



# Town of Wenham



2017  
Annual Town Report  
Part I

# Town Directory

Assessor's Office	978-468-5520 Ext. 5
Board of Health	978-468-5520 Ext. 4
Council on Aging	978-468-5529
Emergency: Police and Fire	911
Finance Director / Treasurer / Collector	978-468-5520 Ext. 3
Fire Prevention Office (Non-Emergency)	978-468-5508
Highway & Water Departments, Cemetery, & Tree Warden	978-468-5520 Ext. 6
Inspectional Services / Permitting Office	978-468-5520 Ext. 4
Land Use	978-468-5520 Ext. 8
Library	978-468-5577
Police Department (Non-Emergency)	978-468-5500
Recreation Department	978-468-5590
Selectmen's Office	978-468-5520 Ext. 2
Town Accountant	978-468-5520 Ext. 7
Town Administrator	978-468-5520 Ext. 2
Town Clerk	978-468-5520 Ext. 1
Veterans' Services	866-347-8838
WISSH	978-468-5520 Ext. 9

## Town Hall Hours:

Monday, Wednesday, & Thursday 9:00 am - 4:30 pm

Tuesday 9:00 am - 7:00 pm

Friday 9:00 am - 1:00 pm

# Town Report

PART I

2017

To all the citizens of Wenham:

Your Board of Selectmen is pleased to submit this report of our town's activities for 2017.

The Annual Town Meeting will be held on Saturday, April 7, 2018 at the Bessie Buker School, 1 School Street. The Warrant for this meeting, along with the recommendations of the Finance and Advisory Committee and this Board, will be found in a separate booklet, Part II. We hope you will study it before the hearing on this warrant, which will be held at Wenham Town Hall in the Selectmen's Meeting Room on Monday, April 2, 2018 at 7:00 pm.

The Annual Town Election will be held on Thursday, April 12, 2018 from 7:00 am to 8:00 pm in the Selectmen's Room of Town Hall, 138 Main Street.

We trust you will give the warrant your consideration and come to the meetings prepared to participate actively in our deliberations.

Thank you,  
Jack Wilhelm, Chairman  
Catherine Harrison, Vice Chairman  
John Clemenzi, Clerk

\* Cover Photo: Nicole Roebuck

Many thanks to the Town Staff, Volunteers, and Residents who kindly allowed their photos to be featured in the Annual Town Report! For more Wenham photos, check out the gallery on the Town website.

In recognition of his many years of service to the Town of Wenham, this Annual Town Report for the year of 2017 is dedicated to retired Fire Chief

## Bob Blanchard



Bob served the town as a firefighter for the past 38 years, working his way up through the ranks before being appointed Chief in 2006. Leading our call department those many years, Bob responded to emergencies at all times of the day and night. Throughout his career, Bob was always known for his calm demeanor and compassion in dealing with difficult and sometimes traumatic situations.

Bob was devoted to helping others. As a firefighter, he led trainings for hundreds of high school students and community members to learn CPR and first aid, and he created a program to educate elderly residents in Wenham about fire safety. Over the years, he also volunteered his time to teach countless boy scouts, girl scouts, summer campers, school children, and Gordon College students about fire safety and first aid.

From implementing a robust firefighter internship program to leading our current efforts to pilot Fire-based EMS, Bob was responsible for building a model call department over the years. Respected by his peers and beloved by his fellow firefighters, Bob's leadership, expertise, integrity, compassion, humility, and sense of humor will be missed.

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# General Government



# Elected Officials – Local

(With term end dates)

## **Assessors, Board of**

Lisa M. Craig (2020)  
George E. Cantwell (2018)  
Thomas Tanous, Chair (2019)

## **Cemetery Commissioners**

Gary R. Cheeseman, Chair (2018)  
Dana P. Bagnell (2020) (*Appointed*)  
Harriet P. Davis (2019)

## **Health, Board of**

Regina J. Baker (2020)  
Gerald T. Donnellan (2018)  
Andrew J. Ting, Chair (2019)

## **Library Trustees,**

### **Hamilton-Wenham Public Library**

Dolores M. Boghdan (2020) Hamilton  
Dorothy A. Goudie (2020) Wenham  
Nichole R. Gray (2019) Hamilton  
Patricia K. Purdy (2018) At-Large  
Judith H. Bubriski (2019) Wenham  
Julie M. Clay, Chair (2018) At-Large

## **Moderator**

Trudy Reid (2018)

## **Planning, Board of**

David E. Geikie, Chair (2018)  
Donald J. Killam, Jr. (2020)  
Minot Frye (2021) (*Deceased*)  
Virginia L. Rogers (2022)  
Stephen B. Kavanagh (2019)  
Ann B. Weeks (2018) (*Appointed*)

## **Regional School District**

Michelle Bailey (2019)  
Jeanise A. Bertrand (2019)  
Kerry J. Gertz (2020)  
Stacey L. Metternick (2018)  
Gene K. Lee (2020)  
Joshua Liebow, Chair (2018) (*Appointed*)  
David Polito (2019)

## **Selectmen, Board of**

John O. (Jack) Wilhelm Jr., Chair (2019)  
Catherine A. Harrison (2020)  
John A. Clemenzi (2018)

## **Town Clerk**

Dianne K. Bucco (2020)

## **Water Commissioners**

Ernest C. Ashley, Chair (2019)  
Richard K. Quateman (2020)  
Paul E. Mendonca (2018)

## **Wenham Housing Authority**

Donald F. Luxton, Chair (2018)  
Bruce D. Blanchard (2022)  
Arthur N. Burt (2019)  
Suzanne D. Thomas (2021)  
Elizabeth Craig-McCormack (2020) (State  
Appointee)

# Elected Officials – State & National

## Massachusetts General Court

**Representative (4<sup>th</sup> Essex District)**  
Bradford Hill

**Senator (1<sup>st</sup> Essex and Middlesex District)**  
Bruce E. Tarr

## United States Congress

**Representative (6<sup>th</sup> District)**  
Seth Moulton

**Senators**  
Edward Markey  
Elizabeth Warren



Above: Senator Bruce Tarr, COA Director Jim Reynolds, and Representative Brad Hill with a group from the COA touring the MA State House.



Above Right: Rep. Parisella, Rep. Hill, Gloucester Clerk Joanne Senos, Nahant Clerk Peggy Barile, Wenham Moderator and Lynnfield Town Clerk Trudy Reid, Wenham Clerk Dianne Bucco, and Sean Cronin of the MA Division of Local Services at the Clerk's Showcase of Local Officials.



Right: Rep. Hill, Beverly Clerk Wes Slate, Gloucester Clerk Joanne Senos, Wenham Moderator and Lynnfield Clerk Trudy Reid, Rockport Clerk Linda Emerson, Nahant Clerk Peggy Barile, Wenham Clerk Dianne Bucco, Sean Cronin of the MA Division of Local Services, and Rep. Parisella at the Clerk's Showcase of Municipal Officials during Wenham's celebration of Municipal Clerk's Week.

# Appointed Town Positions (One Year Term unless noted)

**ADA Coordinator**

James Reynolds

**Animal Control**

Stephen Kavanagh

**Animal Control, Indigenous**

Stephen Kavanagh

**Animal Inspector**

Anne Jackman

**Assessor**

Steven Ozahowski

**Building Inspector**

Charles Brett

**Burial Agent**

William E. Wildes

**Constables**

Paul Mendonca

Calvin Perkins

**Deputy Fire Chief**

Stephen Kavanagh

**Emergency Management, Deputy Director**

Thomas Perkins

**Emergency Management, Director**

Robert Blanchard

**Essex North Shore Agricultural & Technical High School Committee (Three Year Term)**

William Nichols (2019)

**Executive Assistant to the Board of Assessors**

Shirley Cashman

**Fence Viewer**

Charles Brett

**Finance Director (Two Year Term)**

Leslie Davidson (2019)

**Fire Captain & Fire Prevention Officer**

Jeffrey Baxter

**Fire Chief**

Robert Blanchard (*Retired*)

Stephen Kavanagh (*Acting*)

**Forest Warden**

Robert Blanchard

**Health Agent**

Gregory P. Bernard

**Health Agent, Assistant**

Roberta (Bobbie) Cody

**Housing Authority Executive Director**

Paula Mountain

**Inspector of Wires**

Robert B. Brown, Jr. (*Retired*)

Mark D. Unger

**Inspector of Wires, Assistant**

Robert J. Brown

**Liquor Agent**

Thomas Perkins

**Local Inspector**

James Bone

**Logan Airport Community****Advisory Committee Representative**

Paul E. Mendonca

**Lumber, Surveyor of & Measurer of Wood & Bark**

Gay Roland

**Metropolitan Area Planning Council (MAPC) Representative (Three Year Term)**

Peter Lombardi (2019)

**Massachusetts Bay Transportation Authority (MBTA) Representative**

Paul Mendonca

**Moth Work, Superintendent of**

Winslow Mulry

**Oil Burner Inspector**

Jeffrey Baxter

# Appointed Town Positions, Boards, & Committees

## (One Year Term unless noted)

### **Parking Clerk**

Nicole Roebuck

### **Plumbing & Gas Inspector**

Kevin Dash

### **Plumbing & Gas Inspector, Assistant**

David Pareen

### **Police Captain**

Kevin DiNapoli

### **Police Chief**

Thomas Perkins

### **Public Health Nurse**

Maribeth Ting, RN

### **Records Access Officer**

Dianne Bucco

### **Town Accountant (Three Year Term)**

Richard Viscay (*Interim*)

Christopher Holak (*2020*)

### **Town Administrator (Three Year Term)**

Peter Lombardi (*2018*)

### **Town Counsel**

Kopelman & Paige (KP Law)

### **Tree Warden**

Winslow Mulry

### **Treasurer / Collector**

Leslie Davidson

### **375th Anniversary Committee**

Kirsten Alexander

Dianne Bucco

Gary Cheeseman

Harriet Davis

Robert Hicks

Diana Lang

Barbara Locke

Kristin Noon

Trudy Reid, Chair

### **Affordable Housing Trust (Two Year Term)**

Josh Anderson, Chair (2018)

Michelle Bailey (2018)

Judy Bubriski (2018)

Catherine Harrison (2019)

Joseph Hosler (2018)

Jamie White (2019)

Rick Woodland (2019)

### **Audit Committee**

Alexander Begin (2018)

Rich Jones (2018)

Jack Wilhelm (2018)

### **Board of Election Registrars (Three Year Term)**

Polly Beyer (2019)

Roseann Brozenske (2018)

Dianne Bucco (2020)

Betsy Label (2020) (*Resigned*)

Thomas Tanous (2020)

### **Community Preservation Act Committee (Two Year Term)**

Kennon Anderson (At-Large) (2018)

Arthur Burt (Housing Authority) (2019)

Denis Curran (Hamilton-Wenham Joint Rec.) (2018)

Harriet Davis, Chair (At-Large) (2019)

Barbara Locke (Historic District Commission) (2018)

Leo Maestranzi (Conservation Commission) (2018)

Virginia Rogers (Planning Board) (2020)

Tom Starr (At-Large) (2018)

Patrick Waddell (At-Large) (2019)

### **Conservation Commission (Three Year Term)**

Robert Burnett (2019)

Philip Colarusso, Chair (2019)

Chris Gajeski (2018)

Leo Maestranzi (2018)

Michael Novak (2020)

Malcom Reid (2019)

Asma Syed (2020)

### **Council on Aging (Three Year Term)**

Regina Baker (2019)

Elizabeth Colt (2020)

Susan Doughty (2019)

Diana Lang (2018)

Stephanie Mark (2018)

Alyson Preston (2019)

Penny Wingate, Chair (2020)

# Appointed Boards & Committees

## **Economic Development Committee**

Dana Begin  
Rob Bossler (*Resigned*)  
Doug D'Agata, Chair  
Albert W. Dodge (Win)  
John Maestranzi  
Norman Tarr (*Non-Voting Member*)  
Johanna Wise Sullivan

## **Election Officers**

Regina Baker  
Bruce Blanchard  
Judith Bubriski  
Joseph Cavanaugh  
Julie Clay  
Juliana Dodge  
Linda Duryea  
John W. Erhard, Jr.  
Laurie Erhard  
Melanie Giacalone  
Dorothy Goudie  
Janet Grey  
Susan Herrick  
Peter Hersee  
Diana Lang  
Morgan Liphardt  
Patricia Lucy  
Donald Luxton  
Joanne Maestranzi  
Paul Mendonca  
Patricia Purdy  
Stephanie Quinn  
Carleen Rivers  
Lauren Swartz  
Thomas Tanous  
Lily Ting  
Teresa Von Staats  
Bill Wilson

## **Finance and Advisory Committee (Three Year Term)**

Alexander Begin, Chair (2018)  
Carrie Jelsma (2018)  
David Molitano (2019)  
James Purdy (2020)  
Michael Therrien (2020)

## **Finance Director Screening Committee (Disbanded August 31, 2017)**

Leslie Davidson  
Sarah Johnson

## **Finance Director Screening Committee (Disbanded August 31, 2017) (Cont.)**

Peter Lombardi, Chair  
Steve Ozahowski  
Mike Therrien

## **Fire Department**

Robert A. Blanchard, Chief (*Retired*)  
Stephen Kavanagh, Acting Chief  
Jeffrey Baxter, Captain, Fire Prevention Officer  
Daniel Sullivan, Captain  
Gary Blaney, Lieutenant  
Thomas Curran, Lieutenant  
Christopher Jones, Lieutenant  
John Joyce, Lieutenant  
Michael Binns, Senior Firefighter  
William Jones, Senior Firefighter  
Richard Bertone, Firefighter  
Denzel Berth, Firefighter  
Benjamin Blanchette, Firefighter  
Jason Braley, Firefighter  
Thomas Curran, Jr., Firefighter  
Robert Gallinelli, Firefighter  
Mark Gates, Firefighter  
Kevin MacDonald, Firefighter (*Retired*)  
Sean McCarthy, Firefighter  
David T. Marsh, Firefighter  
Leonard Tuneburg, Firefighter  
William Wildes, Firefighter  
Samantha Curran, Provisional Firefighter  
Stephen Koutrakis, Provisional Firefighter  
Derek Marchall, Provisional Firefighter  
Elizabeth McNeil, Provisional Firefighter  
Anthony Nickas, Provisional Firefighter  
Erica Poitras, Provisional Firefighter  
Michael Reynolds, Provisional Firefighter  
Michael Schroeder, Provisional Firefighter  
Ryan Skerrit, Provisional Firefighter  
Rev. Michael Duda, Chaplain

## **Hamilton-Wenham Community Access & Media (Three Year Term)**

Brian Doser, Wenham (2019)  
Thomas Rogers, Hamilton  
Bob Gray, Hamilton

## **Hamilton-Wenham Cultural Council (Three Year Term)**

Kirsten Alexander, Wenham (2020)  
Oliver Barker, Wenham (2020)  
Samantha Drislane, Wenham (2018)

# Appointed Boards & Committees

## **Hamilton-Wenham Cultural Council (Three Year Term) (Cont.)**

Jennifer Drummond, Hamilton  
Emily Hayden, Hamilton  
Kathryn Kranz, Hamilton  
Charlotte Lidrbauch, Chair, Hamilton  
Maureen Maier, Wenham (2019)  
Lindsay Schnabel, Wenham (2019)

## **Hamilton-Wenham Joint Recreation Committee (Three Year Term)**

Denis Curran, Wenham (2018)  
John Cusolito, Wenham (2020)  
Len Dolan, Wenham (2019)  
Reggie Maidment, Hamilton  
Steve Ozahowski, Chair, Hamilton  
Brad Tilley, Hamilton

## **Historical Commission / Historic District Commission (Three Year Term)**

Dana Bagnell, Chair (2018)  
Don Bannon (2018)  
Harriet Davis (2020)  
Meredith Hiller (2020)  
James Howard (2017) (*Resigned*)  
Barbara Locke (2018)  
Mary Wood (2020)

## **Iron Rail Commission (Three Year Term)**

Ted Batchelder (2020)  
James Romano, Chair (2020)  
Jason Wachtel (2019)

## **Longmeadow Way Study Committee**

Joseph Amico  
Jack Wilhelm

## **Open Space & Recreation Committee**

Ernest Ashley  
Arthur Burt  
Chris Gajeski, Chair  
Thomas Starr  
Asma Syed, Vice-Chair  
Ann Weeks  
Bill Wilson

## **Pingree Park Playground Committee**

Marisa Bartlett  
Amy Brown  
Lisa Fall, Chair  
Katherine Kilpatrick  
Victoria Kunzer  
Corrie Sprague

## **Police Captain Screening Committee (Disbanded 8/31/2017)**

D. Chris Dearborn  
Peter Lombardi  
Dean Pederson, Chair  
Thomas Perkins  
David Reid  
Jeffrey Tobey  
Kenneth Walsh

## **Police Department**

Chief Thomas C. Perkins  
Captain Kevin DiNapoli  
Sergeant Jonathan B. Gray  
Sergeant Michael Mscisz  
Sergeant Christopher J. Machain  
Detective Shane M. Kavanagh  
Patrolman David T. Marsh  
Patrolman Chad P. Labrie  
Patrolman William J. Carney  
Patrolman Michael J. Chandler  
Susan M. Hersee, Administrative Asst.  
Dean W. Pedersen, Chaplain

## **Police: Reserve Officers**

Robert C. Breaker (*Retired*)  
Amanda Cecchini  
Mia Cefalo  
Steven Farinato  
David Farry  
John Freitas  
Travis Kneeland  
Wesley S. Izidoro  
Stephen Lovely  
Lawrence Nestor  
Michael F. Perry  
Reini Perez  
Brian J. Pratt  
Christopher T. Sanborn  
Richard J. Sherry  
Shawn T. Tinsley  
Scott W. Wood  
Paul Mendonca, Constable  
Calvin M. Perkins, Constable

# Appointed Boards & Committees

## **Police Matrons**

Noelle Bowie-Pierce  
Mia Cefalo  
Susan Hersee  
Catherine Tinsley

## **Veterans' Committee (Three Year Term)**

Bruce Blanchard (2020)  
Robert Breaker (2020)  
Joseph Bubriski (2020)  
Albert W. Dodge (Win) (2018)  
Peter Hersee (2019)  
Michael Lucy (2018)  
Dean Pederson, Chair (2018)  
Jack Wilhelm (2019)

## **Veterans' War Memorial Committee (Disbanded 7/11/2017)**

Bruce Blanchard, Co-Chair  
Robert Blanchard  
Albert W. (Win) Dodge  
Peter Hersee, Co-Chair  
Stephen Kavanagh  
Dean Pederson  
John Perkins  
Thomas Tanous  
William Tyack

