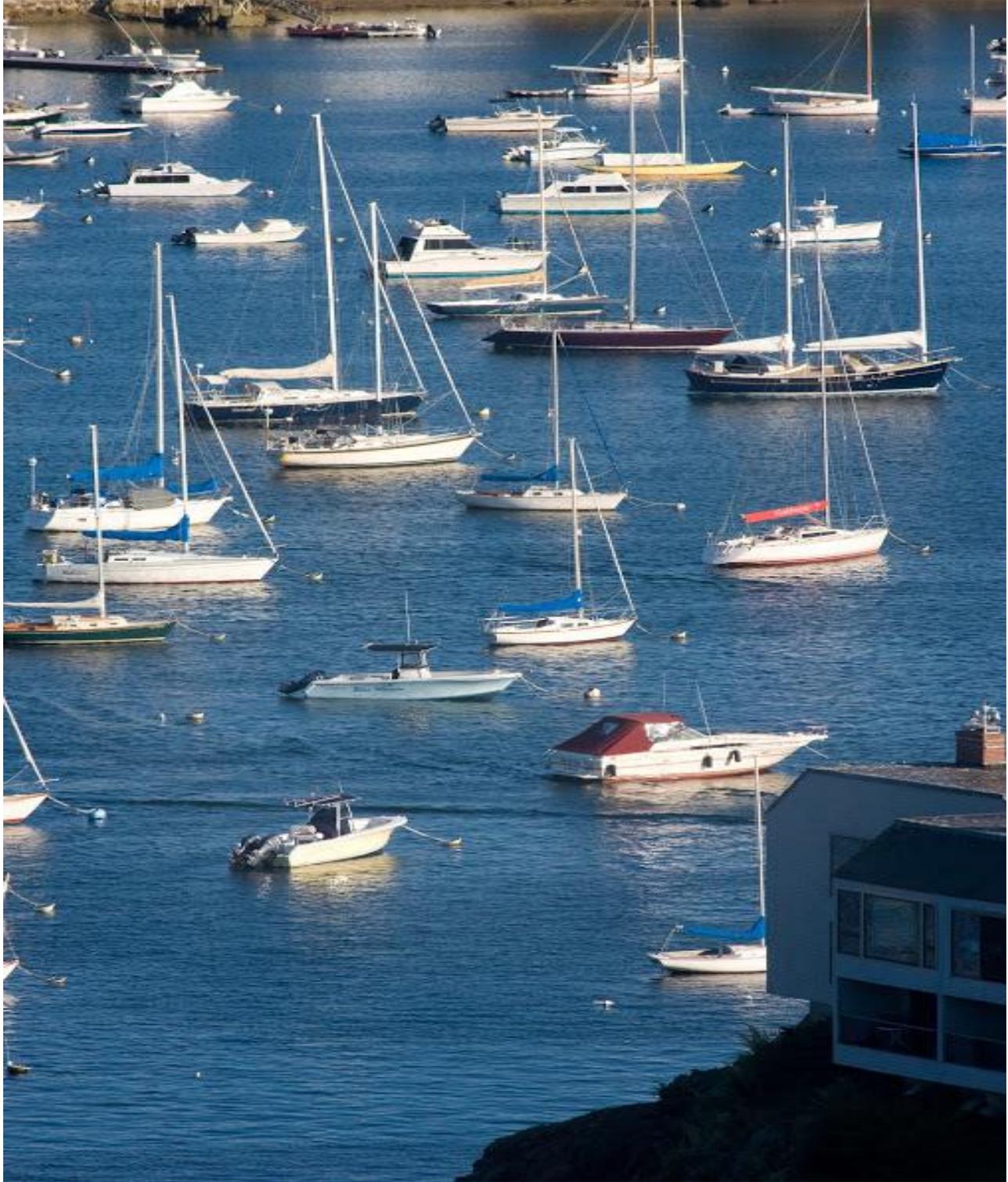


Finance Committee Report



ANNUAL TOWN MEETING
MAY 2, 2016
MARBLEHEAD VETERANS MIDDLE SCHOOL
PERFORMING ARTS CENTER
MARBLEHEAD, MASSACHUSETTS

TO THE VOTERS OF MARBLEHEAD

The Finance Committee respectfully welcomes the opportunity to present this report and to make a series of recommendations concerning the Fiscal Year 2017 (FY17) budget for the Town of Marblehead, as well as other financial matters to be voted on at the 2016 Annual Town Meeting. The Finance Committee is pleased to report that we will present to you a balanced budget recommendation for the eleventh consecutive year without proposing a general override of Proposition 2½ to achieve that balance.

The budget cycle commenced with a joint meeting of the Board of Selectmen and the Finance Committee on January 13, 2016, during which Town Finance Director Alison Nieto delivered the “State of the Town” fiscal analysis. Her breakdown offered a number of positive factors consistent with a well-managed budget: conservative revenue estimates and no budget deficits across the Town departments and enterprises.

The Town continues to enjoy a AAA bond rating for the seventh consecutive year, which is the result of the Town’s long-term consistency regarding budget oversight, strong cooperation from the departments/schools on service levels within level funding expectations, and pro-active management of the largest cost drivers that impact all of the Town (energy reserve fund, health care insurance, and collective bargaining). As a result, despite the continued overall decline in Net State Aid since 2009, the Town has been able to work within the Property Tax Levy 2½% and new growth increases to steadily improve its annual Free Cash position, which is in line with prudent cash management levels recommended by the Massachusetts Association of Town Finance Committees. Marblehead remains one of the approximately 7% of Massachusetts communities with the S&P’s highest AAA rating.

The positive factors affecting the FY17 budget are (i) the continued decline in the volatility of health care costs since the transfer to the State’s Group Insurance Commission (GIC) in 2012 and (ii) the low borrowing costs as a result of the Town’s AAA bond rating. The FY17 projections include two significant unresolved issues that could further impact the budget process: (i) the resolution of the FY17 state budget and the impact on State Aid and (ii) the final Charter School enrollment from Marblehead.

