

Finance Committee Report



ANNUAL TOWN MEETING
MAY 4, 2015
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 2016 (FY16) budget for the Town of Marblehead, as well as other financial matters to be voted on at the 2015 Annual Town Meeting. The Finance Committee is pleased to report that we will present to you a balanced budget recommendation for the tenth consecutive year without proposing a general override of Proposition 2 ½ to achieve that balance.

The budget cycle commenced with a joint meeting of the Board of Selectmen and the Finance Committee on January 15, 2015, during which Town Administrator John McGinn delivered the “State of the Town” fiscal analysis. His 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 sixth 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 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 an overall decline in Net State Aid and a softening of Local Receipts since 2008, 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. Marblehead remains one of the approximately 8% of Massachusetts communities with the S&P’s highest AAA rating.

The positive factors affecting the FY16 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 FY16 projections include three significant unresolved issues that could further impact the budget process: (i) the settlement of all Collective Bargaining agreements for FY16, (ii) resolution of the FY16 state budget and the impact on State Aid, and (iii) the final Charter School enrollment from Marblehead.

In order to develop the FY16 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 reduced by 3% from FY15 levels, which includes the assumption for Charter School enrollment of 195 students.
- Local receipts remain at FY15 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 fifth year in a row at \$533,544 sufficient to cover potential fluctuations for FY16.

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. Departmental budgets under the Selectmen included the provision of (i) new training allocations of \$15,000 for police and fire in compliance with additional state requirements, ii) an increase in the Town's contribution to veterans benefits of \$6,000 as a result of a larger case load, and iii) ongoing appropriations of approximately \$17,500 for the Town's new wireless fire alarm system, . Following the record snow-fall and harbor ice of the winter of 2015, additional capital outlays were made including i) \$15,000 to re-build streets and sidewalks and ii) \$29,000 to the Harbor Fund to re-build the Town's floats and chains.

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 FY15 budget, as presented in **Article 29** 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, 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 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 FY16 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

Patricia Moore
Vice Chairman, Marblehead Finance Committee

Benjamin Berman
Vice Chairman, Marblehead Finance Committee

Fiscal 2014 RESERVE FUND

The following is an accounting of funds entrusted to the Finance Committee for Fiscal 2014 Reserve Fund use.

Reserve Fund -- Fiscal 2014 ending June 30, 2014..... \$144,000.00

DEPARTMENTS FUNDS TRANSFERRED TO:

Town Counsel Expense.....	\$12,000.00
Police Expense.....	13,500.00
Fire Expense.....	11,000.00
Building Commission Expense.....	4,723.00
Cemetery Expnse.....	9,940.00
Council On Aging Expense.....	8,142.33
Library Expense.....	3,800.00
Total Transferred	<u>\$63,105.33</u>
Returned to Treasury	<u><u>\$80,894.67</u></u>

Fiscal 2015 RESERVE FUND

The following detail represents funds voted to various departments by the Finance Committee from the Reserve Fund covering the period July 1, 2014 thru April 12, 2015.

Annual Town Meeting Appropriation May 5, 2014 \$144,000.00

DEPARTMENTS FUNDS TRANSFERRED TO:

Zoning Board Legal services.....	\$10,500.00
Public Buildings Expense.....	7,250.00
Fire Expense.....	30,000.00
Veterans Salary.....	100.00
Veterans Benefits.....	13,000.00
Art 11, 2014 Public Buildings.....	18,250.00
Total Transferred	<u>\$79,100.00</u>
Balance Remaining	<u><u>\$64,900.00</u></u>

Respectfully Submitted,

MARBLEHEAD FINANCE COMMITTEE

Moses Grader, Chairman
Patricia Moore, Vice-Chairman
Benjamin Berman, Vice-Chairman
Emily Belfbecker
Rick Doron
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 action relative thereto. Sponsored by the Board of Selectmen.

No recommendation under this article.

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 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.

Recommended: To accept the following Trust Funds

- 1. Ross and Rita Terrien Trust Fund**
- 2. Robert Elbridge Morse Trust Fund**

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.

Recommended: That the sum of \$4,487.45 be appropriated as follows:

Public Buildings Expense	540.25
School Budget	2,145.50
Waste Collection Expense	1,062.50
Park Revolving Fund	650.00
Sewer Expense	89.20

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.