## **WISSH (Three Year Term)**

Marisa Bartlett, Chair (2019)  
Julie Clay (2019)  
Tracey Hutchinson (2019)  
Donald Killam (2018)  
Candy Kuebel (2018)  
Calvin Perkins (2018)  
Trudy Reid (2019)  
Linda Rich (2019)  
Thomas Tanous (2020)  
Maribeth Ting (2019) (*Resigned*)

## **Zoning Board of Appeals (Three Year Term)**

Evan Campbell, Associate (2020)  
Jeremy Coffey (2020)  
Anthony M. Feeherry, Chair (2018)  
Chris Vance (2019)

# Town Staff

## **Administrative Assistant to the Town Clerk**

Teresa von Staats

## **Council on Aging Director**

James Reynolds

## **Council on Aging Staff**

Peggy Cahill, Outreach and Education Specialist

Warren (Bob) Gray, Van Driver

Traci Massimi, Outreach Coordinator (*Resigned*)

Barry Michaud, Van Driver

Cathy Tomasello, Administrator

## **DPW Director / Highway Superintendent**

William Tyack

## **DPW/Water/Cemetery Administrative Assistant**

Sheila Bouvier

## **DPW Staff**

Keith Carter, Foreman

Shawn Davis, Driver / Operator

Travis Good, Group Leader / H.E. Operator

Sean McCarthy, Truck Driver / Operator

Patrick Nolan, Mechanic

Robert Viel, Equipment Operator

William Wildes, Driver / Operator

## **Facilities Manager**

Mark Gates (*Resigned*)

James Politano

## **Finance Director**

Leslie Davidson

## **Hamilton-Wenham Library Director**

Jan Dempsey

## **Hamilton-Wenham Library Assistant Director**

Robert Pondelli

## **Hamilton-Wenham Library Staff**

Ionelee Brogna

Christine Burns

Kim Claire

Kerry Crockett

Jeannine Curtis

Karen D'Ambrosio

Nancy Day

## **Hamilton-Wenham Library Staff (Continued)**

Lorraine Der

Lizzy Dixon

Amy Dziewit

Miranda Griffiths

Anne Hanrahan

Joshua Hunt

Sarah Lauderdale

Joshua Lear

Dede McManus

Barbara Morrell

Rebecca Shea

Shelton, Islim

Christina Trudel

## **Hamilton-Wenham Recreation Director**

Sean Timmons

## **Payroll Coordinator & Finance Assistant**

Karen Moulton

## **Permitting Coordinator & Special Projects Assistant**

Jackie Bresnahan

## **Planning Coordinator**

Margaret Hoffman

## **Primary Operator, Water Department**

Leonard Tuneburg

## **Recording Secretary**

Catherine Tinsley

## **Town Administrator**

Peter Lombardi

## **Town Administrator's Executive Assistant**

Nicole Roebuck

## **Veteran Services, Eastern Essex District Director**

Karen Tyler

## **Veteran Service Officer**

Kathleen Collins

## **Water Superintendent**

Erik Mansfield

# Board of Selectmen and Town Administrator

Over the past year, we leveraged significant grant funds to accomplish many of our collective goals and look forward to continued success in striving to ensure that we provide the level of services that the residents of Wenham expect.

## Goals Achieved in 2017:

- Received \$39,000 in Community Compact IT grant funding to upgrade our e-permitting software and add a new integrated land use platform to ensure improved management of building projects throughout the permitting process and to create an opportunity to regionalize inspectional services.
- Awarded \$20,000 in District Local Technical Assistance from the Metropolitan Area Planning Council to assess the feasibility of a shared inspectional service model with Hamilton and Manchester.
- Received \$45,000 in funding through the Community Compact program to implement best practices in the following areas:
  - Understand projected changes in student enrollment and demographics and the impact of those changes on the school district's budget and operations in order to provide a district with the needed information to develop a strategic plan for its future (\$25,000);
  - Engage residents to get their feedback on delivery of local services, direction of town initiatives, and preferred communication methods to better inform our outreach efforts and decision making processes (\$20,000).
- Awarded approximately \$30,000 in Central Transportation Planning Staff technical assistance through the Safety and Operations Analysis at Selected Intersections program to assess the need for and feasibility of installing traffic signals in the downtown corridor on Main Street, including preliminary engineering and design work.
- Worked with the Council on Aging to secure \$47,000 in MassDOT funding through the Community Transit Grant Program to help purchase a new COA van.
- Secured \$60,000 in grant funding through the Division of Ecological Resources' new Culvert Replacement Municipal Assistance Grant Program to undertake preliminary design to replace the culvert on Hull Street near the Beverly line.
- Secured \$5,000 in grant funding through MIIA's Risk Management program to complete a comprehensive inventory and evaluation of street trees in key areas around town.
- Worked in conjunction with Danvers, Middleton, Topsfield, Hamilton, and Lynnfield on a Sustainable Water Management Initiative grant funded project to explore potential solutions to address regional water resource constraints.
- Worked with the Iron Rail Commission to appraise rental property, develop Request For Proposals, solicit bids, negotiate long-term contracts for tenants of the Iron Rail facility, and increase overall revenues derived from this property.
- Adopted formal 5-Year Capital Improvement Program and continued to find creative ways to make important investments in the Town's priority capital needs, including the creation of the new Iron Rail Rental Revolving Fund.
- Worked with the Public Employee Committee to evaluate merits of leaving the Group Insurance Commission, including the development of Request for Proposals and the solicitation of bids, that resulted in saving the Town approximately \$100,000 in premium costs by deciding to opt out of the state's health insurance program.
- Approved and implemented new fee structures to align fees with the workload required to complete each task and to maximize local receipt revenues wherever possible.
- Refined and delivered our now second annual Citizens Leadership Academy, a 10-week course for residents to connect with Town staff, better understand the services we provide, and become more engaged in Town government.
- Implemented a new weekly curbside textiles recycling program.
- Negotiated a license agreement with the Hamilton-Wenham Garden Club for the installation of a new public garden to be located at Pingree Park.
- Transitioned Emergency Medical Service (EMS) contract to new provider and approved the implementation of a one-year pilot program to utilize Fire Department staff to deliver Basic Life Support EMS to residents in 2018.
- Supported the efforts of the Open Space and Recreation, Pingree Park Playground, and the 375<sup>th</sup> Anniversary Committees in their work on these important initiatives.

# Board of Selectmen and Town Administrator

## Noteworthy Developments in 2017:

- Catherine Harrison was re-elected to the Board of Selectmen in April, her second term on the Board.
- Welcomed several new employees to key positions in town, including: Town Accountant, Christopher Holak; Facilities Manager, Jim Politano; and, Police Captain, Kevin DiNapoli. Thanks to the members of the Police Captain Screening Committee for their work in filling this key public safety position.
- Promoted our Treasurer/Collector, Leslie Davidson, to Finance Director and appointed Stephen Kavanagh as Acting Fire Chief after Bob Blanchard's retirement.
- Appointed a new Veterans Committee to improve local support and assistance to Wenham veterans. Filled important vacancies on the Planning Board and Finance & Advisory Committee.

## Priorities for 2018:

- Continue to employ strategies to balance cost of provision of municipal and educational services with increasing budgetary pressures.
- Continue to engage with residents to better understand what their priorities are and to encourage broader participation in Town government.
- Move strategic land use planning initiatives forward by completing the Town's Open Space and Recreation Plan update and the Affordable Housing Trust's Action Plan, and following through on the actionable recommendations of these plans.
- Complete codification project to organize and update Town and Zoning bylaws into comprehensive and searchable database in order to make them more accessible and in line with best practices.

## Looking Ahead:

The Selectmen will continue to be faced with a variety of challenges and opportunities in 2018, the most important of which remains balancing the rural nature of Wenham with the need to generate enough revenue to support the increasing expense of delivering Town and School services. Having an updated Open Space and Recreation Plan in place will greatly help with our proactive planning efforts, but is not expected to provide immediate relief to the budgetary pressures we will continue to encounter. Even if the proposed operating override needed to fund our share of the FY 2019 Hamilton-Wenham Regional School District's budget is approved, trying to build a sustainable operating budget within our levy limit for FY 2020 and beyond will prove progressively more difficult, due in large part to the significant fiscal impacts of the student enrollment shift. However, we will continue to prioritize efforts to mitigate property tax rate increases and provide relief whenever possible to those in greatest need, and to creatively approach how we work together to keep costs down in providing these services.

The Board of Selectman believes that we are very fortunate to be served by the dedicated employees working on the Town's behalf, as well as the outstanding volunteer boards and committees that we rely on – we greatly appreciate your continued commitment to serving the community. We also want to thank the residents for their continued trust and support as we lead the community forward, always aiming to reflect your interests in the work that we do everyday on your behalf.

Board of Selectmen  
Jack Wilhelm, Chair  
Catherine Harrison, Vice Chair  
John Clemenzi, Clerk

Peter Lombardi, Town Administrator



Left to right: Catherine Harrison, Jack Wilhelm, and John Clemenzi

# Town Clerk

It is the mission of the Town Clerk's Office to be a reliable provider of information and quality services to the community and its residents, to work cooperatively and in concert with all departments, boards and committees, and to comply with all state and local statutes.

The office posts all public meetings in accordance with the Open Meeting Law. The office fulfills requests for general information about the Town, genealogical information, certified copies of vital records, and requests for any legal decisions made by the Town boards. The Town Clerk is responsible for all local, state, and federal elections, recording and certifying all official actions from Town Meetings, managing the annual census, maintaining the voter registration rolls, and recording the births, deaths, and marriages of our residents. The Town Clerk administers the oath of office to all elected, appointed, and hired officials for the Town.

The Wenham Town Clerk also processes Pleasant Pond beach passes, DPW receipts, marriage licenses, dog registrations, raffle permits, and business certificates throughout the year.

## Goals Achieved in 2017:

- Thank you to all the residents who came out to vote on April 6, 2017 and voted for me to continue to serve the Town as the Clerk for the next three years.
- A special thank you to the wonderful help of many senior volunteers as we have continued to progress in making the Town's historical records more accessible by completing databases of deaths, burials, marriages, cemetery deeds, appointments and land use documents.
- The Clerk's Office has also completed an inventory of the basement vault with the help of senior volunteers.
- More time has been spent on the Clerk's page of the Town's website and the Facebook page in an effort to keep residents up to date with the happenings in and around town.

## Priorities for 2018:

- To maintain all records, processes, and requirements as accurately as possible.
- Run fair and impartial elections on the local and state level.
- Help get the community involved in the 375<sup>th</sup> Anniversary of the Town by planning and encouraging support for the variety of events planned.
- Finally, now that the basement vault has been inventoried, the Office will begin to find the best location for each and every piece of information there.

## Significant Statistics as of December 31, 2017:

	Population	Registered Voters	Births	Deaths	Marriages	Dog Licenses
2015	4,968	2,596	23	36	23	450
2016	5,078	2,838	30	37	17	628
2017	5,035	2,808	29	32	14	560

In August, I completed the two accreditations that I had been working towards since 2015. I have earned the status of Certified Massachusetts Municipal Clerk (CMMC) from the Massachusetts Town Clerks Association and of Certified Municipal Clerk (CMC) from the International Institute of Municipal Clerks. I have learned so much in the past three years from the most wonderful people. Every Clerk in every state that I have been in contact with has been very helpful and friendly. I am honored to be a part of this profession and even more so to be able to serve the residents of Wenham in this fashion.

The goal in the Town Clerk's Office is to provide the best customer service possible to all of our residents. We are often the first point of contact for many people and we always strive to provide the most current and up-to-date information possible with courtesy and respect. Along with me, the office has many assistants. Teresa von Staats works in the office on a part time basis and is in charge of the office when I am not available. Judy Bubriski, Diana Lang, Bill Wilson, Barrie Levine and Evelyn Simpson assist in the office under the auspices of the Senior Tax Work-Off Program. Nidhi A. Pillai also volunteered in the office.

Respectfully submitted,  
Dianne K. Bucco  
Town Clerk

# Annual Town Meeting Minutes - April 1, 2017

## Opening

The Annual Town Meeting for Wenham 2017 began at 1pm with Trudy Reid as the new moderator. The meeting opened with a presentation of the flags by Lucas Bailey, Owen Bailey, Jon Purdy, Kolya Sims, and Christopher Maio of Boy Scout Troop 28 with assistance from Jane Starr of the Hamilton Wenham Brownie Troop 66329. Robert (BJ) Brown, Petty Officer First Class US Coast Guard, led us in the Pledge of Allegiance.

At 1:13pm we achieved the necessary 5% quorum of the 2,795 total voters or 140 voters and the meeting was called to order. In addition to the Town Clerk and Moderator, the final count was 169 voters and 17 non-voters in attendance, including members of the Board of Selectmen and the Finance and Advisory Committee. Moderator Reid assured the room that the warrant had been properly served. Ms. Reid thanked Boy Scout Troop 28 for the delivery of Town Reports and Warrants to all households and for the flag ceremony today. She thanked the Wenham Village Improvement Society for sponsoring the lunch, Fresh Foods for donating the food, and the Hamilton Wenham Garden Club for the flower arrangements donated by the Ayer Family in memory of Hilda Rice Ayer. Ms. Reid also thanked the Hamilton Wenham School District for hosting us and for the behind the scenes logistics. Lastly, the Moderator acknowledged the Town Administrator, Board of Selectmen, Finance and Advisory Committee as well as the many department heads and staff at Town Hall who helped to organize this meeting. She read the names of the thirty-seven residents who passed in 2016 and asked for a moment of silence to show our respect for them and their families.

Moderator Reid noted that she had been asked by the Town to take a straw poll on whether the residents would be interested in purchasing 64 Gallon Recycling bins for a reduced rate of approximately \$40 assuming we receive state grant funding. She asked the Meeting to place their voter cards in the Yes or No bin upon leaving the Meeting. There were 95 Yes, 45 No.

## Warrant Articles

### Article 1: Budget Appropriations

To see if the Town will determine what sum of money may be necessary to defray the Town's expenses of the twelve month period (Fiscal Year 2018) beginning July 1, 2017 and ending June 30, 2018 and to make appropriations for the same and to determine the source thereof. Or take any other action relative thereto.

**Recommendation:** The Board of Selectmen recommended favorable action (3-0-0) as did the Finance & Advisory Committee (4-0-0).

**Purpose:** The Town's fiscal year 2018 annual operating budget for the Town which begins July 1, 2017 is set forth in this article. All routine expenditures that provide Town services, including costs for the Town's share of the regional school districts and shared service agreements are organized by categories. The Finance and Advisory Committee, working with the Town Administrator and department heads, compiled the annual budget and presented the motion to authorize expenditures to operate the Town and provide necessary funding.

Michael S. Lucy, Chairman of the Finance and Advisory Committee thanked his committee, the Town Administrator, Board of Selectmen and Department heads for all the work they have been putting in since October. Mr. Lucy stated that the \$17, 855, 477 overall budget is an increase of \$574,312 from FY 2017.

He noted that his Committee managed to achieve this balanced budget by trimming substantially to get it in just under the levy limit leaving \$6,554 remaining and no override needed. The projected tax rate for FY2018 is \$18.87 per thousand valuation which is a \$0.54 increase from last year. The Free Cash, should all expenditures go through at this meeting, will be left at \$405,147. The three drivers of the Town's expense increase were the new refuse collection and disposal contract, employee health insurance and the Town's retirement commitment. Focused efforts were made during the budget building process to control operating costs, reduce expenses, and utilize alternative or additional revenue sources: \$238,274 in Town expenses (salaries/expenses/capital) were eliminated from the initial FY 2018 operating budget resulting in what is being recommended to Town Meeting, and another \$234,000 in Town expenses are being funded through other means in FY 2018 (Free Cash and overlay surplus). Of the \$574,312 budget increase, \$167,085 or 29% is related to municipal expenditures, while the remaining 71% is related to the regional and vocational schools. Mr. Lucy thanked the Town Administrator for all his work as the stand-in finance director controlling expenditures and utilizing additional revenue sources.

Dr. Michael Harvey, Superintendent of Schools gave his presentation on the Regional Schools. He thanked the Town Officials, School Committee and the Assistant Superintendent. He highlighted a great achievement from each school and touched on the mission statement of the district prior to delving into the budget process.

Dr. Harvey explained his level service budget as being a continuation of all current programs and staff without adding more. Their operating budget has an increase of 4.1% but after taking into account several offsets including reducing capital projects and using the excess and deficiency funds the result is a 1.3% increase to the Towns. The biggest cost drivers to the Schools are their health care and retirement costs as well as out of district special education tuition and transportation costs.

Dr. Harvey also explained that \$339,057 (or 72%) of Wenham's FY18 assessment is due to the enrollment shift, independent of the school's 1.3% net operating increase. He explained the volatility of the three year rolling average. He stated that the School Committee has been studying new ways to apportion the costs and has made plans to discuss with the Board of Selectmen of both Towns. Although that is great progress and will assist both Towns in the future, it will not change the operating budget for FY 2018 nor the amount Wenham owes.

**Motion:** Michael S. Lucy, Chair of the Finance and Advisory Committee, moved on behalf of the Committee that the Town vote to raise and appropriate the total sum of \$17,855,477 to defray the Town's expenses for FY 2018, all as set forth under the column entitled "Proposed Budget 07/01/17 – 06/30/18" appearing in the warrant under Article 1. Mr. Lucy read the budget line by line and there were no holds.

**Discussion:** None

**VOTE:** Article 1 passed unanimously.

## **Consent Calendar: Articles 2-7**

**Purpose:** The Moderator asked to put Articles 2 through 7 into a "consent calendar" because they are routine and do not usually necessitate any discussion. Ms. Reid read Articles 2 through 7 and because there were no holds, noted that the meeting could vote on all six articles as one.

### **Article 2: Use of Free Cash to Balance the Budget and Level the Tax Rate**

To see what sum of money, the Town will vote from FY 2016 Free Cash to be used to balance the budget and level the tax rate for the period July 1, 2017 to June 30, 2018. Or take any other action relative thereto.

**Motion:** The Finance and Advisory Committee moved that the Town vote to transfer the sum of \$750,000 from FY 2016 Free Cash to balance the budget and level the tax rate for the period July 1, 2017 to June 30, 2018.

### **Article 3: Cemetery and Other Trust Funds**

To accept the Cemetery and other Trust Funds received in FY 2016, as printed in Part I of the Town Report and on file with the Town Clerk. Or take any other action relative thereto.