In order to develop the FY17 budget, the following conservative revenue assumptions were made:

- The statutory 2½% increase on the Town’s tax levy and projected new growth combine to generate approximately 3.1% more tax revenues to fund municipal services.
- Net State Aid assumes level funding from FY16 levels (expect charter school reimbursement which is based on a state formula).
- Local receipts remain at FY16 levels, reflecting the stabilization of receipts in the past four years especially in automobile excise taxes.

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

- Health insurance budget is projected to increase 5%.
- All existing contractual obligations and cost-of-living increases are funded
- The energy reserve is level-funded for the sixth year in a row at \$533,544 sufficient to cover potential fluctuations for FY17.
- Debt service expenses are based on schedules as of 2015 issuance.

For FY17, a new utility reserve fund has been budgeted with a \$100,000 appropriation. Similar to the energy reserve fund, the utility reserve is designed to help fund fluctuations in water and sewer expense across the several departments of the town, assisting in the stability and predictability of departmental budgets.

Given the history of strictly limiting expense budgets to increases in contractual obligations for the past several years, the Town was able to very selectively increase appropriations beyond contractual obligations based on a multi-year planning approach that has anticipated multi-year offsets.

Accordingly, we were able to ask town departments to prepare level-funded expense budgets, identify short term needs offset by longer-term reductions, and fund mission-critical upgrades to the services in the Town within a balanced budget under the Proposition 2½ constraints.

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. The Finance Committee 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, and we voted to make our recommendations, contained in this book, to Town Meeting.

Assuming Finance Committee recommendations on the various money articles are accepted by the Town Meeting, the FY17 budget, as presented in **Article 27** will be balanced.

The collaboration among town departments and schools was an essential component of being able to present you with a balanced budget. The Finance Committee would like to thank and commend all department heads, union representatives, appointed and elected boards, and involved citizens for all of their efforts this year.

We specifically wish to express our thanks to the Board of Selectman, the Town Administrator John McGinn, Finance Director Alison Nieto, and the Town's accounting department for the significant time, resources, and guidance that they dedicated to this budget process. We also wish to thank the Superintendent of the Schools and the School Committee again for their continued hard work, cooperation, transparency, and open dedication to a stable system of governance and much-improved accountability in the budget process. Thanks too to our colleagues on the Finance Committee for their devoted efforts during the FY17 budget cycle. We are grateful to our Secretary, Bob Ross, for his enduring support and guidance.

Respectfully submitted,

M. C. Moses Grader
Chairman, Marblehead Finance Committee

Benjamin S. Berman
Vice Chairman, Marblehead Finance Committee

Fiscal 2015 RESERVE FUND

The following is an accounting of funds entrusted to the Finance Committee for Fiscal 2015 Reserve Fund use.

Reserve Fund -- Fiscal 2015 ending June 30, 2015..... \$144,000.00

DEPARTMENTS FUNDS TRANSFERRED TO:

Selectmen Expense.....	\$25,000.00	
Zoning Board Legal Services.....	\$10,500.00	
Election & Registration Expense.....	\$1,500.00	
Public Buildings Expense.....	\$7,250.00	
Article 11, 2014 Public Buildings.....	\$18,250.00	
Police Expense.....	7,300.00	
Fire Expense.....	30,000.00	
Building Commission Local Travel.....	3,166.37	
Article 21, 2014 Essex NS Tech School.....	8,447.00	
Veterans Salary.....	100.00	
Veterans Benefits.....	13,000.00	
Total Transferred		<u>\$124,513.37</u>
Returned to Treasury		<u>\$19,486.63</u>

Fiscal 2016 RESERVE FUND

The following detail represents funds voted to various departments by the Finance Committee from the Reserve Fund covering the period July 1, 2015 thru April 12, 2016.

Annual Town Meeting Appropriation May 4, 2015 \$144,000.00

DEPARTMENTS FUNDS TRANSFERRED TO:

Zoning Board Legal Services.....	\$26,500.00	
Veterans Benefits.....	7,200.00	
Building Commissioner Local Travel.....	3,000.00	
Total Transferred.....		<u>\$36,700.00</u>
Balance Remaining		<u>\$107,300.00</u>

Respectfully Submitted,
MARBLEHEAD FINANCE COMMITTEE

Moses Grader, Chairman
Benjamin Berman, Vice-Chairman
Emily Belfbecker
Rick Doron
Pat Franklin
Matthew Herring
Blair Nelson
Paul Pruett
Robert Ross, Clerk

Article 1 Articles in Numerical Order

To see if the Town will vote to adopt an order requiring articles in the Warrant to be taken up in their numerical order, or take any other action relative thereto. Sponsored by the Board of Selectmen.

Recommended: That this article be adopted.

Article 2 Reports of Town Officers and Committees

To receive the report of the Town Accountant, the reports of the Town Officers, and special Committees, or take any other action relative thereto. Sponsored by the Board of Selectmen.

Recommended: That this article be adopted.

Article 3 Assume Liability

To see if the Town will assume liability in the manner provided by Section 29 of Chapter 91 of the General Laws, for all damages that may be incurred by work to be performed by the Massachusetts Highway Department for the improvement, development, maintenance and protection of tidal and non-tidal rivers and streams, harbors, tidewaters, foreshores and shores along a public beach in accordance with Section 11 of Chapter 91 of the General Laws and authorize the Selectmen to execute and deliver a bond of indemnity therefor to the Commonwealth, or take any other action relative thereto. Sponsored by the Board of Selectmen.

Recommended: That this article be adopted.

Article 4 Accept Trust Property

To see if the Town will vote to accept certain trust property, gifts or grants to be administered by the Town or modify the terms thereof, or take any other action relative thereto. Sponsored by Town Counsel.

Recommendation: That this article be indefinitely postponed.

Article 5 Lease Town Property

To see if the Town will vote to authorize the appropriate Town Officers to let or lease such land, buildings or structures owned by the Town on such terms as they may determine, or take any other action relative thereto. Sponsored by the Board of Selectmen.

Recommended: That this article be adopted.

Article 6 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.

Recommendation: That this article be indefinitely postponed.

Article 7 Revolving Funds

To see if the Town will vote to authorize various revolving funds as required by M.G.L. c 44 s.53E ½, or take any other action relative thereto. Sponsored by the Board of Selectmen.

To create the following new revolving funds as required by M.G.L C.44, s 53E ½ as recommended by the Board of Selectmen.