Recommended: To continue the authorization of the following revolving funds as required by M.G.L. C.44, §53E 1/2 as recommended by the Board of Selectmen.

- 1. Historical Commission Gift Shop Revolving Fund in the amount of \$13,000 in fiscal 2016 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 \$300,000 in fiscal 2016 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 2016 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 2016 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. RAD Program Revolving Fund in the amount of \$7,500 in fiscal 2016 for the use of the Police Chief to be taken from revenues in connection with tuition, fees, reimbursements, miscellaneous sales, gifts and donations of the RAD program; said appropriation to be used for the expense of said program including salaries and expenses including equipment.
6. Commercial Waste Revolving Fund in the amount of \$450,000 in fiscal 2016 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.
7. Conservation Fines Revolving Fund in the amount of \$10,000 in fiscal 2016 for the use of the Conservation Commission to be taken from revenues in connection with receipts collected from fines assessed by the commission; said fund to be expended for remediation of wetlands violations and for the care and maintenance of lands under the control and jurisdiction of the Conservation Commission.
8. Sump Pump Improvement Revolving Fund in the amount of \$25,000 in fiscal 2016 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.
9. Special Education Revolving Fund in the amount of \$580,000 in fiscal 2016 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.

- 10. Storm Water By-Law Revolving Fund in the amount of \$10,000 in fiscal 2016 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 Non-Resident Student Tuition

To see if the Town will vote to accept the provision of Massachusetts General Law Chapter 71, Section 71F; all monies received by the school committee as tuition payments for nonresident students and as state reimbursements for students who are foster care children shall be deposited with the treasurer of the town or city and held as separate accounts. The receipts held in such a separate account may be expended by said school committee without further appropriation for expenses incurred in providing education for such nonresident students or for such students who are foster care children, notwithstanding the provisions of section fifty-three of chapter forty-four, or take any other action relative thereto. Sponsored by the School Committee.

Recommended: That this article be adopted.

Article 9 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 therefor; 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 10 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 \$72,000.00 be appropriated.

Article 11 Ocean Avenue Easement Acquisition for Sidewalk, Seawall and Rip Rap Repair

To see if the Town will vote to purchase, acquire or take by eminent domain an easement or other interest in the land described below, and to raise and appropriate a sum of money, either by appropriation, borrowing or otherwise, to fund said purchase or taking, along with all legal costs and costs of settlement in connection with the repair and construction of the sidewalk, seawall and rip rap located on Ocean Avenue adjacent to such land as follows: Identified in Assessor's records for the Town of Marblehead, Massachusetts, as Map 902, Lot 1A and in particular as more fully set forth on the plan by Hayes Engineering and dated March 31, 2014 entitled "Plan of Land #231 Ocean Avenue, Assessor's Parcel 902-1A Marblehead, Mass" on record in the Town Clerk's Office; or take any action relative thereto. Sponsored by the Board of Selectmen

Recommended: That this article be adopted.

Article 12 Fort Sewall Improvements

To see if the town will vote to appropriate a sum of money for the renovation and repairs to Fort Sewall 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 this article be indefinitely postponed.

Article 13 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 Finance Committee.

Recommended: That the sum of \$525,565.00 be appropriated, and to meet this appropriation; \$55,000.00 is to be transferred from Sewer Retained Earnings, \$72,000.00 is to be transferred from Water Retained Earnings, \$18,950.00 is to be transferred from Cemetery Sale of Lots Fund and \$379,615.00 is to be raised by taxation. To include the following:

Highway Department	School Department
1 Dump Truck w/Plow	1 Student Passenger Van
1 Plow	Police Department
Loader Tires	1 Motorcycle
Waste Collection Department	1 Police Cruiser
1 Plow for Front End Loader	Cemetery Department
Park Department	2 Lawn Mowers
1 Snow Blower Attachment for John Deere	Water Department
1 Lawn Mower	1 Dump Truck
1 Snow Blower Attachment for Skid Steer	Sewer Department
1 Dump Truck w/Plow	1 Dump Truck

Article 14 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 \$291,900.00 be appropriated. \$260,000.00 to be raised by taxation and \$31,900.00 to be taken from the sale of lots fund.