**Motion:** The Finance and Advisory Committee moved that the Town vote to accept the Cemetery and Other Trust Funds received in FY 2016 as printed in Part I of the Town Report and on file with the Town Clerk.

### **Article 4: Cemetery Maintenance Fund Transfer**

To see if the Town will vote to authorize the Treasurer to withdraw a sum of money, not to exceed \$7,500 from the Sale of Cemetery Lots - Receipts Reserved for Appropriation account, after July 1, 2017 and before June 30, 2018, and transfer and deposit said funds into the General Fund. The purpose of the transfer is to subsidize Highway Department expenditures for the care and operation of the three cemeteries in the Town of Wenham. Or take any action relative thereto.

**Motion:** The Finance and Advisory Committee moved that the Town vote to authorize the Treasurer to transfer \$7,500 from the Sale of Cemetery Lots - Receipts Reserved for Appropriation account for use during FY 2018 for Highway Department expenditures in connection with the care and operation of the three cemeteries in the Town of Wenham.

### **Article 5: Use of Free Cash to Fund OPEB Trust Fund**

To see what sum of money, the Town will vote from FY 2016 Free Cash for deposit in the Other Post-Employment Benefits Liability Trust Fund to reduce the unfunded liability of health care and other post-employment benefits to which the Town of Wenham is obligated. Or take any other action relative thereto.

**Motion:** The Finance and Advisory Committee moved that the Town vote to transfer \$30,000 from FY 2016 Free Cash for deposit in the other Post-Employment Benefits Liability Trust Fund to reduce the unfunded liability of health care and other post-employment benefits to which the Town of Wenham is obligated.

### **Article 6: Road Work – Chapter 90 Funding**

To see if the Town will vote from available funds a sum of money for work on Town Roads, subject to conditions detailed by the Massachusetts Department of Transportation Highway Division, pursuant to MGL Chapter 30, Section 39M; Chapter 149, Section 44J; and Chapter 149, Section 26-27F; said work to conform to the requirements of the Massachusetts Department of Transportation Highway Division. Or take any other action relative thereto.

**Motion:** The Finance and Advisory Committee moved that the Town vote to accept such funds as are made available by the commonwealth of Massachusetts under the so-called Chapter 90 program or any other federal or state grant program and transfer from available funds sums necessary for road work and other projects, subject to and in conformance with conditions detailed by the Massachusetts Department of Transportation Highway Division, pursuant to Chapter 30, Section 39M; Chapter 149, Section 44J; and Chapter 149, Section 26-27F or any other applicable statute.

### **Article 7: H-W Grounds Maintenance Revolving Fund**

To see if the Town will vote pursuant to the provisions of MGL Chapter 44, Section 53E½, as most recently amended, to reauthorize the following revolving fund and establish the spending limit for FY18 as set forth below, and amend the General Bylaws by inserting a new bylaw for such purposes, specifying the departmental receipts to be credited to the fund, the departmental purposes or programs for which the fund may be expended, and the entity authorized to expend each fund, to provide as follows:

## CHAPTER XXVIII REVOLVING FUNDS

### SECTION 1

There is hereby established in the Town of Wenham pursuant to the provisions of G.L. c.44, §53E½, the following Revolving Fund:

#### H-W Grounds Maintenance:

Fees and reimbursements from the Town of Hamilton and the Hamilton Wenham Regional School District for the purpose of paying employees, purchasing supplies, services, equipment, and miscellaneous expenses related to grounds maintenance; to be expended by the Department of Public Works;

### SECTION 2

Expenditures from the revolving fund set forth herein shall be subject to the limitation established by Town Meeting, or any increase therein, all as may be authorized in accordance with G.L. c.44, §53E½.

And further to set the fiscal year spending limit for such revolving fund as follows:

H-W Grounds Maintenance: Not to exceed \$20,000. Or take any other action relative thereto.

**Motion:** The Finance and Advisory Committee moved that the Town vote to re-authorize the H-W Grounds Maintenance revolving fund pursuant to M.G.L., Chapter. 44, Section 53 E1/2, to which shall be credited fees and reimbursements from the Town of Hamilton and the Hamilton Wenham Regional School District, which funds shall be expended for paying employees, purchasing supplies, services, equipment, and miscellaneous expenses related to grounds maintenance; to be expended by the DPW; not to exceed \$20,000 during fiscal year 2018; and to amend the General Bylaws by inserting a new bylaw for such purposes, specifying the departmental receipts to be credited to the fund, the departmental purposes or programs for which the fund may be expended, and the entity authorized to expend each fund as printed in Article 7 of the warrant..

**Recommendation on Consent Calendar:** The Board of Selectmen recommended favorable action on all six articles in the Consent Calendar (3-0-0) as did the Finance & Advisory Committee (4-0-0).

**Motion:** Michael S. Lucy, Chair of the Finance and Advisory Committee, moved on behalf of the Committee that Articles 2 through 7 be approved as printed.

**Discussion:** None

**VOTE:** The Consent Calendar of Articles 2-7 passed unanimously.

## Article 8: Use of Free Cash to Fund FY 2018 Capital Improvement Program

To see what sum of money the Town will vote from FY 2016 Free Cash to fund the FY 2018 Capital Improvement Program for the following eligible items and amounts, including the acquisition, purchase and equipping of capital items and all incidental and related costs for all capital items and projects:

- |                                    |          |
|------------------------------------|----------|
| • Highway - Wing Plow              | \$16,000 |
| • Highway - Road Capital           | \$35,000 |
| • Police – Portable Radios         | \$55,000 |
| • Library – Computers              | \$5,000  |
| • Town Hall – Exterior Painting    | \$18,000 |
| • Council on Aging – Passenger Van | \$12,000 |

Or take any other action relative thereto.

**Recommendation:** The Board of Selectmen recommended favorable action (3-0-0) as did the Finance & Advisory Committee (4-0-0).

**Purpose:** This article proposes appropriations for this year's portion of the updated and comprehensive five-year capital improvement program that identifies facility, equipment, and infrastructure needs across all Town departments. While some ongoing capital obligations are included in the FY2018 operating budget, this year's program includes the six additional priority items listed in this article to be funded through free cash.

**Motion:** Michael Lucy, Chair of the Finance and Advisory Committee, moved on behalf of the Committee that the Town vote to transfer \$141,000 from FY 2016 Free Cash to fund the FY 2018 Capital Improvement Program for the following eligible items and amounts, including the acquisition, purchase and equipping of capital items and all incidental and related costs for all capital items and projects: Highway - Wing Plow - \$16,000, Highway - Road Capital - \$35,000, Police – Portable Radios - \$55,000, Library – Computers - \$5,000, Town Hall – Exterior Painting - \$18,000, Council on Aging – Passenger Van - \$12,000

**Discussion:** None

**VOTE:** Article 8 passed by majority.

## Article 9: Use of Free Cash to Fund Compliance with New Federal Stormwater Regulations

To see what sum of money the Town will vote from FY 2016 Free Cash to fund engineering and educational services related to compliance with new federal stormwater regulations that will take effect July 1, 2017, including all incidental and related costs. Or take any other action relative thereto.

**Recommendation:** The Board of Selectmen recommended favorable action (3-0-0) as did the Finance & Advisory Committee (4-0-0).

**Purpose:** Next year, Wenham, like many municipalities across the State is required to comply with more stringent federal regulations around stormwater. Our financial obligation for FY 2018 is \$45,000 and hopefully less in the future. This amount covers engineering services that Town staff cannot provide in-house. This proposed use of Free Cash seeks to avoid the need to absorb this increase into the operating budget or to impose a new fee as some other communities have opted to do.

**Motion:** Richard E. Quinn, Jr., of the Finance and Advisory Committee, moved on behalf of the Committee that the Town vote to transfer \$45,000 from FY 2016 Free Cash to fund engineering and educational services related to compliance with new federal stormwater regulations that will take effect July 1, 2017, including all incidental and related costs.

**Discussion:** None

**VOTE:** Article 9 passed unanimously.

## **Article 10: Creation of New Building Rental Revolving Fund for Iron Rail Property & Allocation of FY 2018 Appropriation**

To see if the Town will vote to provide for the first \$20,000 of any revenues collected from Iron Rail building rentals to be credited to a separate account to be expended without further appropriation by the Iron Rail Commission, and further, to accept the proviso of the second paragraph of Massachusetts General Law Chapter 40, Section 3 to allow any balance in such an account at the close of the fiscal year to remain available for expenditure without appropriation for such purposes in future years. Or take any other action relative thereto.

**Recommendation:** The Board of Selectmen recommended favorable action (3-0-0) as did the Finance & Advisory Committee (4-0-0).

**Purpose:** This article establishes a special revolving fund into which a portion of the revenues from the Iron Rail would be credited and would be available for maintaining the building and making necessary capital repairs. This article proposes to direct \$20,000 of the approximate \$140,000 in annual revenues to this new account this coming fiscal year and going forward, to avoid any further deferred maintenance.

Any change to this amount in the future would require additional approval from Town Meeting. Projected local receipts for FY 2018 have already taken this reduction in available funds into account.

**Motion:** Michael G. Therrien, of the Finance and Advisory Committee, moved on behalf of the Committee that the Town vote to provide for the first \$20,000 of any revenues collected from Iron Rail building rentals to be credited to a separate account to be expended without further appropriation by the Iron Rail Commission, and further, to accept the proviso of the second paragraph of Massachusetts General Law Chapter 40, Section 3 to allow any balance in such an account at the close of the fiscal year to remain available for expenditure without appropriation for such purposes in future years.

**Discussion:** None

**VOTE:** Article 10 passed unanimously.

## **Article 11: Use of Overlay Reserves to Fund Final Phase of Assessors' Measure and List Project**

To see what sum of money the Town will vote to transfer from available Overlay Reserves to fund the final phase of the Board of Assessor's ongoing measure and list project, with such funds to be available for expenditure in FY 2017 and thereafter. Or take any other action relative thereto.

**Purpose:** The Assessors' Measure and List Project yields updated residential property data that the Town is required to the State's Department of Revenue on a regular basis. Increases in property valuations discovered in the course of this project also add to the tax base and ensure proper allocation of local property taxes.

About a third of this Town-wide review has been accomplished using the \$10,000 in funds previously approved at Town Meeting 2016. This article proposes to allocate \$22,000 needed to complete this project. The funding source is surplus overlay reserves, monies that the Board of Assessors no longer need in connection with abatements.

**Recommendation:** The Board of Selectmen recommended favorable action (3-0-0) as did the Finance & Advisory Committee (4-0-0).

**Motion:** Michael S. Lucy, Chair of the Finance and Advisory Committee, moved on behalf of the Committee that the Town vote to transfer \$22,000 from available Overlay Reserves to fund the final phase of the Board of Assessor's ongoing measure and list project, with such funds to be available for expenditure in FY 2017 and thereafter.

**Discussion:** None

**VOTE:** Article 11 passed by majority.

## **Service Recognition**

At this time (2:10pm), the Moderator asked the Meeting to recognize the outgoing members of the Finance and Advisory Committee: Michael S. Lucy has been the Chair for five years and has served on the Committee since 2002 with a brief hiatus in 2012. Richard E. Quinn Jr. has served for a total of four years and was previously involved in other Town capacities over the years. Edward K. (Ned) Flynn has served the last three years. On behalf of the Town, the Moderator thanked these gentlemen and noted that their service to our Town has been greatly appreciated.

## Article 12: CPA Appropriations

To see if the Town will vote to hear and act on the report of the Community Preservation Committee on the Fiscal Year 2018 Community Preservation budget; to appropriate from the Community Preservation Fund a sum of money to meet the necessary and proper expenses of the Community Preservation Committee for Fiscal Year 2018 and to approve the appropriation to expend or set aside the following amounts as recommended by the Community Preservation Committee: a sum of money for the acquisition, creation and preservation of open space; a sum of money for acquisition, creation, preservation, rehabilitation, and restoration of land for recreational use; a sum of money for the acquisition, preservation, rehabilitation, and restoration of historic resources and a sum of money for the acquisition, creation, preservation and support of community housing. Or take any other action relative thereto.

**Recommendation:** The Board of Selectmen recommended favorable action (3-0-0) as did the Finance & Advisory Committee (5-0-0) on the complete Article 12.

1.) To see if the Town will vote to approve the following transfers of Community Preservation Act funds:

The sum of \$135,000, for the purpose of reserving a minimum of 10% of the total FY 2018 estimated CPA revenue to be transferred as follows:

\$45,000 to the "FUND BALANCE RESERVED FOR HISTORIC RESOURCES"

\$45,000 to the "FUND BALANCE RESERVED FOR OPEN SPACE & RECREATION"

\$45,000 to the "FUND BALANCE RESERVED FOR COMMUNITY HOUSING"

The sum of \$307,500 from FY 2018 estimated CPA revenue to FY 2018 BUDGETED RESERVES

The sum of \$7,500 from FY 2018 estimated CPA revenue to the CPA Administrative account.

**Purpose:** This article proposes appropriation of the Community Preservation Act budget for the upcoming fiscal year, including reservation for each of the three purposes of the Act; Open Space and Recreation; Historic Resources; Community Housing as well as for debt service and administrative expenses of the Community Preservation Committee.

The Town adopted the Community Preservation Act in 2005. The Town assesses a 3% surcharge on the tax levy on real property for community preservation purposes and then also receives matching funds from the State. Each year, the Committee evaluates the applications that are submitted. A recommendation from the Committee is required to appropriate any funds.

Harriet P. Davis, Chair of the Community Preservation Committee, introduced the Committee (Kennon Anderson, Arthur Burt, Denis Curran, Barbara Locke, Virginia Rogers, Tom Starr, Leo Maestranzi, Patrick Waddell and their coordinator, Margaret Hoffman) and thanked them for all they do as a group. She reviewed the history of the CPC in Wenham and explained how the CPC, after a public hearing in November, is looking at how to maximize their over 2 million dollars in funds. She made note that over the years, the CPC has not spent any money on Open Space and Affordable Community Housing and given sizeable grants to Recreation (mostly for the pool) and Historic Resources (mostly for the Town Hall). The committee has decided that going forward it would like to reserve most of their funds for open space should a parcel come available and affordable housing to get Wenham over the 10% threshold to avoid further 40B developments. The Committee received four project applications and decided on February 23, 2017 to recommend them all at some level and not all unanimously. If all are approved, it would still leave more than two million dollars in their account for future use.

**Motion 1(a):** Harriet P. Davis, Chair of the Community Preservation Committee, moved on behalf of the Committee that the Town vote to transfer from FY 2018 Community Preservation Fund estimated annual revenues the total amount of \$135,000, as follows: \$45,000 to the Historic Resources Reserve, \$45,000 to the Open Space and Recreation Reserve, and \$45,000 to the Community Housing Reserve.

**Discussion:** None

**VOTE: Article 12.1a passed by majority**

**Motion 1(b):** Harriet P. Davis, Chair of the Community Preservation Committee, moved on behalf of the Committee that the Town vote to transfer the sum of \$307,500 from FY 2018 Community Preservation Fund estimated annual revenues to the FY 2018 Community Preservation Fund Budgeted Reserve.

**Discussion:** None

**VOTE: Article 12.1.b passed by majority**

**Motion 1(c):** Harriet P. Davis, Chair of the Community Preservation Committee, moved on behalf of the Committee the Town vote to appropriate the sum of \$7,500 from FY 2018 Community Preservation Fund estimated annual revenues to the Community Preservation Committee for FY 2018 administrative costs.

**Discussion:** None

**VOTE: Article 12.1.c passed by majority**

2) The following sums to be appropriated from the indicated CPA source for the following purposes:

The sum of \$24,400 from CPA FUND BALANCE to the Town of Wenham for the purpose of completing an updated Open Space and Recreation Master Plan.

The sum of \$135,450 from CPA FUND BALANCE for the purpose of paying the debt service in FY 2018 on the \$2,151,421 supplemental borrowing under Massachusetts General Laws, Chapter 44 and 44B for the

rehabilitation of the 163 year-old Wenham Town Hall Building located at 138 Main Street in accordance with the plans developed and administered by the Wenham Town Hall and Police Station Building Committee.

The sum of \$20,000 from CPA FUND BALANCE to the Hamilton-Wenham Regional School Committee for the improvement and rehabilitation of the Buker Playground, including all incidental and related costs.

The sum of \$40,000 from CPA FUND BALANCE to the Town of Wenham for the improvement and rehabilitation of the Richard Brown Memorial Playground at Pingree Park, including all incidental and related costs.

**Motion 2(a):** Harriet P. Davis, Chair of the Community Preservation Committee, moved on behalf of the Committee that the Town vote to appropriate the sum of \$24,400 from Community Preservation Fund Balance to the Town of Wenham for the purpose of completing an updated Open Space and Recreation Master Plan.

**Discussion:** None

**VOTE:** Article 12.2.a passed unanimously.

**Motion 2(b):** Harriet P. Davis, Chair of the Community Preservation Committee, moved on behalf of the Committee that the Town vote to appropriate the sum of \$135,450 from Community Preservation Fund Balance for the purpose of paying FY 2018 debt service on the \$2,151,421 supplemental borrowing for the rehabilitation of the 163 year-old Wenham Town Hall Building located at 138 Main Street.

**Discussion:** None

**VOTE:** Article 12.2.b passed unanimously.

**Motion 2(c):** Harriet P. Davis, Chair of the Community Preservation Committee, moved on behalf of the Committee that the Town vote to appropriate the sum of \$20,000 from Community Preservation Fund Balance to the Hamilton-Wenham Regional School Committee for the improvement and rehabilitation of the Buker Playground, including all incidental and related costs.

**Discussion:** None

**VOTE:** Article 12.2.c passed by majority

**Motion 2(d):** Harriet P. Davis, Chair of the Community Preservation Committee, moved on behalf of the Committee that the Town vote to appropriate the sum of \$40,000 from Community Preservation Fund Balance to the Town of Wenham for the improvement and rehabilitation of the Richard Brown Memorial Playground at Pingree Park, including all incidental and related costs.

**Discussion:** None

**VOTE:** Article 12.2.d passed by majority

## **Article 13: Amend Senior Citizen Property Tax Work-Off Program**

To see if the Town will vote to amend the Senior Citizen Property Tax Work-Off Program adopted under Article 16 of the 2016 Annual Town Meeting, by increasing the abatement to \$1,500, the new maximum amount currently allowed by law, for seniors who participate in the program under MGL Chapter 59, Section 5K. Or take any other action relative thereto.

**Recommendation:** The Board of Selectmen recommended favorable action (3-0-0) as did the Finance & Advisory Committee (5-0-0).