- 1. Street Opening Revolving Fund in the amount of \$40,000 in fiscal 2017 for the use of the Director of Public Works to be taken from revenues from street opening permits; said appropriation to be used for expenses associated with opening various public ways for the purposes of utility work and expended by the Director.**
- 2. Vaccine Revolving Fund in the amount of \$8,000 in fiscal 2017 for the use of the Board of Health to be taken from receipts from flu related clinics; said appropriation to be used for expenses of operating said clinics; and expended by the Board of Health.**

And to continue the authorization of the following revolving funds

- 1. Historical Commission Gift Shop Revolving Fund in the amount of \$15,000 in fiscal 2017 for the use of the Historical Commission to be taken from Historical Commission revenues from the sale of items at the gift shop operated by said commission; said appropriation to be used for expenses of operating said gift shop; and expended by the Commission.**
- 2. Recreation and Park Revolving Fund in the amount of \$600,000 in fiscal 2017 for the use of the Recreation and Park Commission to be taken from revenues in connection with recreation programs and activities including teen center, program fees, rentals, miscellaneous sales, promotional fees, \$10.00 of out of town parking fees charged on weekends to be used for capital improvements at Devereux Beach and various recreational fund raising events; said appropriation to be used for the expense of said activities including equipment, capital improvements and promotions; and expended by the Commission.**
- 3. Council on Aging Revolving Fund in the amount of \$250,000 in fiscal 2017 for the use of the Council on Aging Director to be taken from revenues in connection with the meals on wheels, and nutrition programs, mini-bus donations, trips, miscellaneous programs, instructional classes, recreational programs, games and tournaments, luncheons and entertainment, and other activities including program fees, fund raising, rentals, miscellaneous sales and promotional fees; said appropriation to be used for the expense of said activities and trips, including equipment and promotions; and expended by the Council on Aging Director.**
- 4. Dog Officer/Animal Control Officer Revolving Fund in the amount of \$20,000 in fiscal 2017 for the use of the Dog Officer to be taken from revenues in connection with fees, reimbursements, deposits and refunds of animal medical expenses including spay and neuter expenses, miscellaneous other sales and various fund raising events; said appropriation to be used for the expense of said programs and activities including medical bills, animal food, pet supplies and equipment, and promotional expenses; and expended by the Dog Officer/ Animal Control Officer.**
- 5. Commercial Waste Revolving Fund in the amount of \$450,000 in fiscal 2017 for the use of the Board of Health to be taken from revenues in connection with commercial waste disposal receipts; said fund to be expended for the cost of solid waste disposal.**
- 6. Conservation Fines Revolving Fund in the amount of \$25,000 in fiscal 2017 for the use of the Conservation Commission to be taken from revenues in connection with receipts collected from fines assessed by the commission; said funds to be expended for the study or implementation of remediation of wetland violations and the study or environmental remediation of municipal properties and for the care and maintenance of lands under the control and jurisdiction of the conservation.**
- 7. Sump Pump Improvement Revolving Fund in the amount of \$25,000 in fiscal 2017 for the use of the Sewer and Water Commission; to be taken from revenues in connection with receipts collected from money received as a result of permitting fees; said fund to be expended for the aid in removal of sump pumps currently tied into the sewer system.**
- 8. Special Education Revolving Fund in the amount of \$610,000 in fiscal 2017 for the use of the School Committee; revenues to be taken from tuition collected for special education students tuition in to the Marblehead Public Schools and from funds collected to pay for the other special education contracted services for out of district special education students being provided service through the North Shore Special Education Consortium and other approved special education public and private placements; said funds to be expended on costs directly related to the special education programs provided to these out of district students.**
- 9. Storm Water By-Law Revolving Fund in the amount of \$10,000 in fiscal 2017 for the use of the conservation Commission; to be taken from revenues in connection with receipts collected from application fees associated with the town's**

storm water management and erosion control regulations; said funds to be expended for expenses related to the enforcement and administration of the Storm water By-Law.

Article 8 Purchase of Equipment of Several Departments

To see if the Town will raise and appropriate any sums of money for the purchase of equipment for the 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.

Recommended: That the sum of \$434,615.00 be appropriated, and to meet this appropriation; \$55,000.00 is to be transferred from Sewer Retained Earnings, and \$379,615.00 is to be raised by taxation. To include the following:

Highway Department	Tree Department
2 Small Dump Truck w/Plow	1 Small Dump Truck w/Plow
Fire Department	Park Department
1 Pickup Truck w/Plow	1 Utility Truck w/Plow
Police Department	Building Department
1 Police Patrol Vehicle	1 Inspection Vehicle
Sewer Department	
1 4x4 Truck w/Utility Body	

Article 9 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 \$260,000.00 be appropriated.

Police Station	Tower Way
Replace Security Camera's around Building	External Lighting Upgrade
Community Center	Hobbs Building
Upgrade Phone System	Repair & Paint Building
Upgrade Monitoring & Security System	Fire Department
School Department	Repair Ceilings
Upgrade & Replace Main Distribution & Sub Panels Bell School	
Heating Repairs & Improvements	
Building Management. Software, Install Controllers	

Article 10 Walls and Fences

To see if the Town will vote to raise and appropriate a sum of money for the construction and reconstruction of walls and fences for the protection of highways and property, including engineering services in connection therewith; to authorize the appropriate Town Officers to acquire by purchase, eminent domain or otherwise, any land or easements necessary therefore; 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 \$7,500.00 be appropriated.

Article 11 Ocean Avenue Sidewalk, Seawall and Rip Rap Repair

To see if the Town will vote to appropriate a sum of money to be expended by the Board of Selectmen for repairing and/or replacing the sidewalk, seawall and rip rap on Ocean Avenue adjacent to the land located at 231 Ocean Avenue, including engineering and legal costs, construction, permitting and all other activities and costs necessary to carry out the work; and 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 \$96,500.00 be appropriated.

Article 12 Amend General Bylaws to Reduce Quorum at Town Meeting

To see if the Town will vote to amend Chapter 174 of the General Bylaws of the Town of Marblehead by reducing the quorum requirements set forth in section 174-5, or take any other action relative thereto. Sponsored by the Board of Selectmen.

Recommended: That the number of voters necessary to constitute a quorum shall be 150.