Tower Way Garage	Fire Department
Retrofit Tree Garage Door	Lighting Upgrade
Repair Highway Garage Floor & Drain	Carpeting
Mary Alley Building	Replace Windows
Window Replacement – Phase II	School Department
Asbestos Removal	Upgrade Bell Electrical Panel
Chimney & Top Floor Flashing & Repointing	Bell New Carpet & Flooring
Park & Recreation Department	Cemetery
Roof Repair – Community Center	Lighting Upgrade
Space Study – Community Center	Cemetery Lot Expansion
Traffic Signals	
Traffic Signal Repairs & Improvements	

Article 15 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 \$729,788.00 be appropriated, to be taken from Water Retained Earnings

Article 16 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 \$582,115.00 be appropriated, to be taken from Sewer Retained Earnings.

Article 17 Storm Drainage Construction

To see if the Town will vote to appropriate a sum of money for the construction, reconstruction and maintenance of storm sewers for surface drainage purposes, and to authorize the appropriate Town Officers to acquire by purchase, eminent domain or otherwise, any land or easements necessary therefor, and to raise the money for such purposes by the issue of bonds or notes or in any other manner, or 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 18 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 19 Collective Bargaining (IUE/CWE –Local 1776)

To see if the Town will, pursuant to G.L. c. 150E §7, vote to appropriate the sums of money sufficient to fund the collective bargaining agreement for fiscal year 2016 with Local 1776 of the IUE/CWE, or take any action relative thereto. Sponsored by the Board of Selectmen.

Recommendation to be made at Town Meeting.

Article 20 Collective Bargaining (Fire)

To see if the Town will, pursuant to G.L. c. 150E §7, vote to appropriate the sums of money sufficient to fund the collective bargaining agreement for fiscal year 2016 with the International Association of Firefighters AFL/CIO CLC Local 2043, or take any action relative thereto. Sponsored by the Board of Selectmen.

Recommendation to be made at Town Meeting.

Article 21 Collective Bargaining (Police)

To see if the Town will, pursuant to G.L. c. 150E §7, vote to appropriate the sums of money sufficient to fund the collective bargaining agreement for fiscal year 2016 with Town of Marblehead Police Officers Union, or take any action relative thereto. Sponsored by the Board of Selectmen.

Recommendation to be made at Town Meeting.

Article 22 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 to be made at Town Meeting.

Article 23 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 to be made at Town Meeting.

Article 24 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 to be made at Town Meeting.

Article 25 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 to be made at Town Meeting.

Article 26 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 27 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, 2015 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 \$226,674.00 be appropriated

Article 28 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 \$5,790,000.00 be appropriated for the use of the Assessors in making the Tax Rate.

From Free Cash	\$ 5,460,000.00
From Electric Surplus	330,000.00
	<u>\$ 5,790,000.00</u>

Article 29 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, 2015, or take any other action relative thereto. Sponsored by the Finance Department.