**Purpose:** This article seeks to increase the annual exemption for seniors who choose to participate in the tax work-off program to the new State limit of \$1,500 per person. This program has been in place since the Town accepted the provisions of MGL Chapter 59, § 5k in 2003. Funding exemptions offered through this program are provided by the overlay reserve account which is set at \$135,000 next year, which is the standard amount. The Town plans to limit the total amount available through this program to \$15,000 per year which will allow residents who currently participate to continue to do so and allow others to join.

**Motion:** John Clemenzi, Chair of the Board of Selectmen, moved on behalf of the Board that the Town vote to amend the Senior Citizen Property Tax Work-Off Program under the provisions of MGL Chapter 59, Section 5K, as most recently amended under Article 16 of the 2016 Annual Town Meeting, by increasing the abatement to \$1,500, the maximum currently allowed by law.

**Discussion:** None

**VOTE:** Article 13 passed unanimously.

## **Article 14: Bylaw Adoption: Veterans Exemptions Extended to Spouses**

To see if the Town will vote to accept the provisions of MGL Chapter 59, Section 5, Clause Twenty-Second G, rendering the spouse of a veteran or a deceased veteran with title to the veteran's domicile, eligible for an exemption. Or take any other action relative thereto.

**Recommendation:** The Board of Selectmen recommended favorable action (3-0-0).

**Purpose:** Under the provisions of MGL Chapter 59, veterans are eligible to receive limited exemptions of a few hundred dollars from their personal property taxes. About a dozen or so such exemptions are granted to Wenham veterans every year by the Board of Assessors. This new provision, offered as a local option in recent State legislation, would allow these same exemptions to be extended to spouses of veterans.

**Motion:** John O. (Jack) Wilhelm, of the Board of Selectmen, moved on behalf of the Board that the Town vote to accept the provisions of MGL Chapter 59, § 5, Clause Twenty-Second G, rendering the spouse of a veteran or a deceased veteran with title to the veteran's domicile, eligible for an exemption.

**Discussion:** None

**Vote:** Article 14 passed unanimously

## **Article 15: Bylaw Amendment: Collection of Delinquent Local Taxes, Fees, Assessments, and Betterments Due to the Town**

To see if the Town will vote to amend the Town Bylaw Chapter XXVI adopted pursuant to MGL Chapter 40, Section 57, which statute allows municipalities to deny licenses and permits, among other things, when the applicant or owner of the property to which the license or permit relates owes municipal taxes or fees, to bring such bylaw into accord with the law as revised by the Municipal Modernization Act, with the text to be inserted set forth in bold and the text to be deleted shown in strikethrough, as follows:

The tax collector or other municipal official responsible for records of all municipal taxes, assessments, betterments and other municipal charges, hereinafter referred to as the tax collector, shall annually, **and may periodically**, furnish to each department, board, commission, or division, hereinafter referred to as the licensing authority, that issues licenses or permits including renewals and transfers, a list of any person, corporation, or business enterprise, hereinafter referred to as the party, that has neglected or refused to pay any local taxes, fees, assessments, betterments or other municipal charges for not less than a twelve month period, and that has not filed in good faith a pending application for an abatement of such tax or a pending petition before the appellate tax board. Or take any other action relative thereto.

**Recommendation:** The Board of Selectmen recommended favorable action (3-0-0)

**Purpose:** This article proposes to amend the bylaw adopted last year allowing any Town officer or Board to deny a license or permit if the applicant is a delinquent tax payer or the property on which work is to be done is owned by a delinquent tax payer. Delinquent tax payers may avoid such denials by entering into a tax payment agreement. The Municipal Modernization Act allows municipalities to reduce the amount of time that a tax payer is delinquent before this provision applies, and the Town is proposing a minimum delinquency period of three months. No other changes to this bylaw are being proposed.

**Motion:** Catherine Harrison, of the Board of Selectmen, moved on behalf of the Board that the Town vote to amend the Town Bylaw Chapter XXVI adopted pursuant to MGL Chapter 40, Section 57, which statute allows municipalities to deny licenses and permits, among other things, when the applicant or owner of the property to which the license or permit relates owes municipal taxes or fees, to bring such bylaw into accord with the law as revised by the Municipal Modernization Act as printed in Article 15.

**Discussion:** None

**VOTE:** Article 15 passed unanimously.

## **Article 16: Bylaw Amendment: Civil Fingerprinting for Criminal History Checks**

To see if the Town will vote, as authorized by Chapter 256 of the Acts of 2010, codified as Massachusetts General Laws Chapter 6, Section 172 B1/2, to strike in its entirety Section 11 of Chapter V of the Town Bylaws as most recently amended on April 11, 2015, and to insert a new Bylaw, Chapter V, Section 17, entitled, "Civil Fingerprinting", enabling the Police Department to conduct State and Federal Fingerprint Based Criminal History checks for individuals for the following licenses: Hawking, Peddling or other Door-to-Door Solicitors, Second Hand Dealers, Ice Cream Truck Vendors, Used Car Dealers, and Managers of Alcoholic Beverage Licenses, and to authorize adoption of appropriate policies and procedures to effectuate the purposes of this Bylaw. Or take any other action relative thereto.

### **CIVIL FINGERPRINTING**

#### **SECTION ONE: Purpose and Scope**

This Bylaw authorizes the Police Department to conduct state and national fingerprint based criminal history checks for individuals applying for specific licenses in Town to enhance public safety, as authorized by Massachusetts General Laws Chapter 6, Section 172B½. To carry out the criminal history checks authorized by this Bylaw, the Police Department shall be authorized to use state and Federal Bureau of Investigation ("FBI") records, provided, however, that such records shall not be disseminated to unauthorized entities and shall be maintained and disclosed in accordance with all applicable law.

The Bylaw further authorizes the Board of Selectmen, in consultation with the Chief of Police, to promulgate regulations to implement this Bylaw, which may include, but shall not be limited to, establishment of submission deadlines, procedures for making recommendations to the licensing authority or making a licensing as a result of the criminal history check, procedures for assessing, correcting or amending any such record, criteria for fitness determinations, security of information obtained and penalties for failure to comply with this Bylaw.

#### **SECTION TWO: Criminal History Check Authorization**

The Police Department shall, as authorized by Massachusetts General Laws Chapter 6, Section 172B½, conduct State and Federal Fingerprint Based Criminal History checks for individuals and entities for the following licenses:

- Hawking and Peddling or other Door-to-Door Solicitors
- Second Hand Dealers
- Ice Cream Truck Vendors
- Used Car Dealers
- Managers of Alcoholic Beverage Licenses

At the time of fingerprinting, the Police Department shall notify the individual being fingerprinted that the fingerprints will be used to check the individual's criminal history records and obtain the individual's consent. After the applicant completes a consent form, provides his/her fingerprints and the appropriate fee, the Police Department shall transmit the fingerprints it has obtained pursuant to this Bylaw to the Identification Section of the Massachusetts State Police, the Massachusetts Department of Criminal Justice Information Services ("DCJIS"), and/or the FBI or the successors of such agencies as may be necessary for the purpose of conducting fingerprint-based state and national criminal records background checks for the license applicants specified in this Bylaw.

The Town authorizes the Massachusetts State Police, the DCIS and the FBI and their successors, as may be applicable, to conduct fingerprint-based state and national criminal record background checks, including of FBI records, consistent with this Bylaw. The Town authorizes the Police Department to receive and utilize State and FBI records in connection with such background checks, consistent with this Bylaw and its implementing regulations. In accordance with its implementing regulations, the Police Department shall communicate the results of fingerprint-based criminal record background checks to the appropriate governmental licensing authority within the Town.

### **SECTION THREE: Use of Criminal Record by Licensing Authorities**

Licensing authorities of the Town shall utilize the results of fingerprint-based criminal record background checks for the sole purpose of determining the suitability of the subjects of the checks in connection with the license applications specified in this Bylaw. A Town licensing authority may deny an application for a license on the basis of the results of a fingerprint-based criminal record background check if it determines that the results of the check render the subject unsuitable for the proposed licensed activity. The licensing authority shall consider all applicable laws, regulations and Town policies bearing on an applicant's suitability in making this determination.

Licensing authorities of the Town are hereby authorized to deny an application for any license specified herein and in the implementing regulations, including renewals and transfers of said licenses, from any person who is determined unfit for the license due to information obtained pursuant to this Bylaw. Factors that shall be considered in making a determination of fitness shall include, but not be limited to, whether the record subject has been convicted of, or is under pending indictment for a crime, that bears upon the subject's ability or fitness to serve in that capacity, including any felony or a misdemeanor that involved force or threat of force, possession of a controlled substance, or sex-related offense.

### **SECTION FOUR: Fees**

The fee charged by the Police Department for the purpose of conducting fingerprint-based criminal record background checks shall be fifty dollars (\$50) for each fingerprinting and criminal history check. A portion of the fee, as specified in Massachusetts General Laws Chapter 6, Section 172B½, shall be deposited into the Firearms Fingerprint Identity Verification Trust Fund, and the remainder of the fee may be retained by the Town for costs associated with the administration of the fingerprinting system.

### **SECTION FIVE: Effective Date**

This Bylaw shall take effect after compliance with Massachusetts General Laws Chapter 40, Section 32 have been met.

**Recommendation:** The Board of Selectmen recommended favorable action (3-0-0) as did the Finance & Advisory Committee (5-0-0).

**Purpose:** This article proposes a revised civil fingerprinting bylaw to comply with the minimum FBI requirements for access to available Federal databases in connection with the Town's issuance of specific licenses and permits. This revision will also increase the fee associated with the conducting these checks from \$20 to \$50 to account for the \$30 fee that is required to be aid to the State.

**Motion:** John Clemenzi, Chair of the Board of Selectmen, moved on behalf of the Board that the Town vote to strike in its entirety Section 11 of Chapter V of the Town Bylaws as most recently amended on April 11, 2015, and to insert a new Bylaw, Chapter V, Section 17, entitled, "Civil Fingerprinting", enabling the Police Department to conduct State and Federal Fingerprint Based Criminal History checks for individuals for the following licenses: Hawking, Peddling or other Door-to-Door Solicitors, Second Hand Dealers, Ice Cream Truck Vendors, Used Car Dealers, and Managers of Alcoholic Beverage Licenses, and to authorize adoption of appropriate policies and procedures to effectuate the purposes of this Bylaw, all as printed in Article 16.

**Discussion:** None

**VOTE:** Article 16 passed by a majority.

## **Article 17: Modification to Collector Demand Fees**

To see if the Town will charge for each written demand issued by the Collector a fee of \$15.00 to be added to and collected as part of the tax, as authorized by Massachusetts General Law Chapter 60, Section 15, effective as of July 1, 2017.

**Recommendation:** The Board of Selectmen recommended favorable action (3-0-0) as did the Finance & Advisory Committee (5-0-0).

**Purpose:** This article, proposed in connection with the Town-wide fee analysis, seeks to cover the Town's administrative costs for issuing demands for payment of motor vehicle, real estate, and personal property taxes. The fee would increase from \$5 to \$15, an amount similar to that charged in local communities. The collector will still have discretion to waive the fee in its entirety in certain mitigating circumstances.

**Motion:** Jack Wilhelm, of the Board of Selectmen, moved on behalf of the Board that the Town vote to charge for each written demand issued by the Collector a fee of \$15.00 to be added to and collected as part of the tax, as authorized by Massachusetts General Law Chapter 60, Section 15, effective as of July 1, 2017.

**Discussion:** None

**VOTE:** Article 17 passed by a majority.

### **Article 18: Bylaw Amendment: Solicitor Licenses**

To see if the Town will vote to amend the Town Bylaws, Chapter 5, Section 9 (c)(10), by inserting the following language after "At the time of filing the application, each applicant shall pay a fee of twenty dollars (\$20.00)": and, beginning July 1, 2017, shall also be required to comply with the requirements of the Civil Fingerprinting Bylaw, including payment of the fee therefor.

Or take any other action relative thereto.

**Recommendation:** The Board of Selectmen recommended favorable action (3-0-0) as did the Finance & Advisory Committee (5-0-0).

**Purpose:** This article proposes a bylaw amendment to clarify that applicants seeking a solicitor permit will still be required to pay a separate \$20 processing fee in addition to the fingerprinting fee, now set at \$50.

**Motion:** Catherine Harrison, of the Board of Selectmen, moved on behalf of the Board that the Town vote to amend the Town Bylaws, Chapter V, Section 9 (c)(10), by inserting the following language after "At the time of filing the application, each applicant shall pay a fee of twenty dollars (\$20.00)": "and, beginning July 1, 2017, shall also be required to comply with the requirements of the Civil Fingerprinting Bylaw, including payment of the fee therefor."

**Discussion:** None

**VOTE:** Article 18 passed by a majority.

### **Article 19: Citizens Petition: Joint Committee to Study the Potential Acquisition of Property on Longmeadow Way in Hamilton**

To see if the Town will direct the Selectmen to appoint a joint committee with the Selectmen of the Town of Hamilton to study the acquisition by purchase, eminent domain, or otherwise of all or a portion of parcels of land designated Lots A, B, C, and D as shown on a Plan of Land entitled Plan of Longmeadow Way dated October 15, 1980 and recorded in Essex Registry of Deeds at Plan Book 161, Plan 31 for school, recreational, and/or other municipal use and to report findings, recommendations, and proposed action, if any, to the 2018 Annual Town Meeting or such earlier town meeting as may be called to consider the issue, said committee to consist of a Selectman from each member Town, a member of the Hamilton Wenham Joint Recreation Board from each member town, a member of the Hamilton Wenham Regional School Committee from each member Town, and one resident (at large) from each member town.

Or take any other action relative thereto.

**Recommendation:** The Board of Selectmen recommended favorable action (3-0-0)

**Purpose:** This citizen's petition was presented to the Board of Selectmen on February 21, 2017 with the requisite number of signatures and was accordingly placed on the warrant. The same petition was brought to the Board of Selectmen of Hamilton and placed on their Annual Town Meeting warrant. Once the motion is made, William (Bill) Shields of 721 Bay Road, Hamilton one of the principal initiators of this petition will give a brief presentation.

**Motion:** Amber Woolfenden, of 367 Grapevine Road, moved that the Town request the Selectmen to appoint a joint committee with the Selectmen of the Town of Hamilton to study the acquisition by purchase, eminent domain, or otherwise of all or a portion of parcels of land in Hamilton designated Lots A, B, C, and D as shown on a Plan of Land entitled Plan of Longmeadow Way dated October 15, 1980 and recorded in Essex Registry of Deeds at Plan Book 161, Plan 31 for school, recreational, and/or other municipal use and to report findings, recommendations, and proposed action, if any, to the 2018 Annual Town Meeting or such earlier town meeting as may be called to consider the issue, said committee to consist of a Selectman from each member Town, a member of the Hamilton Wenham Joint Recreation Board, a member of the Hamilton Wenham Regional School Committee, and one or more residents from each member town, or such other membership structure and membership as the Selectmen from both towns shall mutually agree; action under this article does not call for any appropriation of funds.

**Discussion:** Bill Shields of Hamilton explained the reasoning behind this citizen's petition. The petition speaks to a 15 acre parcel that has 1,500 feet bordering the Regional School property that has been restricted to three houses until last year when two of the owners decided they wanted to sell. The three possibilities for this land are 1) to keep it as a 3 parcel subdivision as it has been since 1980, 2) to use it for educational and recreation purposes, or 3) to leave it to an "unfriendly" developer to do with it as he wishes. Mr. Shields and the other supporters feel that this is an opportunity for both Towns along with the School and Joint Recreation Department to study the land. Mr. Shields stated that the Boards of Selectmen of both Towns, the School Committee and the Joint Recreation Committee are all in favor and that Hamilton Town Meeting approved this article at their Town Meeting earlier in the day.

Edmund Bertrand, 28 Perkins Street, believes this is a case of nimbyism and a way to circumvent the system. He does not think this should be passed.

Jeanise Bertrand, 28 Perkins Street, echoed her father's opinion and believes that the land is mostly un-usable. She would like to see more people move to our area rather than purchase more land.

Stacey Metternick, 3 Dexter Lane, Chair of the School Committee, explained that the school Committee did unanimously vote in favor of this study. She clarified that the petition does not ask for any financial commitment.

**VOTE: Article 19 passed with a majority.**

## Closing

**Motion to Adjourn:** Moderator Reid asked for a motion to adjourn the meeting to our Annual Town Election on Thursday April 6, 2017 from 7am to 8pm and to dissolve the Annual Meeting at the close of polls.

**Action Taken:** The motion was made and seconded and the meeting was adjourned at 2:37pm.

## 2017 Bylaw Changes

The amendments to the Town of Wenham General By-laws adopted under Articles 7, 15 & 18 of the Warrant for the Annual Town Meeting that convened on April 1, 2017 have been approved by the Attorney General on May 22, 2017. The amendment to the Town of Wenham General By-laws adopted under Article 16 of the Warrant for the Annual Town Meeting that convened on April 1, 2017 have been approved by the Attorney General on July 11, 2017. All were posted pursuant to Massachusetts General Law, Chapter 40, §32.