Article 13 Landfill Regulatory Compliance Activities

To see if the Town will vote to appropriate a sum of money to be expended by the Board of Health for continued water quality monitoring, soil gas monitoring, risk assessment, engineering, and any other services related to the old landfill; to determine whether this appropriation shall be raised by borrowing or otherwise; or take any other action relative thereto. Sponsored by the Board of Health.

Recommended: That the sum of \$114,600.00 be appropriated.

Article 14 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 \$893,505.00 be appropriated, to be taken from Water Retained Earnings

Article 15 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 \$455,880.00 be appropriated, to be taken from Sewer Retained Earnings.

Article 16 Storm Drainage Construction

To see if the Town will vote to appropriate a sum of money for the construction, reconstruction, permitting and maintenance of storm sewers for surface drainage and general Drain Department purposes, including engineering services in connection therewith, 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 \$332,000.00 be appropriated.

Article 17 Water and Sewer Commission Claims

To see if the Town will vote to authorize the Water and Sewer Commission and the Board of Selectmen acting jointly to compromise any claims for damages or suits pending against the Town of Marblehead on account of acts which may have occurred during the construction of the water, sewer and storm water system, or take any other action relative thereto. Sponsored by the Board of Water and Sewer Commissioners.

Recommended: That this article be adopted.

Article 18 Financial Assistance for Conservation

To see if the Town will vote to authorize the Conservation Commission and other proper officers of the Town to apply for financial assistance from public and private sources to be expended by the Conservation Commission for the purchase of vacant land and any other purpose, authorized by Section 8C of Chapter 40 of the General Laws as amended, or to reimburse the Town for sums of money expended for such purposes, or both, or take any other action relative thereto. Sponsored by the Conservation Commission.

Recommended: That this article be adopted.

Article 19 Ratification of Salary By-Law

To see if the Town will vote to ratify certain actions taken by the Compensation Committee under Chapter 43 Section 3(e) as last amended and amend the classification table by reclassifying two positions and adding one new position or take any other action relative thereto. Sponsored by the Compensation Committee.

Recommended: That this article be adopted with the following:

Add positions to the Administrative Pay Scale:

- a. **Head, Public Services Library, Grade 53**
- b. **Head, Technical Services Library, Grade 53**

Delete Position on the Administrative Pay Scale:

- a. **Assistant Director Library, Grade 54**

Reclassify Position on the Administrative Pay Scale:

- a. **Office Manager Water/Sewer from Grade 53 to Grade 54**

Article 20 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 adopted with a 2.5% cost of living increase effective July 1, 2016.

Article 21 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 adopted with a 2.5% cost of living increase effective July 1, 2016.

Article 22 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

the Assessors in making the tax rate, or take any other action relative thereto. Sponsored by the Finance Director.

Recommended: That the sum of \$6,355,000.00 be appropriated for the use of the Assessors in making the Tax Rate.

From Free Cash	\$ 6,025,000.00
From Electric Surplus	<u>330,000.00</u>
	<u>\$ 6,355,000.00</u>

Article 27 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, 2016, 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 2015		Fiscal 2016			Fiscal 2017			
Appropriation	Expended	Appropriation	6 Mos. Actual	6 Mos. Estimated	Item No.		Departmental Requests	Recommended
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	5,500.00	5,500.00
344,589.00	334,504.05	369,207.46	179,355.74	189,851.72	3	Salaries	377,549.00	377,549.00
116,913.00	116,408.17	91,913.00	29,795.43	62,117.57	4	Expense	91,913.00	91,913.00
17,500.00	10,033.00	7,000.00	4,818.00	2,182.00	5	Zoning Board Legal Services	7,000.00	7,000.00
2,000.00		2,000.00		2,000.00	6	Out of State Travel	2,000.00	2,000.00
486,502.00	466,445.22	475,620.46	216,719.17	258,901.29			483,962.00	483,962.00
8,734.00	8,734.00	9,052.00	4,526.02	4,525.98	7	Finance Committee Salaries	9,279.00	9,279.00
5,585.00	2,434.99	5,585.00	273.00	5,312.00	8	Expense	5,585.00	5,585.00
175.00	68.95	175.00		175.00	9	Local Travel	175.00	175.00
14,494.00	11,237.94	14,812.00	4,799.02	10,012.98			15,039.00	15,039.00
144,000.00		144,000.00		144,000.00	10	Reserve Fund	144,000.00	144,000.00
124,513.37						Less Transfers		
<u>19,486.63</u>		<u>144,000.00</u>		<u>144,000.00</u>		Net		
633,026.00	587,618.57	632,543.87	298,567.47	333,976.40	12	Finance Salaries	637,685.00	637,685.00
268,310.00	258,428.48	268,310.00	115,258.31	153,051.69	13	Expense	268,310.00	268,310.00
901,336.00	846,047.05	900,853.87	413,825.78	487,028.09			905,995.00	905,995.00
300.00	300.00	300.00		300.00	17	Assessor Officials Expense	300.00	300.00
192,844.00	192,843.88	200,294.80	98,014.44	102,280.36	18	Salaries	207,031.00	207,031.00
103,785.00	102,529.29	103,785.00	85,436.22	18,348.78	19	Expense	33,685.00	33,685.00
400.00	390.19	400.00		400.00	20	Local Travel	500.00	500.00
297,329.00	296,063.36	304,779.80	183,450.66	121,329.14			241,516.00	241,516.00
2,000.00	2,000.00	2,000.00	1,000.00	1,000.00	29	Town Counsel Salaries	2,000.00	2,000.00
79,725.00	69,494.29	81,575.00	33,528.06	48,046.94	30	Expense	66,575.00	66,575.00
81,725.00	71,494.29	83,575.00	34,528.06	49,046.94			68,575.00	68,575.00
10,484.00	8,999.78	10,484.00	1,484.66	8,999.34	35	Parking Tickets Expense	10,484.00	10,484.00
164,360.00	163,720.50	170,872.22	81,075.80	89,796.42	39	Town Clerk Salaries	174,697.00	174,697.00
9,037.00	7,221.13	9,037.00	1,459.75	7,577.25	40	Expense	11,756.00	10,137.00
173,397.00	170,941.63	179,909.22	82,535.55	97,373.67			186,453.00	184,834.00