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

Fiscal 2014		Fiscal 2015						Fiscal 2016	
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	
340,173.00	338,854.35	344,589.00	168,714.52	175,874.48	3	Salaries	364,678.00	364,678.00	
92,163.00	69,463.06	91,913.00	27,617.88	64,295.12	4	Expense	91,913.00	91,913.00	
7,000.00	2,809.00	7,000.00	2,111.50	4,888.50	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	
446,836.00	416,626.41	451,002.00	201,193.90	249,808.10			471,091.00	471,091.00	
8,647.00	8,647.00	8,734.00	4,323.52	4,410.48	7	Finance Committee Salaries	8,778.00	8,778.00	
5,585.00	2,638.00	5,585.00	273.00	5,312.00	8	Expense	5,585.00	5,585.00	
175.00	75.51	175.00		175.00	9	Local Travel	175.00	175.00	
14,407.00	11,360.51	14,494.00	4,596.52	9,897.48			14,538.00	14,538.00	
144,000.00		144,000.00		144,000.00	10	Reserve Fund	144,000.00	144,000.00	
63,105.33						Less Transfers			
80,894.67		144,000.00		144,000.00		Net			
626,664.00	624,415.62	633,026.00	311,245.96	321,780.04	12	Finance Salaries	623,476.00	623,476.00	
268,310.00	259,560.35	268,310.00	105,502.28	162,807.72	13	Expense	268,310.00	268,310.00	
894,974.00	883,975.97	901,336.00	416,748.24	484,587.76			891,786.00	891,786.00	
300.00	300.00	300.00		300.00	17	Assessor Officials Expense	300.00	300.00	
190,959.00	190,910.92	192,844.00	94,770.49	98,073.51	18	Salaries	195,231.00	195,231.00	
103,785.00	97,311.41	103,785.00	25,270.94	78,514.06	19	Expense	103,785.00	103,785.00	
400.00	292.49	400.00		400.00	20	Local Travel	400.00	400.00	
295,444.00	288,814.82	297,329.00	120,041.43	177,287.57			299,716.00	299,716.00	
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	
74,932.00	73,395.44	79,725.00	28,640.00	51,085.00	30	Expense	81,575.00	81,575.00	
76,932.00	75,395.44	81,725.00	29,640.00	52,085.00			83,575.00	83,575.00	
10,484.00	4,273.51	10,484.00	1,449.35	9,034.65	35	Parking Tickets Expense	10,484.00	10,484.00	
161,222.00	156,164.05	164,360.00	76,051.62	88,308.38	39	Town Clerk Salaries	166,477.00	166,477.00	
9,037.00	8,464.65	9,037.00	3,268.31	5,768.69	40	Expense	9,037.00	9,037.00	
170,259.00	164,628.70	173,397.00	79,319.93	94,077.07			175,514.00	175,514.00	

Fiscal 2014		Fiscal 2015			Item No.		Fiscal 2016	
Appropriation	Expended	Appropriation	6 Mos. Actual	6 Mos. Estimated			Departmental Requests	Recommended
13,250.00	6,431.18	22,750.00	150.00	22,600.00	43	Election & Registration		
21,865.00	20,674.07	21,865.00	5,938.75	15,926.25	44	Salaries	24,080.00	24,080.00
						Expense	23,065.00	23,065.00
35,115.00	27,105.25	44,615.00	6,088.75	38,526.25			47,145.00	47,145.00
1,675.00	870.38	1,675.00	141.44	1,533.56	50	Planning Board		
						Expense	1,675.00	1,675.00
92,904.00	89,549.15	93,795.00	46,864.03	46,930.97	55	Public Buildings		
101,100.00	88,708.71	101,100.00	33,358.45	67,741.55	56	Salaries	94,563.00	94,563.00
400.00	257.06	400.00	133.81	266.19	57	Expense	102,550.00	102,550.00
						Local Travel	400.00	400.00
194,404.00	178,514.92	195,295.00	80,356.29	114,938.71			197,513.00	197,513.00
4,300.00	2,790.00	4,300.00		4,300.00	59	Town Reports	4,300.00	4,300.00
43,000.00	43,000.00	43,000.00	31,000.00	12,000.00	60	Town Audit	54,500.00	54,500.00
2,268,824.67	2,097,455.91	2,362,752.00	970,575.85	1,392,176.15		TOTAL GENERAL GOVERNMENT	2,395,937.00	2,395,937.00
PUBLIC SAFETY								
3,169,810.00	3,106,042.45	3,221,009.00	1,525,204.93	1,695,804.07	62	Police Department		
189,399.00	187,373.65	175,899.00	116,547.50	59,351.50	63	Salaries	3,257,307.00	3,257,307.00
10,000.00	1,948.68	5,000.00	122.68	4,877.32	64	Expense	180,724.00	180,724.00
						Indemnif. of Officers	5,000.00	5,000.00
3,369,209.00	3,295,364.78	3,401,908.00	1,641,875.11	1,760,032.89			3,443,031.00	3,443,031.00
3,002,141.00	2,858,948.52	3,068,383.00	1,429,997.60	1,638,385.40	68	Fire Department		
171,408.00	171,112.83	164,920.00	102,129.46	62,790.54	69	Salaries	3,100,780.00	3,100,780.00
		84,200.00			70	Expense	173,620.00	173,620.00
						Fire Alarm Expense	101,737.00	101,737.00
3,173,549.00	3,030,061.35	3,317,503.00	1,532,127.06	1,701,175.94			3,376,137.00	3,376,137.00
469,203.00	446,900.85	474,510.00	218,130.89	256,379.11	73	Building Inspection		
29,478.00	16,218.38	21,355.00	9,448.13	11,906.87	74	Salaries	471,153.00	471,153.00
3,500.00	3,500.00	3,500.00	1,719.49	1,780.51	75	Expense	21,355.00	21,355.00
						Local Travel	4,000.00	4,000.00
502,181.00	466,619.23	499,365.00	229,298.51	270,066.49			496,508.00	496,508.00
250.00	50.00	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
7,047,589.00	6,794,495.36	7,221,426.00	3,404,500.68	3,732,725.32		TOTAL PUBLIC SAFETY	7,318,326.00	7,318,326.00
EDUCATION								
30,942,936.00	30,942,936.00	31,787,615.00	12,860,648.07	18,926,966.93	101	Schools	32,427,681.00	32,427,681.00
30,942,936.00	30,942,936.00	31,787,615.00	12,860,648.07	18,926,966.93		TOTAL SCHOOLS	32,427,681.00	32,427,681.00