# Annual Town Election Results April 6, 2017

<b>Board of Assessors - 3 year</b>	
Write Ins	16
Blanks	251
<b>WI: Lisa M. Craig</b>	<b>9</b>
Total	276

<b>Moderator - 1 year</b>	
<b>Trudy Reid</b>	<b>244</b>
Write Ins	0
Blanks	32
Total	276

<b>Board of Assessors - 1 year</b>	
<b>George E. Cantwell</b>	<b>221</b>
Write Ins	4
Blanks	51
Total	276

<b>Planning Board - 5 year</b>	
<b>Virgina L. Rogers</b>	<b>147</b>
Patrick J. Waddell	109
Write Ins	0
Blanks	20
Total	276

<b>Board of Health - 3 year</b>	
<b>Regina J. Baker</b>	<b>131</b>
Kimberly A. Novak	90
Write Ins	0
Blanks	55
Total	276

<b>Town Clerk - 3 year</b>	
<b>Dianne K. Bucco</b>	<b>264</b>
Write Ins	0
Blanks	12
Total	276

<b>Board of Selectmen - 3 year</b>	
<b>Catherine A. Harrison</b>	<b>230</b>
Write Ins	3
Blanks	43
Total	276

<b>Water Commission - 3 year</b>	
<b>Richard K. Quateman</b>	<b>233</b>
Write Ins	1
Blanks	42
Total	276

<b>H-W Library Trustee - 3 year</b>	
<b>Dorothy A. Goudie</b>	<b>231</b>
Write Ins	2
Blanks	43
Total	276

<b>Housing Authority - 5 year</b>	
<b>Bruce D. Blanchard</b>	<b>245</b>
Write Ins	1
Blanks	30
Total	276

<b>H-W School Committee- 3 year</b>	Wenham	Hamilton	Two Town Result
<b>Kerry J. Gertz</b>	<b>196</b>	<b>404</b>	<b>600</b>
<b>Gene K. Lee</b>	<b>192</b>	<b>412</b>	<b>604</b>
Write Ins	1	3	4
Blanks	163	397	560
Total	552	1216	1768

<b>H-W School Committee- 1 year</b>	Wenham	Hamilton	Two Town Result
<b>Stacey L. Metternick</b>	<b>190</b>	<b>333</b>	<b>523</b>
<b>Joshua Liebow</b>	<b>126</b>	<b>245</b>	<b>371</b>
Robert D. Weiner	89	275	364
Write Ins	3	3	6
Blanks	144	360	504
Total	552	1216	1768

# Annual Town Election Results April 6, 2017

## Write-Ins:

<b>Board of Assessors - 3 year</b>	
Lisa Craig	9
Marc Liphardt	7
Bethany Minich	2
Dick Fleming	1
Len Dolan	1
Steve Kolano	1
Donald Killam	1
Jennifer Carr	1
Jordi Chapdelaine	1
Harriet Davis	1

<b>Board of Selectmen -3 year</b>	
Dave Reid	1
Richard Quinn	1
Harriet Davis	1

<b>Water Commission - 3 year</b>	
Matt Churchill	1

<b>Housing Authority - 5 year</b>	
Alex Tsepetsis	1

<b>H-W Library Trustee - 3 year</b>	
Chantal Polsonetti	1
Pamela Mulvihill	1

<b>H-W School Committee - 1 year</b>	
Julie Clay	1
Michelle Bailey	1
Dianne Bucco	1

<b>H-W School Committee - 3 year</b>	
Marc Liphardt	1

<b>Board of Assessors - 1 year</b>	
Marc Liphardt	2
Bethany Minich	1
Lisa Craig	1

2795	# of Registered Voters
276	# of Voters
10%	Percentage of Voter Turnout

# Finance Department

The mission of the Finance Department is to deliver timely and accurate financial reporting and provide proper oversight of all expenditures and revenue collections in order to successfully support the operations of the town. The Finance Department principally assists the town's various departments, boards and committees by planning, organizing, and directing the town's financial activities in conformance with all applicable federal, state, and local laws as well as the standards set forth by the Government Accounting Standards Board (GASB) and Generally Accepted Accounting Principles (GAAP).

## **Goals Achieved in 2017:**

- Hired a new Town Accountant and successfully closed FY 17 with our new Financial Software.
- The Finance Assistant completed her 2<sup>st</sup> year of Massachusetts Treasurer/Collector School.
- The Town Accountant attended the Massachusetts Municipal Auditors/Accountants Association Annual Education Program.
- Investment Policies for the Town were approved which will allow us to more effectively invest the Town's funds, including OPEB & CPA, in order to maximize returns.
- FY 17 Audit completed successfully with no outstanding issues.
- Implemented a check scanner which allows the Town's funds to be available the next business day.
- The Finance Department successfully collected \$84,425.00 in tax liens during FY17.

## **Priorities for 2018:**

- Continue the education and certification of Finance Department staff.
- Implement a formal Risk Assessment procedure within the Town which follow our policies that were adopted in FY 17.
- Maintain an effective and fair collection process to maximize real estate, personal property, and motor vehicle tax collections, which will continue to reduce the number of properties in tax title.

The aforementioned accomplishments would not have been possible without the dedication and support of the Finance Department staff members.

## Current staff members:

Leslie Davidson, Finance Director / Treasurer/Collector, CMMT  
Christopher Holak, Town Accountant  
Karen Moulton, Finance Assistant & Payroll Coordinator

**\*See Appendices A & B for more financial information and reports.**

# Board of Assessors

The Assessors are happy to report a successful fiscal year 2017 and look forward to fiscal years 2018 and 2019. Currently, as authorized by the Assessors last year, a complete exterior and interior review of all properties within the Town, known as a “Measure and List,” is on-going for fiscal 2017 and 2018. This will help meet requirements by the Department of Revenue for the Assessors to attempt to review every house every ten years. The project commenced in the Fall of 2016, and will continue through the Spring of 2018.

For fiscal 2017, the total assessed value for real and personal property increased by \$9,731,512 or 1.25% over last year from \$782,524,552 to \$792,256,064. The increase is attributable to general market conditions as well as the Measure and List program which has improved the accuracy of the assessment records.

The fiscal year 2018 growth value was \$10,232,279 having a corresponding tax dollar growth of \$192,265. This is an increase of \$101,928 tax dollars as compared to fiscal year 2017 tax dollar growth of \$90,337.

The fiscal year 2018 tax rate increased \$0.46 to \$18.79, or +2.5%, compared to \$18.33 per thousand of assessed valuation for 2017. The median assessed valuation (midpoint of all single family home assessed values) for a single family home in Wenham is \$520,450 as compared to the fiscal year 2017 median assessed value of \$509,550, an increase of 2.1%. The average assessed value for a single family home in Wenham for 2018 is \$612,970, which is an increase of \$15,971 (+2.65%) from the \$596,999 average assessed value for fiscal year 2017.

During fiscal 2017, the Board of Assessors received 24 real estate and personal property abatement applications as compared to 30 applications for the previous year. Of the 24 applications received, 14 were approved.

Real estate tax exemptions were approved as outlined on the following chart:

Statute	Number	Amount
Chapter 59, CL 22, 22A, & 22E - Veterans	13	\$7,000.00
Chapter 59, CL 37A – Blind	2	\$1,000.00
Chapter 59, CL 41A – Tax Deferral	1	\$ 6,471.31
Chapter 59, CL 41C – Senior 65 & over	12	\$12,000.00
Community Preservation Exemptions	56	\$11,355.31

Four seniors each had their property taxes reduced by \$750 and six seniors each had their property taxes reduced by \$1,000 as a result of their participation in the Senior Citizens Property Tax Work-off Abatement Program.

We want to thank the Wenham taxpayers, Board of Selectmen, other Town Boards and Committees, and the Town Administrator, for their support over the past year.

Respectfully submitted,  
Thomas Tanous, Chair  
Lisa Craig  
George Cantwell



# Public Safety



# Fire Department

It is the mission of the Wenham Fire Department to protect the lives, property, and physical well-being of our citizens to the best of our ability. We will endeavor to be prepared, equipped, and trained to respond to and mitigate any incident or potential hazard which may challenge our community.

**Goals Achieved in 2017:**

- Received a \$5358.00 State Grant to continue the Student Awareness Fire Education and Senior Safe program.
- Completed feasibility study for a Fire-Based ambulance service and it was determined that a the pilot program for Basic Life Support EMS would be launched.
- Prepared ambulance to go live in 2018.
- Enrolled 6 call Firefighters in the State Fire Academy Firefighter 1 & 2 program.

**Priorities for 2018:**

- Continue the working relationship with Regional Emergency Communications Center (RECC).
- Continue to attract Call Firefighters through our internship program.
- Begin a Fire-Based Basic Life Support (BLS) program with the use of the new ambulance.
- Continue public education on Fire Prevention and Fire Safety programs.
- Continue to enhance training on the Wenham Fire Ambulance.
- Continue specialized training for all Firefighters.

Seven new provisional firefighters were appointed to the department : Samantha Curran, Stephen Koutrakis , Derek Marshall, Anthony Nickas, Michael Reynolds, Michael Schroeder, and Elizabeth McNeil. Six of the seven new recruits were a result of the three month Intern program.

The Wenham Fire Company donated an automated Lucas C.P.R. Device to the Town. The Wenham Fire Company was able to purchase this through their fundraising and the generous donations from the citizens of the community. I would like to thank the Wenham Fire Company for this donation of this vital piece of emergency equipment.

During this past year, we had announcements of two retirements. Chief Robert A. Blanchard, a member of the department for 38 years, and Firefighter Kevin MacDonald, a member of the department for just over 20 years. Chief Blanchard’s commitment, hard work, knowledge, and expertise in the fire service will be missed. Firefighter MacDonald’s hard work, enthusiasm, and knowledge of firefighting will also be missed. I speak for all the members of the Wenham Fire Department and residents of Wenham when I thank Chief Blanchard and Firefighter MacDonald for their hard work and wish them both a very happy retirement.

I would like to thank the Police, Town Hall Staff, DPW, Water Department, Cataldo Ambulance, Regional Emergency Communications Center, and Administrative Assistant Sue Hersee for their continued support and cooperation throughout the year. I personally would like to thank every member of the Wenham Fire Department for their tireless efforts in protecting the Town of Wenham.

**Significant Statistics:**

There were 740 incidents this year, with a breakdown into the following categories (as established by the National and Massachusetts Incident Reporting system):

Incident type	2016 Number of Incidents	2017 Number of Incidents	2016 Percent of Total Calls	2017 Percent of Total Calls
Fire	11	8	1.34 %	1.08%
Rescue: Emergency Medical Services	391	378	47.97 %	51.08%
Hazardous Conditions	52	70	6.38 %	9.45%
Service Call	198	138	24.29 %	18.64%
Good Intent	21	27	2.57 %	3.64%
False Alarm and False Calls	140	118	17.17 %	15.94%
Special Incident	2	1	0.24 %	0.13%

Stephen Kavanagh, Acting Chief  
Wenham Fire Department

# Police Department

The mission of the Wenham Police Department is to work in partnership with the citizens of the community and to provide a safe environment where the quality of life is improved by proactive initiatives and enforcing the laws with the highest quality of professionalism and dedication. The Wenham Police Department will continue to be an organization that operates in a cohesive, team-oriented fashion to provide quality service and dedication to the community. Department staff will be well-trained and well-educated. The growth and expansion of Department operations will keep pace with the growth of the Town, new technologies, and will utilize innovative ideas to further the mission of the Department in the future.

## Goals Achieved in 2017:

- The Department worked collaboratively with other agencies to enhance enforcement and training in drug enforcement. We continue to work closely with the District Attorney's Office to aid subjects in getting treatment when appropriate to do so.
- In conjunction with the Highway Department, we were successful in modernizing fleet maintenance schedules, repairs, and record keeping.
- Successfully achieved re-accreditation status through the Mass Police Accreditation Commission. This was particularly challenging due to the significant transition the Department was going through at the time.
- The Department participated in the Towns Assessment Center for the purposes of hiring a new Police Captain. This was an excellent experience in which officials, staff and interested residents worked together to select the best candidate to fulfill this important vacancy within the Department.
- Enhanced and improved our employment screening practices, particularly in the area of background investigations to keep current with 21st century practices.

## Priorities for 2018:

- Expand the Department's Criminal Investigative Division. We will draw from the experience and expertise of our new Captain and improve this already thorough group of officers to an even higher level of professionalism and performance.
- We will circle back to our Community Contact initiative in an effort to have Sergeants and their assigned Patrol Officers take an active stake in their assigned area in Town. Hopefully this yields better distribution and rotation of services such as selective enforcements and overall traffic enforcement efforts. Residents are encouraged to reach out to the Department to request enforcement in areas they perceive as problematic. With only one or two patrol officers assigned to each shift, we will continue to do our best to slow the traffic down.
- Invest in Emergency Management improvements by way of attending regular State meetings and training. There are a multitude of grants and reimbursements available we plan to avail the Town of in the upcoming year.
- Continue and expand upon the Town's current Citizens Leadership Academy program.
- Work with Wenham's 375<sup>th</sup> Committee to make all festivities as safe and fun as possible.

Due to retirement of Jeff Tobey, a screening process was conducted with the goal of hiring the best candidate to replace Captain Tobey and succeed the Chief of Police at the time of retirement. This was done in a hybrid fashion with a combination of an outside company combined with an appointed screening committee. This process had yielded positive results for other Departments in Town and I am very glad to say we fared just as well. In August, Captain Kevin DiNapoli was sworn into our ranks and has had an excellent impact on Department operations to date. Captain DiNapoli comes to us from Hudson NH Police Department, where he held the same rank. Captain DiNapoli has always resided in Massachusetts and has had no difficulty transitioning. I would like to personally thank the Town Officials, members of the Committee and members of the Department for making this challenging process as rewarding as possible. I am extremely confident that we selected the best candidate to continue on the traditions of the Wenham Police Department.

Thomas Perkins, Chief  
Wenham Police Department

Sgt. Jonathan Gray, Det. Shane Kavanaugh, Ofc. William Carney, Ofc. Lawrence Nestor & Ofc. Mia Cefalo received the Municipal Police Training Committee Lifesaving Award in August 2017. They are pictured here with the Board of Selectmen, Police Chief Perkins, Town Administrator Lombardi, and newly pinned Captain DiNapoli.





# WENHAM POLICE DEPARTMENT

## Law Total Incident Report, by Agency, Nature

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Agency: WENHAM POLICE

<u>Nature of Incident</u>	<u>Total Incidents</u>
(Not Defined)	4
911 False/Disconnect/Abandon	40
Abandoned Vehicle	1
Agency Assistance Law	88
Alarm	134
Animal Complaint	201
Annoying phone calls	10
PAPERWORK: ATTEMPT TO SERVE	29
BOLO	396
Building Check	2043
BREAKING AND ENTERING	1
Citizen Assist	222
DISTURBANCE	10
Custodial Prob/Family Problem	1
DEER STRUCK BY MV	19
DEPT. EQUIPMENT	1
DAMAGE/MALFUNC	
DETAIL	11
Directed Patrol	14790
DISORDERLY	9
Domestic Dispute	8
PRESCRIPTION DRUG DROP OFF	1
Created in error	15
Escort	11
FIRE ALARM	120
Brush Fire	2
FIRE CO ALARM	17
FIRE INVESTIGATION	13
Fire	28
Structure Fire	4
Fireworks Complaint	3
FRAUD	18
Harassment	4
Hazardous Materials Spill	1
Illegal Dumping	3
INTOXICATED PERSON	3
POLICE INVESTIGATION	18
Juvenile Issue	9
Lost/Found, Held, Missing Prop	40
Abdominal Pain / Problems	7
Traffic / Transportation Incid	10
Allergy, Medical Reactn, Sting	6
Back Pain-Non-Trauma or recent	8

<u>Nature of Incident</u>	<u>Total Incidents</u>
Breathing Problems	20
Burn	1
Obvious/expected death	1
CHEST PAIN (NON-TRAUMATIC)	20
Childbirth	1
Choking	1
Convulsions or Seizures	12
Eye Problems	2
Fall	55
Headache	1
Heart Problem	5
Hemorrhage	7
Inaccessible Incdt/ entrpmt	1
Overdose, Poisoning, Ingest	5
Psyc Behavr/ Suicide Attpt	12
Sexual Assault	1
Illness	55
Cardiovascular Accident	9
Traumatic Injuries	12
Unconscious Person	20
Unknown Medical	33
Mail/Deliver Message	3
Missing Person	2
MV / Traffic Complaint	106
Disabled Motor Vehicle	72
MV LOCKOUT	2
Motor Vehicle Theft	1
NOISE COMPLAINT	18
Parking Complaint/Enforcement	159
PROPERTY DAMAGE	8
Robbery/Attempt	1
Selective Enforcement	1192
Solicitor Registration / Compl	2
SUSPICIOUS ACTIVITY/PERSON	203
Theft	13
Threat	2
TRAFFIC CRASH	91
Traffic Hazard	70
Traffic Stop	1372
Trespassing	5
UNWANTED GUEST	5
Utility	171
WARRANT/SEARCH/ARREST	2
WELL BEING CHECK	51
<b>Total Incidents for This Agency</b>	<b>22184</b>

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Total reported: 22184

**Report Includes:**

All dates between '00:00:01 01/01/17' and '23:59:59 12/31/17', All agencies matching 'WEPD', All natures, All locations, All responsible officers, All dispositions, All clearance codes, All observed offenses, All reported offenses, All offense codes, All circumstance codes



# Public Works



# Cemetery Commission

The Cemetery Commission manages the three Wenham cemeteries; Main Street, Iron Rail, and Fairfield.

## Goals Achieved in 2017:

- The signature accomplishment this year was the preservation work done on 96 early gravestones in the Main Street cemetery. This project, funded by Community Preservation Act dollars, was completed by Gravestone Services of New England in a most satisfactory manner. This completes the restoration through repairing, uprighting, raising, and cleaning on all 196 of the 17th through early 19th century gravestones identified as needing work in the original 2012 survey and subsequent inspections. These stones include those of the early settlers of Wenham, some by renowned stone carvers, and veterans of the Revolutionary War.
- Town Clerk Dianne Bucco and volunteer Diana Lang with great diligence reconciled the Town Clerk's records with the Burial Agent's book, as well as the Commission's database (ably maintained by Ms. Sheila Bouvier at Town Hall). That effort, along with the creation of an archival quality binder for the burial agent book's pages and an archival town clerk's burial book for the Iron Rail Cemetery, is putting the official cemetery records in accurate and well-protected shape.
- Revised regulations and pricing for the cemeteries was implemented early in 2017 after the Board of Selectman's approval. A principal aim of the revision was to put the Perpetual Care Fund on an improved basis through enhanced pricing, as for several years, the return on investments in the Perpetual Care Fund has been marginal in this low interest rate environment and is inadequate to meet expenses. Implementation of new rules were designed to maintain the historic character of the cemeteries and enhance safety for our maintenance team.

## Priorities for 2018:

- The Fairfield Cemetery will be the focus for 2018. As Wenham celebrates its 375<sup>th</sup> Anniversary, the Commission will rehabilitate this cemetery which includes the gravesite of William Fairfield, Wenham's only citizen to have held the highest public office in Massachusetts.
- With two of the largest trees already identified as dying and with two more trees fatally damaged during the 30 October 2017 storm, major tree work will occur at the Main Street Cemetery this Spring 2018.

There were fourteen full burials and sixteen cremation burials in Town of Wenham cemeteries during 2017. The sale of burial lots at the Iron Rail Cemetery resulted in the receipt of \$11,600, half of which goes to the Perpetual Care Fund.

The Commission thanks Mr. Bill Tyack and the staff of the Wenham Department of Public Works for maintaining our cemeteries through mowing, leaf pickup, cleaning, placement of flags on veteran's graves, wall and fence mending, rehabilitation of the Main Street Cemetery restroom, and their overall care of the cemeteries.