Fiscal 2015		Fiscal 2016			Item No.		Fiscal 2017		
Appropriation	Expended	Appropriation	6 Mos. Actual	6 Mos. Estimated			Departmental Requests	Recommended	
22,750.00	21,420.00	25,334.00	100.00	25,234.00	43	Election & Registration			
23,365.00	23,039.83	23,065.00	6,613.38	16,451.62	44	Salaries	32,462.00	32,462.00	
						Expense	24,565.00	24,565.00	
46,115.00	44,459.83	48,399.00	6,713.38	41,685.62			57,027.00	57,027.00	
1,675.00	965.79	1,675.00	696.24	978.76	50	Planning Board			
						Expense	1,675.00	1,675.00	
93,795.00	88,150.89	97,442.83	46,787.44	50,655.39	55	Public Buildings			
108,350.00	100,061.25	102,550.00	31,904.02	70,645.98	56	Salaries	98,061.00	98,061.00	
400.00	356.79	400.00	31.93	368.07	57	Expense	102,550.00	102,550.00	
						Local Travel	400.00	400.00	
202,545.00	188,568.93	200,392.83	78,723.39	121,669.44			201,011.00	201,011.00	
4,300.00	3,204.58	4,300.00		4,300.00	59	Town Reports	4,300.00	4,300.00	
43,000.00	43,000.00	54,500.00	36,000.00	18,500.00	60	Town Audit	54,500.00	54,500.00	
2,282,488.63	2,151,528.40	2,423,401.18	1,059,475.91	1,363,925.27		TOTAL GENERAL GOVERNMENT	2,374,637.00	2,373,018.00	
PUBLIC SAFETY									
3,221,009.00	3,189,618.40	3,378,946.62	1,695,254.18	1,683,692.44	62	Police Department			
183,199.00	180,917.18	180,724.00	101,257.85	79,466.15	63	Salaries	3,505,061.00	3,505,061.00	
5,000.00	968.27	5,000.00		5,000.00	64	Expense	180,724.00	180,724.00	
						Indemnif. of Officers	5,000.00	5,000.00	
3,409,208.00	3,371,503.85	3,564,670.62	1,796,512.03	1,768,158.59			3,690,785.00	3,690,785.00	
3,068,383.00	3,035,010.63	3,219,286.05	1,568,299.93	1,650,986.12	68	Fire Department			
194,920.00	193,719.49	173,620.00	98,438.44	75,181.56	69	Salaries	3,339,974.00	3,339,974.00	
84,200.00	80,419.54	101,737.00	101,537.86	199.14	70	Expense	178,620.00	178,620.00	
						Fire Alarm Expense	5,000.00	5,000.00	
3,347,503.00	3,309,149.66	3,494,643.05	1,768,276.23	1,726,366.82			3,523,594.00	3,523,594.00	
474,510.00	434,337.00	481,067.62	219,788.66	261,278.96	73	Building Inspection			
21,355.00	6,089.90	21,355.00	3,278.85	18,076.15	74	Salaries	495,742.00	495,742.00	
6,666.37	6,666.37	4,000.00	3,030.84	969.16	75	Expense	21,355.00	21,355.00	
						Local Travel	6,000.00	6,000.00	
502,531.37	447,093.27	506,422.62	226,098.35	280,324.27			523,097.00	523,097.00	
250.00	240.00	250.00		250.00	80	Sealer of Weights & Measures			
						Expense	250.00	250.00	
2,400.00	2,400.00	2,400.00	1,200.00	1,200.00	86	Animal Inspector			
						Salaries	2,400.00	2,400.00	
7,261,892.37	7,130,386.78	7,568,386.29	3,792,086.61	3,776,299.68		TOTAL PUBLIC SAFETY	7,740,126.00	7,740,126.00	
EDUCATION									
31,787,615.00	31,788,740.00	33,025,560.00	13,798,454.12	19,227,105.88	101	Schools	34,754,708.00	34,754,708.00	
31,787,615.00	31,788,740.00	33,025,560.00	13,798,454.12	19,227,105.88		TOTAL SCHOOLS	34,754,708.00	34,754,708.00	

Fiscal 2015		Fiscal 2016			Item No.	Fiscal 2017		
Appropriation	Expended	Appropriation	6 Mos. Actual	6 Mos. Estimated		Departmental Requests	Recommended	
PUBLIC WORKS & FACILITIES								
Engineering								
126,147.00	126,127.17	134,491.41	64,145.27	70,346.14	105	Salaries	138,056.00	138,056.00
10,645.00	6,863.74	10,645.00	2,583.51	8,061.49	106	Expense	10,645.00	10,645.00
136,792.00	132,990.91	145,136.41	66,728.78	78,407.63			148,701.00	148,701.00
6,000.00		6,000.00				Source:		
130,792.00		139,136.41				Conservation Wetlands Fee		6,000.00
136,792.00		145,136.41				Taxation		142,701.00
								148,701.00
Highway								
774,679.00	714,081.82	793,705.77	318,539.57	475,166.20	112	Salaries	808,138.00	808,138.00
89,284.00	89,284.00	99,284.00	53,587.61	45,696.39	113	Expense	107,084.00	107,084.00
863,963.00	803,365.82	892,989.77	372,127.18	520,862.59			915,222.00	915,222.00
33,750.00	18,715.13	48,750.00	9,728.91	39,021.09	116	Maintain Streets and Sidewalks	48,750.00	48,750.00
100,000.00	797,792.22	100,000.00	25,711.31	74,288.69	117	Snow Removal	100,000.00	100,000.00
128,820.00	128,820.00	128,820.00	56,163.56	51,790.51	118	Street Lighting	128,820.00	128,820.00
1,126,533.00	1,748,693.17	1,170,559.77	463,730.96	706,828.81			1,192,792.00	1,192,792.00
Waste Collection								
305,662.00	299,354.38	317,953.59	159,967.53	157,986.06	126	Salaries	324,713.00	324,713.00
1,724,823.00	1,468,474.88	1,737,497.00	607,217.90	1,130,279.10	127	Expense	1,756,143.00	1,756,143.00
2,030,485.00	1,767,829.26	2,055,450.59	767,185.43	1,288,265.16			2,080,856.00	2,080,856.00
Drains								
105,015.00	75,329.06	111,651.40	50,753.46	60,897.94	132	Salaries	129,508.00	129,508.00
5,150.00	4,118.67	5,150.00	1,701.51	3,448.49	133	Expense	5,650.00	5,650.00
110,165.00	79,447.73	116,801.40	52,454.97	64,346.43			135,158.00	135,158.00
Cemetery								
300.00	300.00	300.00		300.00	141	Officials Expense	300.00	300.00
310,151.00	290,853.76	317,763.85	155,323.53	162,440.32	142	Salaries	332,672.00	332,672.00
21,846.00	21,842.57	21,846.00	13,396.30	8,449.70	143	Expense	25,346.00	25,346.00
332,297.00	312,996.33	339,909.85	168,719.83	171,190.02			358,318.00	358,318.00
282,297.00		314,909.85				Source		
50,000.00		25,000.00				Taxation		333,318.00
332,297.00		339,909.85				Perpetual Care		25,000.00
								358,318.00
Tree Department								
252,636.00	237,660.78	259,810.06	126,436.02	133,374.04	148	Salaries	268,350.00	268,350.00
51,578.00	32,804.32	51,578.00	8,632.75	42,945.25	149	Expense	51,578.00	51,578.00
304,214.00	270,465.10	311,388.06	135,068.77	176,319.29			319,928.00	319,928.00
4,040,486.00	4,312,422.50	4,139,246.08	1,653,888.74	2,485,357.34		TOTAL PUB. WORKS & FAC.	4,235,753.00	4,235,753.00