Fiscal 2014		Fiscal 2015			Item No.	Fiscal 2016	
Appropriation	Expended	Appropriation	6 Mos. Actual	6 Mos. Estimated		Departmental Requests	Recommended
SCHOOL RECEIPTS AND REIMBURSEMENTS -- FISCAL 2014							
			Funds Received				
			for General	Funds Received			
			Purposes or	to be Expended			
			Reserved for	without			
			Appropriation	Appropriation			
	School Chapter 70 Aid		\$5,288,792.00				
	Charter School Aid.....		526,567.00				
	Charter School Assessment.....		-2,166,053.00				
	Essex Agricultural Assessment.....		-12,553.00				
Revolving Funds							
	All Day Kindergarten			\$422,846.02			
	Athletic Programs			71,535.68			
	Fine Arts.....			5,475.00			
	Guidance Services Fund			7,845.00			
	Insurance Reimbursement.....			1,945.53			
	Lost Books			1,218.55			
	School Building Rent			87,344.56			
	School Lunch - State & Federal			168,194.86			
	School Lunch - Sale of Lunches			440,050.80			
	School Lunch General Fund Transfer..			115,000.00			
	School Tuition.....			77,225.00			
	School User Fees			228,790.50			
	Special Education Tuition.....			521,615.77			
Federal, State and Private Grants							
	Academic Support Services.....			9,600.00			
	AED Grant			9,862.00			
	Cable TV Grant.....			4,000.00			
	Circuit Breaker.....			436,382.00			
	ECCF Hardscrabble.....			2,735.96			
	Essential School Health.....			82,820.00			
	Metco	12,900.00		414,616.00			
	Quality Full day Kindergarten.....			134,313.91			
	Race to the Top.....			33,447.88			
	School Turf Grant.....			20,000.00			
	Special Education Grant.....			2,900.00			
	SPED 94-142.....			632,430.00			
	SPED Childhood Allocation.....			13,451.60			
	SPED Planning & Development.....			1,677.00			
	SPED Program Improvement.....			13,979.00			
	Title IIA Teacher Quality.....			48,359.00			