The Cemetery Commissioners thank Ms. Sheila Bouvier for her competent handling of cemetery administrative matters at Town Hall and Mr. William Wildes, the Town's Burial Agent, for his management of the actual internments and sales of cemetery lots.

Please see our web page (<http://cms4.revize.com/revize/wenham/Cemetery%20Rates-%202017.pdf>) for current rules and regulations as well as cemetery rates.

Gary Cheeseman, Chair  
Dana Bagnell  
Harriet Davis

William Wildes, Burial Agent  
Sheila Bouvier, Administrative Assistant



A Civil War era gravestone  
at the Main Street Cemetery

# Department of Public Works

The mission of the Wenham Public Works Department is to provide essential services to the citizens of Wenham in a prompt, courteous, safe, efficient, and cost-effective manner. Public Works, through its dedicated employees, strives to plan, design, build, maintain, and operate public infrastructures in a manner that respects the environment and the ability of government to adequately preserve these assets for succeeding generations.

## Goals Achieved in 2017:

- Replaced Essex Street Culvert with a grant from MassDOT.
- Milled and paved Grapevine Road, Rubbly Road, and Hull Street, using Chapter 90 money.
- Repaired and paved Longfellow Road and South Street.
- Rebuilt catch basins on Burnham Road, Foster Street, Eaton Road, Great Pond Road, Daniels Road, Monument Street, and Cherry Street.

## Priorities for 2018:

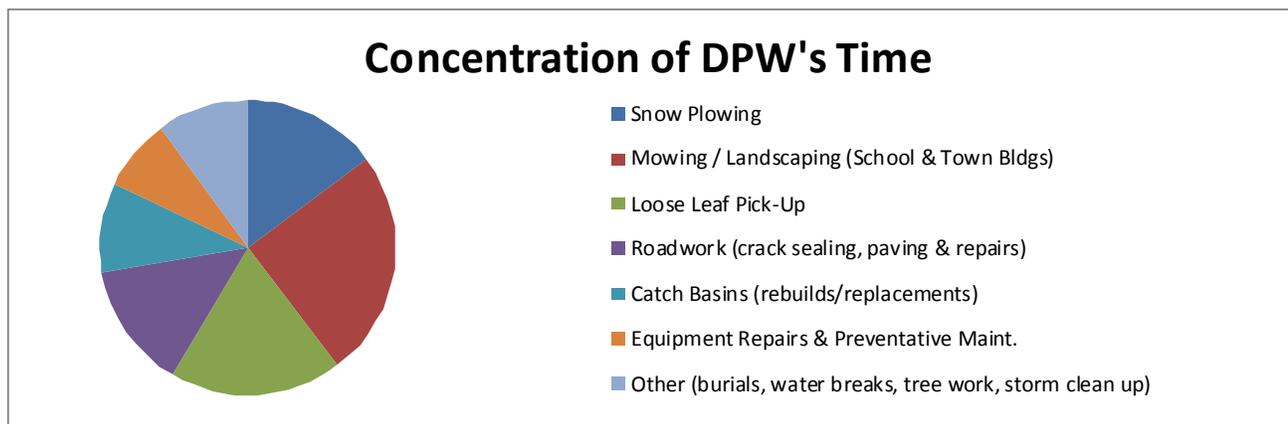
- Design Culvert for Hull Street.
- Install sidewalk on Essex Street. to Beverly.
- Continue to replace and rebuild catch basins.
- Pave Pleasant Street.
- Repair damaged roadways and sidewalks.

Michael Martin was replaced by Patrick Nolan in August, as Auto Mechanic. Mark Gates was replaced by Jim Politano in September, as Facility Manager. I would like to thank the Police, Fire and Water Departments along with the Town Hall staff for their help, support, and hard work, as well as the dedication of the Highway personnel. Communication and teamwork between departments is vital to the success of the DPW.

Bill Tyack,  
Highway Superintendent / DPW Director

Keith Carter, Foreman  
Travis Good, Group Leader, H.E. Operator  
Shawn Davis, Driver / Operator  
Sean McCarthy, Driver / Operator  
Patrick Nolan, Mechanic  
Robert Viel , Driver / H. E. Operator  
William Wildes, Driver/ Operator  
Sheila Bouvier - Administrative Assistant

James Politano, Facilities Manager



# Water Department

The mission of the Water Department is to provide safe, clean drinking water that meets or exceeds government standards, water for fire protection, and good customer service in a cost effective manner.

## Goals Achieved in 2017:

- Upgraded 40 meters to radio transponders.
- Hydrant flushing as part of our system maintenance during the fall (spring flushing was postponed due to drought conditions).
- Identified and repaired five service line leaks.
- Worked with several surrounding Towns in a joint effort focused on regional water management planning.
- Worked with Department of Fish and Game on a community outreach program focused on water conservation.
- Addition of a new “conservation” tier to the water rates for residents using over 75,000 gallons of water per quarter.

## Priorities for 2018:

- Provide safe and reliable drinking water.
- Work within Water Management Act permitted withdrawal limits.
- Identify and replace hydrants that operate poorly, do not drain, or leak-by.
- Renewal of Water Management Act Permit.
- Continue with meter upgrade program.
- Reduce unaccounted for water and reduce daily residential consumption.

Erik Mansfield, Water Superintendent  
 Leonard Tuneburg, Primary Operator  
 Sheila Bouvier, Administrative Assistant

Ernest C. Ashley, Chairman, Water Commissioner  
 Paul E. Mendonca, Water Commissioner  
 Richard K. Quateman, Water Commissioner

Water Statistics	<u>2016</u>	<u>2017</u>
Total Water Pumped	129,111,000	118,864,000
Permitted Withdrawal	142,350,000	142,350,000
Maximum Day	651,000	507,000
Hardness (Calcium)	235.0 mg/l	235.0 mg/l
Miles of Water Main	28.75	28.75
Fire Hydrants	216	216
Water Services	1,170	1,177
New Services Added	5	7
Metered Water Sales	\$439,632.54	\$474,639.18
Other Income	\$5,699.79	3,970.89
Total Income	\$445,332.33	\$478,610.07



# Land Use



# Conservation Commission

The Conservation Commission's role is to preserve and protect the integrity of wetland systems in the Town. The Commission derives its authority from the Massachusetts Wetlands Protection Act and the Wenham Water Resources Protection Bylaw. The Commission is also responsible for the promotion and sound development of the natural resources and protection of the watershed resources of the community.

## Goals Achieved in 2017:

- Wenham Pines has been permitted.
- Spring Hill (79 Dodges Row) has been permitted through the DEP.
- 213R Larch Row was permitted for two (2) single family homes.
- Continued stewardship of the Reynolds Farm property with The Food Project.
- Provided active representation on the Community Preservation Act Committee.
- Actively participated in update of Town's Open Space and Recreation Plan. Commission members Chris Gajeski and Asma Syed are the Chair and Vice-Chair of the Open Space Committee, respectively.

## Priorities for 2018:

- Review and update the Town's Water Resource Protection Bylaw.
- Monitor the progress of Wenham Pines, Spring Hill Subdivision, and 213R Larch Row.
- Continue participation on the Community Preservation Committee and the Open Space & Recreation Committee.
- Work with the Open Space and Recreation Committee to update the Town's Open Space and Recreation Plan.

Respectfully Submitted,

Conservation Commission

Bob Burnett

Phil Colarusso, Chair

Chris Gajeski

Leo Maestranzi

Michael Novak

Malcolm Reid

Asma Syed

Margaret Hoffman,  
Planning Coordinator



# Economic Development Committee

The Economic Development Committee was established to complement and supplement the work of the Open Space and Recreation Committee. The Economic Development Committee is comprised of up to seven members, serving one year terms, and subject to reappointment by the Board of Selectmen. The Committee works with the Open Space and Recreation Committee as they develop their action plan to implement the Goals and Objectives identified in the updated Open Space and Recreation Plan (OSRP). The EDC will identify properties that are better suited for development than preservation and formulate a policy framework and strategic plan to address these opportunities. The EDC will establish and maintain an ongoing dialogue with business owners and owners of major properties to understand how the Town can work with them to achieve their plans and to provide advice and recommendations to the Board of Selectmen regarding the viability of various economic development projects.

## **Goals Achieved in 2017:**

- Committee was appointed and organized and tasked to develop its goals and objectives.
- Submitted a grant application to the State's Department of Housing and Community Development for a Downtown Initiative Technical Assistance Grant to study the challenges and possibilities for Wenham's downtown area.
- Participated in the public forum with the Open Space and Recreation Committee as part of the update to the Town's Open Space and Recreation Plan.

## **Priorities for 2018:**

- Continue to determine the role and objectives for the Committee.
- Participate in the update to the Town's Open Space and Recreation Plan.
- Work with DHCD on a Downtown feasibility study.

Respectfully Submitted,

Doug D'Agata– Chairman

Dana Begin

Johanna Wise Sullivan

John Maestranzi

Norman Tarr (Non-voting Member)

Margaret Hoffman, Planning Coordinator

# Historical Commission / Historic District Commission

The Historical Commission is responsible for identifying the historical and cultural resources of the town and implementing plans to preserve those resources. The Historic District Commission is responsible for the preservation and protection of the buildings and places in the Historic District.

## Goals Achieved in 2017:

- Issued five (5) Certificates of Appropriateness for modifications to existing buildings, new construction, and signs in the Historic District.
- Completed a survey of the historical resources of the Town outside of the Historic District, which is now available on the Town website, at Town Hall, and at the Hamilton-Wenham Library.

## Priorities for 2018:

- Implement guidelines for the installation of solar panels in the Historic District.
- Update and revise the Guidelines and the Review Process for the Historic District.

After many years of service as the HDC Chair, Jim Howard resigned his post. The HDC is grateful for Jim's efforts and contributions to the Town and the HDC. Dana Bagnell took the position as Chair, and Meredith Hiller acts as the Clerk. At this time, there is one vacancy on the Commission.

Don Bannon (Architect)  
Dana Bagnell, Chair (District Resident)  
Meredith Hiller, Clerk (District Resident)  
Barbara Locke (Wenham Village Improvement Society)  
Harriet Davis (Wenham Village Improvement Society)  
Mary Wood (Real Estate Broker)

Various architecture styles documented as part of the Historic Resources Survey.



# Inspectional Services and Permitting Office

## *Reports of the Building Inspector, Electrical Inspector, & Plumbing & Gas Inspector*

The Building Department is responsible for enforcing the Massachusetts State Building Code and the Wenham Zoning Bylaw. Building, Electrical, Gas and Plumbing Permits are issued and all construction inspections are processed through this office. A building permit should be obtained for work performed on all buildings. This ensures that the work will be done according to the Massachusetts Building Code and that the contractor has the proper licenses and insurances required.

### **Goals Achieved in 2017:**

- Received a \$39,000 grant from the Community Compact—IT Program to implement a software upgrade for Building, Electrical, and Plumbing Permits. The project will transition historical permit data to the new system and create a database for other Land Use permits (Conservation, Planning, & Zoning) that allows for better communication and permit tracking between and within the Building Department and Land Use Boards.
- Received a \$20,000 District Local Technical Assistance Grant through the MAPC to study a shared inspectional services model with Hamilton and Manchester-by-the-Sea as part of a greater review of potential shared services by the Wenham Finance and Advisory Committee.
- Established Alternate/Assistant Inspector positions for all areas of inspection.
- Thanks to the dedication of several volunteers, the Permitting Office has continued a large re-organization project including the property files as well as Planning Board documents. This will make it easier for residents to access information about their property in the future.

### **Priorities for 2018:**

- Complete software upgrade and provide training to administrative staff and inspectors.
- Creating a guide to the new software's online permitting feature for the public.
- Complete the study of a shared inspectional services model with Hamilton and Manchester-by-the-Sea and, if needed, make recommendations to the Finance and Advisory Committee and BOS.
- Continue to prioritize customer service in the permitting and inspectional process.

<b>Inspection Type</b>	<b>Permits 2016</b>	<b>Permits 2017</b>	<b>Revenue 2016</b>	<b>Revenue 2017</b>
<i>Building</i>	170	168	\$ 64,258	\$ 35,498
<i>Electrical</i>	143	156	\$7,595	\$ 17,243
<i>Gas &amp; Plumbing</i>	189	159	\$ 8,595	\$ 6319
<b>Total</b>	502	483	\$ 80,448	\$ 59,060

The Permitting Office/Inspectional Services would like to thank the Board of Health, Planning Board, Conservation Commission, Zoning Board of Appeals, Fire Department, Police Department, DPW, Water Department, and Assessor's Office in helping us provide effective and efficient permit review and customer service for Wenham residents and those doing work in Wenham. The Permitting Office would also like to acknowledge Robert B. Brown, Jr. for his 40 years of service to the Town as part of the Fire Company, Assistant Wiring Inspector, and Wiring Inspector.

Charles Brett, Building Inspector  
 Mark Unger, Wiring Inspector  
 Kevin Dash, Plumbing & Gas Inspector

James Bone, Local Building Inspector (Back-Up)  
 Robert J. (BJ) Brown, Assistant Wiring Inspector  
 David Preen, Assistant Plumbing & Gas Inspector

Jackie Bresnahan, Permitting Coordinator & Special Projects Assistant

# Open Space and Recreation Committee

The Open Space and Recreation Committee is comprised of up to nine members, serving one year terms, and subject to reappointment by the Board of Selectmen. The mission of the Wenham Open Space and Recreation Committee is to preserve, maintain and enhance the quality of life for the citizens of Wenham by developing and maintaining an open space and recreation plan. The Open Space Committee was created to deliver a comprehensive update to the Town's Open Space and Recreation Plan (OSRP). The OSRC will establish a process of ongoing review and updating of the OSRP as appropriate. Once the plan is completed and approved, the OSRC will maintain a list of target properties considered desirable for protection for various municipal uses.

## Goals Achieved in 2017:

- Committee was appointed and organized to begin work on the Open Space and Recreation Plan (OSRP).
- Contracted the Cicollo Group as consultants to assist the Committee with the OSRP.
- Held the first Public Forum to gain input from the Community on open space issues.
- Continued process for plan update.

## Priorities for 2018:

- Hold a public forum early in 2018 to present draft OSRP.
- Complete OSRP update for submission to the State.
- Initiate Action Plan as indicated by the approved OSRP.

The Committee would like to thank Arthur Burt and Phil Colarusso for their time as the Committee began their initial work and organization. The OSRC has two vacancies at this time.

Respectfully Submitted,

Chris Gajeski, Chairman  
Asma Syed, Vice Chairman  
Tom Starr  
Ann Weeks  
Ernest Ashley  
Bill Wilson

Margaret Hoffman, Planning Coordinator



Open Space & Recreation Forum on November 2, 2017



# Planning Board

The Planning Board oversees the rules and regulations governing the subdivision of land, site plan review, and special permits according to the Wenham Zoning By-Law and Massachusetts General Laws, Chapter 41, Section 81. Specifically, the special permits under the purview of the Board include Grading & Erosion Control, Alteration of Land in the Flood Plain Overlay District, Signs, Cell Towers, Residential projects in the Senior Housing and Independent Living Overlay Districts, Flexible Residential Developments, Common Driveways, and Hammerhead lots.

## **Goals Achieved in 2017:**

- Wenham Pines Flexible Development permitted.
- 213R Larch Row – two (2) single family homes permitted.
- 79 Dodges Row (Spring Hill Subdivision) – revised and finalized.
- Virginia Rogers has served as the liaison to the Community Preservation Committee through 2017.

## **Priorities for 2018:**

- Monitor construction of Spring Hill Subdivision.
- Continue to recommend amendments to Zoning Bylaws as needed.
- Complete review and update of Rules and Regulations Governing the Subdivision of Land, including fees.
- Monitor construction of Wenham Pines.
- Continue to provide a liaison to CPC.

The Planning Board was shocked and saddened at the death of long time member Minot Frye in May of 2017. Minot was an exceptional member of the Board and brought his insight and good humor to every project. His commitment to the community was evident in his service on this Board. He will be missed.

Ann Weeks joined the Board as an interim member to fill Minot's seat. Ann brings great experience and professionalism to her role as Board member. We look forward to the elections in the spring of 2018. David Geikie's term will expire leaving 2 seats to be filled on the Planning Board.

Respectfully Submitted,

David E. Geikie, Chair  
Stephen Kavanagh  
Donald J. Killam, Jr.  
Virginia L. Rogers  
Ann Weeks

Margaret Hoffman, Planning Coordinator

# Zoning Board of Appeals (ZBA)

The Wenham Zoning Board of Appeals exercises all powers granted to it by Massachusetts General Laws, Chapters 40A, 40B, and 41 and the Town of Wenham Zoning Bylaw. The Board hears and decides applications for special permits, appeals or petitions for variances from regulations governing dimensions of land or structures, appeals taken by any aggrieved by reason of his inability to obtain a permit or enforcement action under the provisions of MGL Ch. 40A, and applications for comprehensive permits.

## **Goals Achieved in 2017:**

- Continued ongoing monitoring of the construction of the Residences at Middlewood project on Burley Street.
- 21 Longfellow was issued a special permit for construction of a single family home after many months of deliberation.
- The Board approved two (2) variances and five (5) Special Permits.

## **Priorities for 2018:**

- Continue to work cooperatively with counsel through the appeal process of the Maple Woods comprehensive permit.
- Our goal for 2017 is to elicit additional members for appointment by the Board of Selectmen to fill the last alternate member position.

Evan Campbell was appointed by the Board of Selectmen as an Associate Member.

Anthony M. Feeherry, Chair  
Jeremy Coffey  
Christopher Vance  
Evan Campbell, Associate

Margaret Hoffman, Planning Coordinator



# Health and Human Services



# Affordable Housing Trust

The Wenham Affordable Trust is constantly on the lookout for new volunteers and suitable opportunities for the creation of affordable housing. We seek the assistance of every town resident to provide information on any potential opportunities where the Trust could facilitate the creation of appropriate affordable housing in Wenham. The Trust has made a concerted effort to determine the needs and goals of the Town regarding affordable housing. In 2017, we commissioned a Housing Needs Study to determine our demographic characteristics and where we have shortfalls. Using this data, we also commissioned an Affordable Housing Action Plan. This plan is being developed with as much public input as we can muster. We have planned a Town-wide workshop in January 6, 2018. (Were you there?) We expect the final Action Plan to be completed in 2018.

The Trust currently maintains a housing inventory with a total estimated value of approximately \$240,000. The home has been leased to a qualified household and recorded as a qualified "Local Action Unit." The Trust has also helped to further sustainable goals by placing solar panels on the roof of the building. The panels are designed to furnish 100% of the electricity used by the building.