Fiscal 2015		Fiscal 2016					Fiscal 2017	
Appropriation	Expended	Appropriation	6 Mos. Actual	6 Mos. Estimated	Item No.		Departmental Requests	Recommended
HUMAN SERVICES								
						Health Dept.		
400.00	400.00	400.00		400.00	153	Officials Expense	400.00	400.00
138,229.00	135,359.28	144,234.84	69,525.48	74,709.36	154	Salaries	155,245.00	155,245.00
13,055.00	11,153.42	15,655.00	7,909.20	7,745.80	155	Expense	15,655.00	15,655.00
1,632.00	57.07	1,632.00	188.72	1,443.28	157	Local Travel	1,632.00	1,632.00
4,000.00	4,000.00	4,000.00	4,000.00		158	HAWC	4,000.00	4,000.00
157,316.00	150,969.77	165,921.84	81,623.40	84,298.44			176,932.00	176,932.00
						Mental Health		
60,000.00	60,000.00	60,000.00	22,628.09	37,371.91	162	Contractual Services	60,000.00	60,000.00
						Council on Aging		
247,590.00	239,924.77	256,619.27	131,750.89	124,868.38	164	Salaries	285,414.00	285,414.00
3,459.00	3,447.57	6,459.00	2,170.63	4,288.37	165	Expense	8,490.00	8,490.00
251,049.00	243,372.34	263,078.27	133,921.52	129,156.75			293,904.00	293,904.00
						Veterans Benefits		
60,326.00	60,325.30	62,047.82	30,324.82	31,723.00	175	Salaries	63,336.00	63,336.00
1,243.00	1,213.41	1,243.00	257.56	985.44	176	Expense	1,243.00	1,243.00
1,100.00	727.19	1,100.00	416.08	683.92	177	Local Travel	1,100.00	1,100.00
32,000.00	31,454.45	25,000.00	16,868.68	8,131.32	178	Benefits	33,000.00	33,000.00
94,669.00	93,720.35	89,390.82	47,867.14	41,523.68			98,679.00	98,679.00
563,034.00	548,062.46	578,390.93	286,040.15	292,350.78		TOTAL HUMAN SERVICES	629,515.00	629,515.00
CULTURE AND RECREATION								
						Library		
787,914.00	745,465.73	805,127.26	374,512.76	430,614.50	185	Salaries	828,071.00	828,071.00
254,046.00	253,647.46	253,812.00	144,524.52	109,287.48	186	Expense	253,812.00	253,812.00
100.00	76.09	100.00		100.00	187	Local Travel	100.00	100.00
1,042,060.00	999,189.28	1,059,039.26	519,037.28	540,001.98			1,081,983.00	1,081,983.00
						Park Department		
580,499.00	522,892.96	602,058.26	285,340.46	316,717.80	190	Salaries	641,700.00	641,700.00
171,590.00	160,669.91	171,590.00	106,719.96	64,870.04	191	Expense	171,590.00	171,590.00
46,093.00	42,588.97	46,093.00	15,625.41	30,467.59	192	Facility Expense	46,093.00	46,093.00
798,182.00	726,151.84	819,741.26	407,685.83	412,055.43			859,383.00	859,383.00
5,650.00	5,650.00	5,650.00		5,650.00	210	Memorial & Veterans Day	6,150.00	6,150.00
1,845,892.00	1,730,991.12	1,884,430.52	926,723.11	957,707.41		TOTAL CULTURE & RECREATION	1,947,516.00	1,947,516.00