Fiscal 2014		Fiscal 2015			Item No.	Fiscal 2016	
Appropriation	Expended	Appropriation	6 Mos. Actual	6 Mos. Estimated		Departmental Requests	Recommended
Title 1.....				220,524.00			
Donation Funds							
				11,848.24			
				4,326.95			
				23,950.54			
				30,606.62			
				21,804.88			
				3,230.19			
				28,108.50			
				<u>\$3,649,653.00</u>			
				<u>\$4,354,061.54</u>			
				<u>\$8,003,714.54</u>			
PUBLIC WORKS & FACILITIES							
Engineering							
114,813.00	114,789.29	126,147.00	57,130.89	69,016.11	105	Salaries	128,357.00
10,395.00	5,661.04	10,645.00	757.95	9,887.05	106	Expense	10,645.00
125,208.00	120,450.33	136,792.00	57,888.84	78,903.16			139,002.00
Source:							
6,000.00		6,000.00				Conservation Wetlands Fee	6,000.00
119,208.00		130,792.00				Taxation	133,002.00
<u>125,208.00</u>		<u>136,792.00</u>					<u>139,002.00</u>
Highway							
771,295.00	744,087.14	774,679.00	366,705.49	407,973.51	112	Salaries	771,528.00
87,084.00	84,264.12	89,284.00	51,302.17	37,981.83	113	Expense	99,284.00
858,379.00	828,351.26	863,963.00	418,007.66	445,955.34			870,812.00
33,750.00	30,473.45	33,750.00	24,417.82	9,332.18	116	Maintain Streets and Sidewalks	48,750.00
100,000.00	370,236.43	100,000.00	75,804.33	24,195.67	117	Snow Removal	100,000.00
128,820.00	124,912.26	128,820.00	51,229.14	51,790.51	118	Street Lighting	128,820.00
1,120,949.00	1,353,973.40	1,126,533.00	569,458.95	557,074.05			1,148,382.00
Waste Collection							
295,578.00	289,903.75	305,662.00	146,141.87	159,520.13	126	Salaries	309,272.00
1,708,535.00	1,365,768.56	1,724,823.00	663,865.55	1,060,957.45	127	Expense	1,738,497.00
					128	Local Travel	
2,004,113.00	1,655,672.31	2,030,485.00	810,007.42	1,220,477.58			2,047,769.00
Drains							
105,015.00	95,837.98	105,015.00	46,454.70	58,560.30	132	Salaries	108,317.00
5,150.00	5,150.00	5,150.00	2,183.50	2,966.50	133	Expense	5,150.00
110,165.00	100,987.98	110,165.00	48,638.20	61,526.80			113,467.00

Fiscal 2014		Fiscal 2015			Fiscal 2016			
Appropriation	Expended	Appropriation	6 Mos. Actual	6 Mos. Estimated	Item No.		Departmental Requests	Recommended
CULTURE AND RECREATION								
Library								
775,366.00	763,412.85	787,914.00	380,036.54	407,877.46	185	Salaries	782,689.00	782,689.00
256,477.00	256,294.06	254,046.00	138,275.42	115,770.58	186	Expense	253,812.00	253,812.00
100.00	94.22	100.00		100.00	187	Local Travel	100.00	100.00
1,031,943.00	1,019,801.13	1,042,060.00	518,311.96	523,748.04			1,036,601.00	1,036,601.00
Park Department								
581,163.00	540,165.83	580,499.00	296,570.89	283,928.11	190	Salaries	585,931.00	585,931.00
171,590.00	165,601.69	171,590.00	94,626.10	76,963.90	191	Expense	171,590.00	171,590.00
46,093.00	45,819.06	46,093.00	18,831.61	27,261.39	192	Facility Expense	46,093.00	46,093.00
798,846.00	751,586.58	798,182.00	410,028.60	388,153.40			803,614.00	803,614.00
5,650.00	5,587.76	5,650.00		5,650.00	210	Memorial & Veterans Day	5,650.00	5,650.00
1,836,439.00	1,776,975.47	1,845,892.00	928,340.56	917,551.44		TOTAL CULTURE & RECREATION	1,845,865.00	1,845,865.00
DEBT SERVICE								
2,866,000.00	2,866,000.00	3,242,150.00	2,866,000.00	376,150.00	214	Maturing Debt	3,718,000.00	3,718,000.00
1,877,970.36	1,876,970.38	2,257,855.00	1,120,517.24	1,137,337.76	215	Interest	2,255,323.78	2,255,323.78
4,743,970.36	4,742,970.38	5,500,005.00	3,986,517.24	1,513,487.76		TOTAL DEBT SERVICE	5,973,323.78	5,973,323.78
MISCELLANEOUS								
2,099,464.00	2,099,464.00	2,189,382.00	2,099,464.00	89,918.00	217	Contributory Retirement	2,369,715.00	2,369,715.00
540,000.00	512,461.37	570,000.00	215,650.07	354,349.93	218	Medicare	600,000.00	600,000.00
315,000.00	315,000.00	315,000.00	315,000.00		219	Workmen's Compensation	330,000.00	330,000.00
					220	Training Expense	15,000.00	15,000.00
10,929,580.00	9,498,433.08	11,581,448.00	4,976,602.05	6,604,845.95	221	Group Insurance	12,110,711.00	12,110,711.00
475,888.00	302,419.59	503,057.00	299,467.59	203,589.41	222	Other Insurance	503,057.00	503,057.00
110,770.00	36,945.01	110,770.00		110,770.00	223	Salary Reserve	110,770.00	110,770.00
118,094.00	105,960.19	113,896.00	55,687.06	58,208.94	224	NonContributory Retirement	88,333.00	88,333.00
533,544.00	362,385.56	533,544.00		533,544.00	225	Energy Reserve	533,544.00	533,544.00
250,000.00	250,000.00	250,000.00	250,000.00		226	Other Post Employment Benefits	300,000.00	300,000.00
15,372,340.00	13,483,068.80	16,167,097.00	8,211,870.77	7,955,226.23		TOTAL MISCELLANEOUS	16,961,130.00	16,961,130.00