The Trust was established in 2009 for the purposes of preserving and creating affordable housing in the Town of Wenham for the benefit of low and moderate-income households. The Trust was granted a number of powers related to its mission of creating affordable housing units within the Town, including the ability to buy and sell real estate, make appropriate investments to maximize the return on funds held for the purpose of creating affordable housing, to accept donations and real or personal property for these purposes, and to make other financial commitments including the hiring of necessary real estate, legal, and financial professionals, all with the approval of the Board of Selectmen. Among its other powers and responsibilities, the Trust is directed to monitor and supervise the placement of qualifying individuals into created affordable housing units and monitor the Town's compliance with the State's goals and provisions for affordable housing (applicable to all Massachusetts cities and towns).

The Trust continues to focus its efforts on expanding the opportunities for affordable housing units in Wenham. An important goal of this effort is to increase the inventory of attractive and affordable housing in the Town to 10% or more of total housing stock (the affordable housing goal established by state law). To meet this requirement the Town currently needs 22 units as of the 2010 census. By reaching the 10% goal, the Town will be able to avoid imposition of so-called M.G.L. c. 40B housing projects, which can override local zoning laws and could convert some of our significant open space and gateway properties into development sites that could result in substantial financial burdens on municipal services. Once the 10% affordable housing goal is reached, further development of housing in the Town will be subject only to existing local rules, regulations, and policies, independent of whether affordable housing is proposed.

There can be as many as seven and as few as five Trustees appointed by the Board of Selectmen to carry out the purpose of the Trust. Joshua Anderson currently serves as chair and Catherine Harrison is the designated Board of Selectmen Trustee. Additional Trustees include Michelle Bailey, Judy Bubriski, Joseph Hosler, Jamie White and Rick Woodland

The Trust currently has sufficient financial resources to continue its work, drawing upon funds previously established for this purpose with no financial contribution from Town of Wenham operating revenues. The major source of funding for the Trust comes the transfer of funds that were originally set aside by a developer for the creation of affordable housing. Other sources of funding include the transfer of dedicated housing development related funds previously held in WISSH, the transfer of the so-called Brady Fund, monies from the Community Preservation Fund dedicated for affordable housing, and affordable housing related funds from the North Shore Home Consortium.

Joshua Anderson, Chair  
Michelle Bailey  
Judy Bubriski  
Catherine Harrison, BOS Representative  
Joseph Hosler  
Jamie White  
Rick Woodland

# Board of Health

The Board of Health makes regulations as it deems necessary for the public health and safety of the Town. The Wenham Board of Health is responsible for the enforcement of State Sanitary Codes, State Environmental Codes and Wenham Board of Health Regulations. The Board of Health hires staff to assist with the following areas of responsibility including: septic systems, housing and dwelling units, food service establishments, private wells, recreational camps for children, and animal inspections.

## **Goals Achieved in 2017:**

- Ran the Town's first Emergency Dispensing Drill through the establishment of a flu clinic at the Buker School.
- Completed the necessary documentation and training to order supply and disperse flu vaccine and/or other emergency vaccinations.
- Developed, held a public hearing for, and adopted the "Sanitary Regulations for Barns, Coops, and Other Structures for the Commercial and Residential Keeping of Animals in the Town of Wenham," which will take effect on April 1, 2018.
- Co-Sponsored annual Flu Clinics with the Hamilton Board of Health.
- Applied for a grant renewal with other North Shore communities to cover the costs of tobacco licensing enforcement.
- In 2017, 19 food service establishments were permitted, 24 septic systems were installed, 2 camps were reviewed and inspected, and 2 public pools were permitted.

## **Priorities for 2018:**

- Continue to conduct emergency preparedness drills and collaborate on emergency preparedness with the Wenham Police Department, Wenham Fire Department, Hamilton BOH other public safety and local agencies, and the rest of the community.
- Continue to update all Emergency Management plans and details.
- Boost health education and outreach by Public Health Nurse via collaboration with Wenham Council on Aging, Buker Elementary School and Gordon College.
- Select and purchase a pharmaceutical grade refrigerator for vaccine storage and distribution as required by the state.
- Develop and run first health education awareness program for Wenham residents.

The Board of Health would like to thank Alyson Preston for her hard work on the board as both member and chair. The Board would like to welcome Regina Baker, RN who was elected in April 2017.

Respectfully Submitted,

Dr. Andrew Ting, Chair  
Regina Baker, RN  
Gerald Donnellan

Gregory Bernard, Health Agent  
Bobbie Cody, Assistant Health Agent  
Maribeth Ting, RN, Public Health Nurse  
Anne Jackman, Animal Inspector  
Jackie Bresnahan, Permitting Coordinator & Special Projects Assistant

# Council on Aging

Our mission is to advocate for Wenham senior citizens and to develop, implement, and promote programs and services that support their independence, health, and well-being. All senior residents of Wenham are invited to participate in the scheduled activities and programs that have been developed in Wenham and all of the surrounding communities for your enjoyment and benefit.

## Goals Achieved in 2017:

- The Wenham COA was awarded a MassDOT grant for a new 8 passenger, handicapped accessible vehicle (December, 2017).
- We renovated the Center's side-entrance, updated the kitchen, and created a small private office nook for the Podiatrist and our SHINE counselor.
- We created a Dementia Caregiver Support Group which meets the first Thursday of every month following a 3 part series lecture on dementia, local care resources, creative engagement, and other tools to help care for family and friends with dementia.
- We have successfully reached hundreds of Wenham area residents with programs like SHINE that provides Medicare health insurance counsel, property tax help, legal referrals, fuel assistance, medical rides, trips to Market Basket, bridge group, yoga ~ balance ~ strength classes (3 days per week), KUE knitting group, RIFF book club, Metropolitan Museum and Louvre movie lectures c/o The Great Courses, Bocce Jamborees, ERBA kayaking, Trustees outdoor trail walking, instructional Art Classes with Aleah, organic gardening, museum trips, State House tour, entertainment, and a busy medical equipment loan program.

## Priorities for 2018:

- Continue the process of becoming an Age & Dementia Friendly Community.
- Work with local dementia day programs to develop effective care models for caregivers working with loved ones at home.
- Develop an intergenerational support program that helps to promote and develop resources that can be shared by members of the community who are in need of services (such as child care on early release Wednesdays).
- Develop Outreach Plan using volunteers to assist local residents 80 and over who have decided to age-in-place with additional services.

Left: Paint Class with Aleah  
Right: Garden Club



James Reynolds, Director  
Penny Wingate, COA Board, Chair  
Wendy Campbell, Wenham COA Friends, President  
Peggy Cahill, Outreach and Education Specialist  
Cathy Tomasello, Administrator  
Warren (Bob) Gray, Van Driver  
Barry Michaud, Van Driver



# Housing Authority

The Board of Commissioners along with Paula Mountain, the Executive Director, are responsible for the administration of Enon Village at the Wenham Housing Authority; the complex for the elderly/disabled on Larch Lane and two four-bedroom houses for disabled adults also on Larch Lane. The Wenham Housing Authority also works closely with town authorities. Four of the five Commissioners on the Board are elected. Each of the elected commissioners serves a five year term. These terms are staggered. The fifth Commissioner is appointed by the Governor.

Both the elderly complex at Enon Village and the two houses for disabled adults were built with state funds. The elderly housing complex receives no operating subsidy from the state and is self-sufficient in that it relies solely on rents for its operation. The state occasionally awards grants for specific projects.

The disabled housing is leased to Eliot Community Human Services, Inc. which pays a monthly rent to the Housing Authority. In return for the rent, the Housing Authority provides assistance from its Executive Director and the Maintenance Mechanic and is responsible for capital maintenance. Eliot Community Human Services, Inc. provides the staff for the residents' needs and undertakes preventative maintenance of the buildings. The rent received from Eliot Community Human Services, Inc. is set by the Commonwealth.

With the assistance of Formula Funding through the Department of Housing and Community Development and funds from the WHA own reserves, several capital projects were completed in 2017. This year the WHA replaced the fire alarm radio master box at a cost of \$9,600, located and repaired a ground fault issue at a cost of \$3,650; repaired a common walkway at a cost of \$10,000 additional landscaping and pruning was done for a cost of \$3,000.

The WHA Board of Commissioners, with tenant participation has adopted a No- Smoking Policy which became effective November 1, 2015. **Smoking is not permitted in any of our buildings including tenant apartments and common areas.** Smoking is permitted outside, but must be 25 feet away from all buildings.

Both the tenants of the disabled residences and the elderly/disabled benefit from beautiful grounds at Larch Lane which are maintained by the maintenance staff of the housing authority. Enon Village Tenants also contribute to the beautification of the grounds through their flower planting and gardening. There are 24 garden plots available to tenant's who register for one. This is done on a first come basis. If after a one (1) month sign up period for our tenant's if there are any plots available they are opened up to seniors in Wenham and Hamilton community depending on availability. The tenants have also constructed a horseshoe pit area which sees much activity.

## **Enon Village Elderly/Disabled Housing**

Anyone interested in elderly/disabled housing must complete a standard application and have an income below \$51,150 for one person and \$58,450 for two people. A waiting list is maintained with current residents of Wenham receiving preference. Thirteen and a half percent (13.5%), which represents 11 of our units, must go to the handicapped/disabled population who is under age 60 and meets state requirements. Rent is calculated on 30% of adjusted gross income which includes utilities.

The Council on Aging's van service is well-utilized by the tenants at Enon Village. The Housing Authority and the COA sponsor YOGA classes for Wenham seniors held at Enon Village on Tuesday & Friday mornings. On Friday afternoons BINGO is also well attended.

Once again, we express our appreciation to the Police, Fire, and Highway departments for their continued concern and care on behalf of the Enon Village residents. The Executive Director works with the WISSH Committee, Senior Care and other agencies to ensure that tenants have access to needed social services.

The Board of Commissioners meets 12 times per year on the second Wednesday of the month in the community building at Enon Village at 7:00 PM.

If anyone is interested in visiting the facilities at Larch Lane or has questions, please contact the Executive Director at 468-1532.

Don Luxton, Chairperson  
Bruce Blanchard, Vice- Chairperson  
Suzanne Thomas, Commissioner  
Arthur Burt, Treasurer  
Elizabeth Craig-McCormack, State-Appointee, Vice Treasurer

Paula Mountain, Executive Director  
Christopher Cerino, Maintenance  
Ron Martineau, Groundskeeper

# Veterans Committee

The Wenham Veterans Committee was formed after the 2017 annual Town Meeting. Bruce Blanchard, Win Dodge, and Dean Pedersen requested permission from the Board of Selectmen to form a committee that would:

- Work with the Veterans Service Officer and Director of the Eastern Essex District in responding to the needs of veterans living in Wenham.
- Plan, coordinate and implement the activities for Veterans Day and Memorial Day.
- Seek ways to encourage and enhance ways of communicating with veterans living in Wenham.

## Goals Achieved in 2017:

- Organized and participated in Memorial Day and Veterans Day ceremonies.
- Coordinated with the 375<sup>th</sup> Committee regarding Memorial Day 2018.
- Explored ways to participate in Wreaths Across America.

## Priorities for 2018:

- Prepare and send a letter of introduction to all Wenham Veterans regarding the committee and its purpose.
- Establish flag protocol for the Veterans Memorial Monument
- Identify the graves of Veterans buried in the Wenham Cemetery.
- Design a fund raising campaign to provide wreaths for the Veterans graves at Christmas.

The Committee meets the on second Tuesday of each month.

The committee invites any Veteran living in Wenham to attend the meetings, make suggestions, and become involved in reaching out to Veterans living in Wenham.

Respectfully Submitted,

Bruce Blanchard  
Robert Breaker  
Joe Bubriski  
Win Dodge  
Peter Hersee  
Michael Lucy  
Dean Pedersen, Chair  
Jack Wilhelm

National Wreaths Across American Day on December 16, 2017



# Veterans' Services

Veterans Services is charged under Massachusetts General Laws Chapter 115 with providing services to Veterans, dependents, and widows. The Town funds this program for their resident Veterans, dependents, and widows, and is subsequently reimbursed 75% by the Commonwealth. It is the responsibility of the department to follow the process dictated by the Department of Veteran Services so that the Town receives the fully allowed reimbursement. The department is also tasked with the responsibility of assisting Veterans and their families with VA benefits—ensuring that each Veteran and/or family member receives all benefits that are available to them.

## Goals Achieved in 2017:

- Assisted Veterans and their families with VA Benefits.
- The new Wenham Veterans Committee was established.
- The Korean War Ambassador for Peace Medal Ceremony occurred, during which Korean War Veterans received the Medal from the Republic of Korea Consul General. It was the biggest ceremony to date in Massachusetts (see photos below).
- Participated in Citizens Leadership Academy to educate residents on what Veterans Services provides.
- Hired a new Veteran Service Officer.

## Priorities for 2018:

- Increase outreach.
- Advise Veterans Committee.
- Establish Wenham as an official Town participating in “Wreaths Across America.”
- Start a Veterans Coffee Social.

## VA Awarded Benefits (Wenham):

- Veteran Compensation: 21 Veterans total \$311,604
- Dependency & Indemnity Compensation: 7 widows/widowers total \$108,876
- Total Awards 28 Veterans/Widows/Widowers for \$420,480

Tracey Brown, the Assistant to the Director, was promoted to a State position. We were honored to hire Kathleen Collins, an Army Veteran. It is because of her Veteran status that she meets the requirements to be Veteran Service Officer. She comes to us with a lot of experience working with Homeless Veterans from her previous job working at Lynn Housing Authority. The Town of Wenham is fortunate to have a District Director/ Veteran Service Officer and second Veteran Service Officer.

Respectfully Submitted,

Karen Tyler, District Director/ Veteran Service Officer  
Kathleen Collins, Veteran Service Officer  
Eastern Essex Dept. Veterans' Services  
Ipswich Town Hall  
25 Green Street  
Ipswich, MA 01938  
1-866-347-8838

*I am part of our American Flag. I have flown over a home in the U.S.A. I can no longer fly. The Sun and Winds have caused me to become tattered and torn. Please keep me as a reminder that you are not forgotten.*

Left: Poem that was presented with a framed star from a retired American Flag to each Veteran (or spouse) at the Korean Ambassador for Peace Medal Ceremony. Right: Karen Tyler, District Director; Francisco Urena, MA Secretary of Veterans Services; Song-Jun Ohm, Republic of Korea Consul General; Bruce Tarr, State Senator; Dick Moody, retired Colonel (Vietnam, Desert Storm, Iraq) & Master of Ceremonies



# WISSH: Wenham Issues of Social Service Help

The Wenham Issues of Social Service Help (WISSH) was established in 1979 to assist Wenham residents experiencing an emergency financial situation. Members are appointed by the Board of Selectmen. Along with emergency financial assistance, WISSH is a referral agent for Wenham residents who are in need of help with food, medicine, insurance, utility bills, and fuel assistance. The committee has established quarterly meetings which are held at the Wenham Council on Aging building and Town Hall.

## **Goals Achieved in 2017:**

- Helped people in need. In 2017, WISSH had 7 cases.
- Provided residents with other resources for help.
- Raised awareness about WISSH in the community.

## **Priorities for 2018:**

- WISSH needs financial support in 2018 to fund the WISSH accounts. We will be fundraising in 2018 to make our accounts more stable.
- Continue to help people in need.
- Seek out possible new board members.

WISSH continues to have a direct confidential phone line via Town Hall at 978-468-5520 x 9. Messages may be left and the board chair will return all calls. A financial screening is completed for each request to determine eligibility for assistance. Strict confidentiality is maintained by using a number-coded system to transact all financing.

Funding for WISSH comes from the generosity of town residents who respond to the Board's "as needed" appeal for financial support. WISSH does not receive funding from the Wenham Town Operating Budget, so we are dependent on the generous residents who respond to our solicitation. WISSH has not sent a letter requesting financial support to the town since 2009, but that time may be drawing near. Finally, thank you to our Selectmen and Town Administrator for their help and support this year.

Respectfully submitted,

Marisa Bartlett, Chair  
Julie Clay, Secretary  
Linda Rich  
Trudy Reid  
Don Killiam  
Cal Perkins  
Tom Tanous



# Culture and Recreation



# 375th Anniversary Committee

The 375th Anniversary Committee is made up of up to nine members, serving one year terms, and subject to annual reappointment by the Board of Selectmen. The Committee will focus on the following functions:

- Conduct outreach to the community to ask for suggested events that residents would be interested in attending.
- Partner with local businesses, community organizations, non-profits, and Town departments to develop events that appeal to all ages and encourage the greatest participation of all Wenham residents and friends.
- Plan and coordinate a series of events for the recreational, educational, and cultural benefit of the community that will serve to commemorate Wenham's heritage and will lead to greater knowledge and appreciation of our history and our future.
- Work with the Board of Selectmen to develop a strategy to fundraise for the Anniversary events.
- Create a master calendar of events and develop marketing materials to disseminate information about the events hosted by the 375th Anniversary Committee, its partners, and friends of Wenham.
- Encourage and support other community organizations to host events that highlight their group's mission and their connections to the history of Wenham.

## Goals Achieved in 2017:

The committee was established and we quickly got to work setting goals and drafting events for 2018. Our first goal was to publish a survey to gain community support and suggestions on events they would like to see planned to celebrate Wenham's anniversary. This survey was published using Survey Monkey and was listed on the Town's website for several months. Based on the responses, the committee developed a list of tentative events for 2018.

Our first event was participating in Wenham Museum Summer Fair Days in August 2017. We had a table set up at Town Hall handing out flyers and balloons announcing our committee, and spreading the word on tentative events planned for 2018. In November 2017, we hosted a social hour / silent auction in partnership with the Wenham Museum to raise funds for events planned for 2018. Over 100 people attended the 2 hour event with over 50 donated items. For the auction piece alone, just over \$10,000 was raised to go towards 2018 events.

## Priorities in 2018:

- Provide events celebrating Wenham's 375<sup>th</sup> that will allow for town wide participation
- Work with local community groups such as the Hamilton-Wenham Library, Wenham Museum, Veterans Committee, area schools, and more!

The Committee would like to thank the Wenham Museum for hosting the Social Hour / Silent Auction November 2017. We would also like to thank Dr. Harvey, Superintendent of the H-W Regional School for allowing the committee to work with Anne Page on getting AP students involved in a History project the Committee will be working on.

Respectfully submitted,  
Trudy Reid, Chair



Historic Items displayed at the 375th Anniversary Silent Auction

# Community Preservation Committee

In 2005, Wenham voters adopted the Community Preservation Act (CPA). This provides the town with a smart growth tool allowing us as a community to identify and preserve vital historic and open space components of our town and to develop opportunities for growth that maintain the town's heritage and character with the added benefit of some matching state funds.