Fiscal 2015		Fiscal 2016					Fiscal 2017	
Appropriation	Expended	Appropriation	6 Mos. Actual	6 Mos. Estimated	Item No.		Departmental Requests	Recommended
DEBT SERVICE								
3,242,150.00	3,242,150.00	3,718,000.00	3,718,000.00		214	Maturing Debt	4,085,000.00	4,085,000.00
2,257,855.00	2,256,854.95	2,255,323.78	1,305,686.38	949,637.40	215	Interest	2,739,406.02	2,739,406.02
5,500,005.00	5,499,004.95	5,973,323.78	5,023,686.38	949,637.40		TOTAL DEBT SERVICE	6,824,406.02	6,824,406.02
MISCELLANEOUS								
					211	Utility Reserve	100,000.00	100,000.00
2,189,382.00	2,189,381.37	2,369,715.00	2,369,715.00		217	Contributory Retirement	2,559,292.00	2,559,292.00
570,000.00	542,558.32	600,000.00	239,731.39	360,268.61	218	Medicare	630,000.00	630,000.00
315,000.00	315,000.00	330,000.00	330,000.00		219	Workmen's Compensation	330,000.00	330,000.00
		15,000.00	1,920.00	13,080.00	220	Training Expense	15,000.00	15,000.00
11,581,448.00	9,261,263.99	12,110,711.00	5,007,746.45	7,102,964.55	221	Group Insurance	12,663,401.00	12,663,401.00
503,057.00	318,314.94	503,057.00	371,075.96	131,981.04	222	Other Insurance	503,057.00	503,057.00
110,770.00	34,302.40	110,770.00	14,364.00	96,406.00	223	Salary Reserve	110,770.00	110,770.00
113,896.00	89,232.07	88,333.00	43,486.74	44,846.26	224	NonContributory Retirement	90,135.00	90,135.00
533,544.00	309,147.40	533,544.00		533,544.00	225	Energy Reserve	533,544.00	533,544.00
250,000.00	250,000.00	300,000.00	300,000.00		226	Other Post Employment Benefits	300,000.00	300,000.00
16,167,097.00	13,309,200.49	16,961,130.00	8,678,039.54	8,283,090.46		TOTAL MISCELLANEOUS	17,835,199.00	17,835,199.00
ENTERPRISE								
662,210.00	620,689.08	679,141.00	311,803.61	367,337.39	227	Sewer Salaries	719,706.00	719,706.00
617,906.00	527,231.90	612,685.00	256,889.18	355,795.82	228	Expense	645,559.00	645,559.00
3,649,918.00	3,647,912.47	2,217,000.00	1,628,889.45	588,110.55	230	South Essex Sewer District	3,126,010.00	3,126,010.00
4,930,034.00	4,795,833.45	3,508,826.00	2,197,582.24	1,311,243.76			4,491,275.00	4,491,275.00
<u>4,930,034.00</u>		<u>3,508,826.00</u>				Source		
<u>4,930,034.00</u>		<u>3,508,826.00</u>				Sewer Receipts		<u>4,491,275.00</u>
								<u>4,491,275.00</u>

Fiscal 2015		Fiscal 2016			Item No.		Fiscal 2017	
Appropriation	Expended	Appropriation	6 Mos. Actual	6 Mos. Estimated			Departmental Requests	Recommended
611,736.00	587,143.97	671,482.00	307,196.15	364,285.85	231	Salaries	677,790.00	677,790.00
577,658.00	505,867.00	572,708.00	266,843.44	305,864.56	232	Expense	587,344.00	587,344.00
2,203,026.00	2,101,639.00	2,335,208.00	1,139,162.50	1,196,045.50	235	Metropolitan Water	2,475,321.00	2,475,321.00
3,392,420.00	3,194,649.97	3,579,398.00	1,713,202.09	1,866,195.91			3,740,455.00	3,740,455.00
						Source:		
<u>3,392,420.00</u>		<u>3,579,398.00</u>				Water Receipts		<u>3,740,455.00</u>
	Revenue		Revenue		236	Operating Expenditures		Revenue
330,018.00	315,520.47	344,308.00	181,415.52	162,892.48	238	Salaries	357,154.00	357,154.00
358,063.00	348,200.17	379,982.00	144,075.73	235,906.27	239	Expense	400,880.00	400,880.00
78,500.00	71,452.49	107,500.00	33,823.14	73,676.86	241	Outlays	141,000.00	141,000.00
766,581.00	735,173.13	831,790.00	359,314.39	472,475.61			899,034.00	899,034.00
						Source		
<u>688,081.00</u>		<u>724,290.00</u>				Harbor Receipts		<u>758,034.00</u>
<u>78,500.00</u>		<u>107,500.00</u>				Harbor Retained Earnings		<u>141,000.00</u>
<u>766,581.00</u>		<u>831,790.00</u>						<u>899,034.00</u>
9,089,035.00	8,725,656.55	7,920,014.00	4,270,098.72	3,649,915.28		TOTAL ENTERPRISE	9,130,764.00	9,130,764.00
78,537,545.00	75,195,993.25	80,473,882.78	39,488,493.28	40,985,389.50		TOTAL BUDGETS	85,472,624.02	85,471,005.02

SPECIAL ARTICLES

7,500.00					Art 9, 2014 - Walls and Fences
424,615.00	346,854.89				Art 10, 2014 - Purchase of Equipment
303,724.00	270,366.45		16,967.72		Art 11, 2014 - Capital Improvements to Public Buildings
877,700.00	2,538.47		759,411.77		Art 12, 2014 - Water Construction
631,237.00					Art 13, 2014 - Sewer Construction
324,000.00	172,747.89		151,252.11		Art 14, 2014 - Storm Drainage Construction
233,858.00	233,858.00				Art 21, 2014 - Essex North Shore Agricultural and Tech
114,600.00					Art 32, 2014 - Landfill Regulatory Compliance
		7,500.00			Art 9, 2015 - Walls and Fences
		72,000.00	1,282.50		Art 10, 2015 - Ocean Ave Sidewalk, Seawall Repair
		525,565.00	333,017.18		Art 13, 2015 - Purchase of Equipment
		291,000.00	137,431.79		Art 14, 2015 - Capital Improvements for Public Buildings
		729,788.00	981.24		Art 15, 2015 - Water Construction
		582,115.00	360.46		Art 16, 2015 - Sewer Construction
		332,000.00	36,119.21		Art 17, 2015 - Storm Drainage Construction
		226,674.00	169,942.50		Art 21, 2015 - Essex North Shore Agricultural and Tech
		114,600.00			Art 31, 2015 - Landfill Regulatory Compliance
		1,250,000.00			Art 32, 2015 - Landfill Drainage Culvert Repair
		1,000,000.00			Art 33, 2015 - Landfill Closure Adjacent Property Clean Up
		5,750,000.00			Art 34, 2015 - New Transfer Station Work & Building