Fiscal 2014		Fiscal 2015			Item No.	Fiscal 2016		
Appropriation	Expended	Appropriation	6 Mos. Actual	6 Mos. Estimated		Departmental Requests	Recommended	
ENTERPRISE								
624,683.00	594,535.62	662,210.00	295,070.62	367,139.38	227	Sewer Salaries	659,524.00	659,524.00
603,459.00	543,695.49	617,906.00	260,808.11	357,097.89	228	Expense	605,677.00	612,685.00
2,219,466.00	2,165,420.00	3,649,918.00	1,566,342.00	2,083,576.00	230	South Essex Sewer District	2,533,010.00	2,217,000.00
3,447,608.00	3,303,651.11	4,930,034.00	2,122,220.73	2,807,813.27			3,798,211.00	3,489,209.00
3,447,608.00		4,930,034.00				Source		
3,447,608.00		4,930,034.00				Sewer Receipts		3,489,209.00

Fiscal 2014		Fiscal 2015			Fiscal 2016		
Appropriation	Expended	Appropriation	6 Mos. Actual	6 Mos. Estimated	Item No.	Departmental Requests	Recommended
SPECIAL ARTICLES							
6,000.00					Art 10, 2013 - Walls and Fences		
452,565.00	362,303.79				Art 11, 2013 - Purchase of Equipment		
165,955.00	68,757.71				Art 12, 2013 - Capital Improvements for Public Buildings		
603,335.00	276,924.94				Art 13, 2013 - Water Construction		
527,721.00					Art 14, 2013 - Sewer Construction		
324,000.00	181,818.13				Art 16, 2013 - Surface Drain Construction		
153,405.00	150,603.00				Art 22, 2013 - NS Tech School District		
15,594.00	9,278.00				Art 23, 2013 - Essex North Agricultural Tech District		
114,600.00					Art 34, 2013 - Landfill Regulatory Compliance		
		7,500.00			Art 7, 2014 - Unpaid Accounts		
		424,615.00			Art 9, 2014 - Walls and Fences		
		285,474.00			Art 10, 2014 - Purchase of Equipment		
		877,700.00			Art 11, 2014 - Capital Improvements to Public Buildings		
		631,237.00			Art 12, 2014 - Water Construction		
		324,000.00			Art 13, 2014 - Sewer Construction		
		225,411.00			Art 14, 2014 - Storm Drainage Construction		
		114,600.00			Art 21, 2014 - Essex North Shore Agricultural and Tech		
					Art 32, 2014 - Landfill Regulatory Compliance		
Fiscal 2016 Special Articles							
					Art 6, 2015 - Unpaid Accounts	4,487.45	4,487.45
					Art 9, 2015 - Walls and Fences	7,500.00	7,500.00
					Art 10, 2015 - Ocean Ave Sidewalk, Seawall Repair	72,000.00	72,000.00
					Art 13, 2015 - Purchase of Equipment	525,565.00	525,565.00
					Art 14, 2015 - Capital Improvements for Public Building	291,000.00	291,000.00
					Art 15, 2015 - Water Construction	729,788.00	729,788.00
					Art 16, 2015 - Sewer Construction	582,115.00	582,115.00
					Art 17, 2015 - Storm Drainage Construction	332,000.00	332,000.00
					Art 21, 2015 - Essex North Shore Agricultural and Tech	226,674.00	226,674.00
					Art 31, 2015 - Landfill Regulatory Compliance	114,600.00	114,600.00
					Art 32, 2015 - Landfill Drainage Culvert Repair	1,250,000.00	1,250,000.00
					Art 33, 2015 - Landfill Closure Adjacent Property Clear	1,000,000.00	1,000,000.00
					Art 34, 2015 - New Transfer Station Work & Building	5,750,000.00	5,750,000.00
2,363,175.00	1,049,685.57	2,890,537.00			TOTAL SPECIAL ARTICLES	10,885,729.45	10,885,729.45
					Less: Bond Issue	8,000,000.00	8,000,000.00
2,363,175.00	1,049,685.57	2,890,537.00				2,885,729.45	2,885,729.45
74,180,923.36	71,250,388.08	78,564,242.00	36,377,459.36		Total Depart. Budgets(Above)	79,746,280.78	79,444,570.78
76,544,098.36	72,300,073.65	81,454,779.00	36,377,459.36		TOTAL BUDGETS AND ARTICLES	82,632,010.23	82,330,300.23

Article 30 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, 2015, or take any other action relative thereto. Sponsored by the Finance Department.

Recommendation: That this article be indefinitely postponed.

Article 31 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 32 Landfill Drainage Culvert Repair

To see if the Town will vote to appropriate a sum of money to be expended by the Board of Health for repairing and/or replacing the existing 60-inch concrete drainage culvert that crosses the landfill property, including investigations, engineering, construction, 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 Health.

Recommended: That the sum of \$1,250,000.00 be appropriated subject to a Proposition 2 ½ override.

Article 33 Landfill Closure Adjacent Property Clean Up

To see if the Town will vote to appropriate a sum of money to be expended by the Board of Health for work necessary to remove, relocate, or dispose of solid waste in areas beyond the limit of work in the current landfill closure project including investigations, engineering, legal fees, construction, easements and/or property acquisition, 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 Health.

Recommended: That the sum of \$1,000,000.00 be appropriated subject to a Proposition 2 ½ override.

Article 34 Work Associated with New Transfer Station Building

To see if the Town will vote to appropriate a sum of money to be expended by the Board of Health for the permitting, public bidding, site work, utility work, deconstruction of the old Transfer Station and construction of the new Transfer Station, 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 to. Sponsored by the Board of Health.

Recommended: That the sum of \$5,750,000.00 be appropriated subject to a Proposition 2 ½ override.

Article 35 Amend Zoning Bylaw - Article XII – Design Review

To see if the town will vote to amend the Town of Marblehead Zoning Bylaw as follows
Amend section 200-45 Design review paragraph B Design Review Board sub paragraph (2) which currently reads:

- (2) A person appointed by the Planning Board qualified by training and experience in design for a two year term

To read instead as follows (bold text added)

- (2) **Two** persons appointed by the Planning Board qualified by training and experience in design **each** for a two year term

Or take any other action relative thereto. Sponsored by the Planning Board.

No recommendation under this article.

Article 36 Camille Terrace

To see if the Town will vote to accept as a public way under the provisions of MGL Chapter 82, as amended, Camille Terrace as shown on a plan entitled "Street Acceptance Plan Camille Terrace" Hayes Engineering of Wakefield MA dated January 20, 2015 which is on file in office of the Town Clerk or pass any vote or take any other action relative thereto. Sponsored by Laura Tufts and others.

No recommendation under this article.

Article 37 Special Study Committee

To see if the town will vote to establish a Special Study Committee to consider the feasibility of the Town adopting the Developmental Asset Framework, an approach that provides teen-serving Town departments and community organizations with the ability to align the diversity of services being provided to, or for the benefit of, Marblehead teens to a common construct, the application of which has been demonstrated by numerous communities to lead to material and measurable short-and long-term: i) increase in positive teen development (such as increased confidence, resiliency, leadership skills, academic achievement, physical health, and feelings of well-being), and ii) decreases in negative behaviors and outcomes (such as substance abuse, depression, thoughts of or attempts at suicide). The Special Study Committee would provide a report of findings and proposals for further action to be considered at Town Meeting in 2016. Sponsored by Sally A. Schreiber-Cohn, Gene Cornfield and others.

No recommendation under this article.