Fiscal 2015		Fiscal 2016			Item No.	Fiscal 2017	
Appropriation	Expended	Appropriation	6 Mos. Actual	6 Mos. Estimated		Departmental Requests	Recommended
					Fiscal 2017 Special Articles		
					Art 8, 2016 - Purchase of Equipment		434,615.00
					Art 9, 2016 - Capital Improvements for Public Buildings		260,000.00
					Art 10, 2016 - Walls and Fences		7,500.00
					Art 11, 2016 - Ocean Ave Sidewalk, Seawall Repair		96,500.00
					Art 13, 2016 - Landfill Regulatory Compliance		114,600.00
					Art 14, 2016 - Water Construction		893,505.00
					Art 15, 2016 - Sewer Construction		455,880.00
					Art 16, 2016 - Storm Drainage Construction		332,000.00
					Art 24, 2016 - Essex North Shore Agricultural and Tech		276,467.00
					Art 33, 2016 - Purchase of Pumper Truck for Fire		620,000.00
					Art 34, 2016 - Gerry School Feasibility Study		750,000.00
					TOTAL SPECIAL ARTICLES		4,241,067.00
					Less: Bond Issue		1,370,000.00
							2,871,067.00
2,917,234.00	1,026,365.70	10,881,242.00	1,606,766.48				
		8,000,000.00					
2,917,234.00	1,026,365.70	2,881,242.00	1,606,766.48				
78,537,545.00	75,195,993.25	80,473,882.78	39,488,493.28				
81,454,779.00	76,222,358.95	83,355,124.78	41,095,259.76				
					TOTAL BUDGETS AND ARTICLES		
					Total Depart. Budgets(Above)	85,472,624.02	85,471,005.02
						85,472,624.02	88,342,072.02

Article 28 Supplemental 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 supplemental expenses of the several departments of the Town for the fiscal year beginning July 1, 2016, or take any other action relative thereto. Sponsored by the Finance Director.

Recommendation: That this article be indefinitely postponed.

Article 29 Acceptance of MGL Chapter 31 Section 58A, Police and Fire Maximum Age Restrictions

To see if the Town will accept the provisions of Massachusetts General Law Chapter 31, Section 58A, or take any other action relative thereto. Sponsored by the Police and Fire Chiefs.

No recommendation under this article.

Article 30 Amend Historic Districts Commission Special Act

To see if the Town will vote to authorize the Board of Selectmen to petition the General Court of the Commonwealth, pursuant to the Provisions of Section 8 of Article 89 of the Amendments to the State Constitution and all other applicable laws to amend Chapter 101 of the Acts of 1965, An Act Establishing the Old and Historic District Commission of the Town of Marblehead, Section 4, by omitting the requirement that all of the membership of the commission reside in an historic district and by amending section 8 to allow a longer period of time upon which to make a determination of estates effected, as follows:

AN ACT AMENDING CHAPTER 101 OF THE ACTS OF 1965, AN ACT ESTABLISHING THE OLD AND HISTORIC DISTRICT COMMISSION OF THE TOWN OF MARBLEHEAD.

Be it enacted by the Senate and House of Representatives in the General Court assembled and by authority of the same as follows:

SECTION 1. Amend Chapter 101 of the Acts of 1965, An Act Establishing the Old and Historic Districts Commission of the Town of Marblehead as follows:

a. by omitting the second part of the second sentence in Section 4. Which now reads; “Each member shall be a resident of the town of Marblehead and shall reside in an historic district established under this act.”

To read instead; **“Each member shall be a resident of the town of Marblehead and shall reside in the historic district established under this act except the Board of Selectmen may appoint no more than one member from outside of an historic district.”**

b. by changing the second word in Section 8 which now reads: “Within ten days....”

To read instead; **“Within twenty-one (21) days...”**

SECTION 2. This Act shall take effect upon its passage.

SECTION 3. The General Court may reasonably vary the form and substance of the requested legislation within the scope of the general public objectives of this petition.

or take any action relative thereto. Sponsored by the Board of Selectmen.

No recommendation under this article.

Article 31 Abandon Portion of Public Way

To see if the Town will vote to abandon a certain portion of Colgate Road as a public way as more fully set forth on the plan entitled “Rights Plan” and dated April 7, 2015 by Hayes

Engineering, and indicated as "Portion to be Abandoned" including 10,541 sq. ft. +/-and which is on file with the Town Clerk, or take any other action relative thereto. Sponsored by the Board of Selectmen.

Recommended: That this article be adopted.

Article 32 Sell Town Property

To see if the Town will vote to authorize the Board of Selectmen to sell a portion of Colgate Road as more fully set forth on the plan entitled "Rights Plan" and dated April 7, 2015 by Hayes Engineering, and indicated as "Portion to be Abandoned" including 10,541 sq. ft. +/- and which is on file with the Town Clerk, and to enter into any and all agreements on such terms as the Selectmen may determine in order to effectuate same, or take any other action relative thereto. Sponsored by the Board of Selectmen.

Recommended: That this article be adopted.

Article 33 Purchase of Pumper Truck for Fire Department

To see if the Town will vote to appropriate a sum of money for the purchase of a pumper truck for the Fire Department, 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.

Recommended: That the sum of \$620,000.00 be appropriated subject to a Proposition 2 ½ override.

Article 34 Gerry School Feasibility Study

To see if the Town will vote to appropriate, borrow or transfer from available funds, an amount of money to be expended under the direction of the Gerry School Building Committee to undertake a feasibility study to analyze in depth the design options and costs for the renovation and/or reconstruction of the Gerry School, 50 Elm Street, Marblehead, and to explore and investigate the advantages and/or disadvantages of district reorganization options, for which feasibility study the Town may be eligible for a grant from the Massachusetts School Building Authority. The MSBA's grant program is a non-entitlement, discretionary program based on need, as determined by the MSBA, and any costs the Town incurs in connection with the feasibility study in excess of any grant approved by and received from the MSBA shall be the sole responsibility of the Town, or take any other action relative thereto. Sponsored by the School Committee.

Recommended: That the sum of \$750,000.00 be appropriated subject to a Proposition 2 ½ override.

Article 35 Expenses for Holiday Decorations

To determine whether the Town of Marblehead will allocate funds in the amount of \$5,000.00 (five thousand dollars) per annum for the beautification of the Town during the December-Winter Holiday season, which funds shall be used to decorate the commercial zones on Washington Street, Pleasant Street and Atlantic Avenue with garlands, wreaths, ribbons etc., and to pay for the installation of said decorations, or take any other action relative thereto. Sponsored by Dawn LiVigne and Kristen Pollard.

Recommendation: That this article be indefinitely postponed.