Specifically, CPA funds can be used to help create affordable housing projects that will meet the state's 10% target and to develop efficient strategies to preserve and protect our remaining open space from over development, to provide and upgrade recreational facilities, and to restore our historic buildings and properties. Recently, CPA funds have paid for the debt service on the restoration of the Wenham Town Hall, Wenham's share of the Patton Park pool, and the refurbishment of our parks, playgrounds, and cemeteries. We continue to look for affordable housing and open space opportunities. Information on the application process is available on the town's website and from our able staff coordinator, Jackie Bresnahan.

In fiscal 2017, Wenham recognized \$475,558 total from \$343,949 raised by the CPA 3% tax surcharge and an additional \$131,609 from the state for a 40.53% match which is slightly lower than last year's match as more towns approved the CPA, and therefore the funds were shared by more communities.

At the April 2017 Town Meeting, the following appropriations were approved:

- Town Hall construction debt (\$135,450),
- Open Space and Recreation Master Plan update (\$24,400),
- Buker Playground (\$20,000),
- Pingree Park Playground (\$40,000),
- Administrative expense (\$7,500).

There remains approximately \$2 million spread among the required categories of Historic, Open Space and Recreation, and Affordable Housing.

Kennon Anderson (At-Large Member)  
Arthur Burt (Wenham Housing Authority)  
Denis Curran (H-W Recreation Department)  
Barbara Locke (Historic District Commission)  
Leo Maestranzi (Conservation Commission)  
Virginia Rogers (Planning Board)  
Thomas Starr (At-Large Member)  
Patrick Waddell (At-Large Member)  
Harriet Davis (At-Large Member), Chair

# Cultural Council

The Hamilton Wenham Cultural Council is part of a grassroots cultural funding network supporting community-based projects in the arts, humanities, and sciences annually. Each year, the council is awarded a little less than \$10,000 in funding from the Massachusetts Cultural Council. Through a competitive grant process, the Hamilton Wenham Cultural Council awards funds to arts, humanities, and interpretive science projects in our communities. In 2017 the Council awarded \$10,128 to 14 applications of the 20 submitted for the 2018 calendar year.

The projects were:

<b>Recipient</b>	<b>Project</b>	<b>\$ Awarded</b>
Community House	Stage 284	\$1,000
Community House	Sundays in Patton Park Concert Series	\$1,000
HW Library	Tanglewood Marionettes: The Fairy Circus	\$400
HW Library	Magic by Scott Jameson	\$300
Winthrop School	Crow, Clap and Yell: Participatory Tales	\$495
Mary Jane Brown, LWV	2018 Civics Bee!	\$800
Roger Tincknell	From Ireland to America	\$500
The Musary	Musical Instrument Lending Acquisitions	\$1,000
Community House	Stage 284 Youth Company	\$500
Kendall Clark, HWRSD	Boston Symphony Orchestra Youth Concert	\$1,200
Katherine Simko, HWHS	Legally Blonde the Musical	\$900
Mass Audubon	Spring Birdwatching Walk in Wenham	\$200
Mass Ed Theater Guild HWRHS	Massachusetts High School Drama Festival	\$500
Cutler School	Leadership Speaker - Kristine Lilly	\$1,333
		<u>\$10,128</u>

The Council was happy to welcome Kirsten Alexander and Oliver Barker as members.

Cultural Council  
 Charlotte Lidrbauch, Chair, Hamilton  
 Maureen Maier, Treasurer, Wenham  
 Kirsten Alexander, Wenham  
 Oliver Barker, Wenham  
 Samantha Drislane, Wenham  
 Jennifer Drummond, Hamilton  
 Emily Hayden, Hamilton  
 Kathryn Kranz, Hamilton  
 Lindsay Schnabel, Wenham

# Iron Rail Commission

The Iron Rail Commission oversees and helps facilitate operations at the town-owned property at 91 Grapevine Road. Space is provided for DPW operations, Boy Scouts, passive walking and biking trails, as well as the Iron Rail Cemetery. Field space for soccer and building rentals to various private sector vendors provide the Town with income. Swamp land and open space on the property benefit wildlife, the regional water supply, and avoid development that would be detrimental to those resources.

2017 was another exciting year at the Iron Rail Property. Our goal is to continue stabilizing the property and then focus on the enhancements. The Commission plans to stabilize the property by tackling the critical infrastructure issues, then enhance the property to bring it up to its full potential.

## Goals Achieved in 2017:

- Renewed all 3 major tenant leases.
- Maintaining 100% occupancy - LaPlante Healing Arts moved into a recently vacated space during the summer
- Final Planning under way for the new sign at the front entrance on Grapevine Road. Anticipated completion date is Spring 2018.
- Additional tree and bush trimming completed this fall (thanks to Iron Tree Service).
- Additional progress made on the Albie Dodge Memorial. Completing anticipated in the Spring of 2018.

## Priorities for 2018:

- Continue maintenance and cleanup projects.
- Complete the installation of the entrance sign.
- Renew the remaining tenant leases.
- Begin planning for repaving and replacement of the roof on the main building.

Iron Rail Commission  
Jim Romano, Chair  
Ted Batchelder  
Jason Wachtel



A view of the Iron Rail building from the Historic Resources Survey

# Hamilton–Wenham Public Library

The Hamilton-Wenham Public Library is a publicly-funded institution dedicated to the common good by serving the informational, educational, cultural, and recreational needs of the community and encouraging its patrons in the lifelong pursuit of learning and personal growth. The library will be responsive to the needs of its diverse users, advocate and support the use of appropriate technology, build an excellent collection, commit itself to the highest ideals of library service and the principles of intellectual freedom, and provide a welcoming meeting place for the community.

In 2017, the library circulated 220,615 items. Our meeting rooms (including some programs that were offered offsite) were used by community groups and library programs a total of 1,590 times. The library offered 404 adult programs, 87 young adult programs, and 340 children's programs. Our reference department answered 18,100 reference questions and our study rooms were used a total of 2,376 times. 566 new cards were issued this year. Our Overdrive downloadable e-book and audio book circulation increased from 1,433 in 2011 to 8,843 in 2017.

## **Goals Achieved in 2017:**

- Adding an online subscription to *The New York Times*.
- Migrating successfully from Evergreen to our new Integrated Library System, Symphony.
- Improving access on the library's website to all our electronic resources.
- Responsibly removing from the library obsolete computer and technology equipment.
- Reorganizing and optimizing the space in the Young Adult area.
- Winning the State Teen Video Challenge for the second year in a row.
- Working with the Friends of the Library to maintain our pollinator gardens and successfully hatching more than 100 Monarch butterflies.
- Cleaning the carpeting in the entire library.
- Visiting classrooms and hosting school field trips.
- Leading a summer reading program with 1,037 children participating.

## **Priorities in 2018:**

- Increasing usage of library services through targeted outreach and expanding community and interdepartmental partnerships to promote literacy and education. A partial list of partners include Hamilton's Public Health Nurse and the North Shore Mother Visiting Partnership to provide board books and literacy materials for families with newborns, the Councils on Aging, the Hamilton-Wenham Regional School District and other area schools, the Wenham Museum, local businesses etc.

In 2017, we said good-bye to Library Assistant Stephanie Smith and welcomed Ionelee Brogna. We also said good bye to Library Pages Ewa Klopetek, Mark Baumeister and Lucy Huang and welcomed Kate Shelton, Lizzie Dixon and Christina Trudel. Current Library Staff are: Jan Dempsey, Library Director; Rob Pondelli, Assistant Director; Ionelee Brogna, Library Assistant; Chris Burns, Library Assistant; Kim Claire, Young Adult Librarian; Kerry Crockett, Children's Library Assistant; Jeannine Curtis, Library Assistant; Karen D'Ambrosio, General Services Librarian; Nancy Day, Head of Technical Services; Lorraine Der, Children's Librarian; Amy Dziewit, Head of Circulation; Miranda Griffiths, Children's Library Assistant; Anne Hanrahan, Library Assistant; Sarah Lauderdale, Head of Reference; Josh Lear, Library Assistant; Dede McManus, Librarian; and Rebecca Shea, Adult Services Librarian. Our Library Pages are Lizzie Dixon, Josh Hunt, Barbara Morrell, Kate Shelton and Christina Trudel.

We thank our dedicated volunteers who assist in all library departments. Current Library Trustees are; Julie Clay, Chair; Nichole Gray, Vice-Chair; Patricia Purdy, Secretary; Dorothy Goudie, Liaison to the Friends, Judith Bubriski and Dolores Boghdan.

Most of our programs are funded by the generous support of the Friends of the Hamilton-Wenham Public Library who work tirelessly to support our library. The Friends, under the leadership of Christine Mulvehill and Ruth Collins purchased a laptop, book carts, bean bag chairs, stools and mats for the children's room, book trucks and a storage unit for the YA area. The Friends also provided the funds to maintain the pollinator garden. The Friends held three successful book sales in 2017 and they continue to provide the following museum passes for the public to enjoy: Boston by Foot, Children's Museum in Boston, Cape Ann Historical Museum, Concord Museum, DeCordova Museum in Lincoln, Department of Conservation and Recreation, Harvard Museum of Natural History, House of Seven Gables, Edward M. Kennedy Institute, Institute of Contemporary Art, Isabella Stewart Gardner, JFK Library and Museum, Museum of Fine Arts, Museum of Science, New England Aquarium, Orchard House, Peabody Essex

Museum, Strawberry Banke, Wenham Museum, and Zoo New England. Patrons can call to reserve passes or access the remote sign-up on our website. In 2017, patrons reserved museum passes 1,558 times. To learn more, visit the Friends' website at [www.friendsofhwlibrary.org](http://www.friendsofhwlibrary.org).

In 2017 the library added an online subscription to *The New York Times*. We continue to offer *Chilton Library* for car repair, the *Gale Testing and Education Reference Center* and the *Gale Virtual Reference Collection* featuring over 800 nonfiction e-books. These products enable patrons to access many library resources on a 24/7 basis. We continue to list our programs and events on our website at [www.hwlibrary.org](http://www.hwlibrary.org). Patrons can order library materials from home through the online catalog and access many electronic resources. The statewide databases, including the *Encyclopedia Britannica* support geo-location, so Massachusetts patrons can access them even without a library card. We also offer our Hamilton and Wenham citizens *Ancestry.com Library Edition*, *American Ancestors*, *Safari Books Online* (for technical books), two geography databases, *Booklist Online*, *Morningstar Investment Research Center*, and *Cypress Resume*. We also use the consortium-wide collection of downloadable e-books and audio books via Overdrive. We continue to offer *Universal Class*, a program that allows Hamilton-Wenham citizens to enroll in or audit over 500 classes at no charge. Patrons can sign up for *Wowbrary* emails or our Constant Contact newsletter by going to our website or calling us at 978-468-5577.

We thank our patrons for their support of the library as a public good and for their kindness and generosity. We encourage everyone to sign up for a library card and visit the library often in 2018.

Respectfully submitted,  
Jan Dempsey, Library Director



Top: DPW Truck Night at the Library.  
Bottom: Dancers and patrons enjoy a program in the large meeting room.

# Joint Board of Library Trustees of Hamilton & Wenham

The Joint Board is responsible for the custody and management of the library and its services and facilities located at 14 Union Street in Hamilton and members are active participants in promoting and supporting the mission statement of the Library.

## Goals Achieved in 2017:

- Participated in Wenham’s Citizens Leadership Academy which educated the public about the role of the library trustee.
- Participated in celebratory “Who Ya Gonna Thank” event to acknowledge the library’s donors and benefactors.
- Announced with pride that one library staff member completed her Master in Library Science degree at Simmons College.

## Priorities for 2018:

- Participate in library programming.
- Promote civic awareness programs.
- Increase participation at public meetings and events.

In FY17, the Library received:

- \$2,448 in trust fund income
- \$2,283 in monetary gifts
- \$21,709 in State Aid
- \$400 from the Cultural Council for Summer Family Programs

Trust Fund Income is used for library materials, staff development and upkeep of the Children’s Room aquarium. State Aid funds were used in FY17 for software and the subscription to *Universal Class*, and other information technology needs as well as funding our Eighth Community Read. Library materials and new trees for the library grounds were purchased with Gift Funds.

We thank Margaret Whittaker and Gwen Holt who completed their terms of service in 2017. We are grateful for their dedication to the library.

Respectfully submitted,

Julie Clay, Chair  
Nichole Gray, Vice Chair  
Patricia K. Purdy, Secretary  
Dorothy Goudie, Liaison to the Friends  
Dolores Boghdan  
Judith H. Bubriski

# Pingree Park Playground Committee

The Pingree Park Playground Committee was formed to raise funds for a new playground at Pingree Park and to develop the design for the new structures.. The Committee works with the Hamilton-Wenham Recreation Department to ensure the new playground meets the needs of the community.

## Goals Achieved in 2017:

- Fundraising has been completed. Private donations were collected and CPC funds from Hamilton and Wenham were secured.
- The playground equipment was delivered and installed with the help of a community build.

## Priorities for 2018:

- Finish landscaping, benches, and signage.
- Officially ‘open’ the playground in the spring.

Respectfully submitted,  
Lisa Fall, Chair  
Marisa Bartlett, Treasurer  
Victoria Kunzer, Secretary  
Corrie Sprague  
Kate Kilpatrick  
Amy Brown



Right: Tree Removal  
Below Right: Playground Installation  
Below Left: Families enjoying the playground



# Hamilton-Wenham Recreation Department

The Hamilton-Wenham Recreation Department's mission is to provide a wide variety of programs designed to improve the quality of life for residents by meeting physical and recreational needs. We promote life long lessons through play, education and community wide events. The Hamilton-Wenham Recreation Department is overseen by a Joint Hamilton and Wenham Recreation Committee. The Committee is comprised of three Hamilton residents and three Wenham residents.

## Goals Achieved in 2017:

- A very successful first season at the Veterans Memorial Swimming Pool in which we sold over 250 various types of memberships and had over 6200 individual visits.
- The Hamilton Wenham Hurricanes Swim Team had a successful first summer at the pool, the team had over 55 swimming and placed third at the league All Star meet.
- The Summer Park Program welcomed record numbers as we increased our participation rate by 82% from the previous summer.
- Employed over 60 seasonal employees during the summer for both the swimming pool and park program. Over 85% were residents.
- Successful Site plan Review for the Hamilton Wenham Regional High School Redevelopment Project
- Installed new security cameras at the Recreation Center.
- Continued to grow our offers to members of the community. Offered over 200 various activities, discounted tickets, special events, and field trips throughout the year.
- Worked with the Pingree Park Playground Committee on the design and install of the new playground equipment.
- Worked with local organizations and clubs on two successful events: Pumpkin Fest & Two Town Fourth of July celebration.

## Priorities for 2018:

- Continue the success of our Summer Program and Swimming Pool; look to offer new activities and events to keep momentum.
- Continue to add different types of recreational programs for our residents.
- Work with the Hamilton and Wenham DPW on athletic field and facility maintenance programs.
- Increase participation in our programs by 15%.

## Veterans Memorial Pool Statistics:

### **Memberships Sold**

Family Memberships Sold:	206
Adult Individual Memberships Sold :	27
Senior Memberships Sold:	15
Youth Individual Memberships Sold:	15
Guest Passes Sold:	179

### **Swim Lessons/Swim Team Registration**

Swim Lessons Registration:	83 participants
Swim Team Registration:	57 participants

### **Pool Attendance**

Total Number of Membership Scans	5,162
Total Number of Drop -ins	1,178
Total Days of Operation	73
Average Daily Attendance	92

### **Summer Park Program Statistics**

Total Registrations for the Park Program in 2016:	668
Total Registrations for the Park Program in 2017:	1,219
Percent increase for Park Program from 2016 to 2017:	82%

With the addition of the new swimming pool had record numbers for participation at our summer camp program.

Respectfully Submitted,

Sean Timmons, Recreation Director  
Danielle Kiely, Administrative Assistant

Joint Recreation Committee:

Denis Curran, Wenham	Reggie Maidment, Hamilton
John Cusolito, Wenham	Steve Ozahowski, Chair, Hamilton
Len Dolan, Wenham	Brad Tilley, Hamilton

# Veterans' Memorial Committee

The Veterans' Memorial Committee was appointed by the Board of Selectmen in 2007 to locate, design and construct a suitable memorial to honor Wenham Veterans. The Memorial was dedicated on Veterans' Day 2014 and completed in 2017.

## Goals Achieved:

- Over \$275,000 has been raised for construction, primarily through donations.
- 41 granite pavers have been donated and installed, honoring veterans not on the memorial.
- 4 Memorial Benches were donated and installed in 2016.
- Curbing, walkways, and planting beds were added in 2016.
- In 2017, the shrubs and lawn were installed.
- The project was completed and the Committee was dissolved in 2017.

After many years of planning, fundraising and construction, the Veterans' Memorial Committee would like to thank all those who made this project such a great success.

Respectfully submitted,

Bruce Blanchard, Co-Chair  
Robert Blanchard  
Albert W. (Win) Dodge  
Peter Hersee, Co-Chair  
Stephen Kavanagh  
Dean Pederson  
John Perkins  
Thomas Tanous  
William Tyack



Above: A photo from the Conant Collection of the "Car Barn Lot" when it served as a trolley station circa 1900

Below: The repurposed "Car Barn Lot" in the fall of 2017 as the completed Veterans' Memorial





# Education



# Hamilton-Wenham Regional School District

The Mission of the Hamilton-Wenham Regional School District is to educate our children to become young adults who are of good character and demonstrate mastery of the knowledge and skills needed to be successful members of our global economy and engaged citizens of the 21<sup>st</sup> Century.

## Goals Achieved in 2017:

I. Explore, communicate, and implement the shifts in curriculum, instruction, and assessment necessary in order to meet the District's Mission of preparing our students to be "Future Ready."

### Key Actions

- A. Implemented the 2016-2017 Staff Development plan designed to:
  - Identify the shifts to curriculum, assessment, and instruction that are implied by the transfer goals and content-area standards in all academic and social-emotional disciplines;
  - Develop a shared mental model of what quality curriculum, assessment, and instruction look like when aligned to the transfer goals and content-area standards;
  - Develop the staff's unit design skills using the Understanding by Design approach;
  - Develop the staff's capacity to operate in professional learning communities.
- B. Built on the Curriculum Development Process work begun in 2015-2016 through the development of model units based on the Understanding by Design Process in Mathematics in Grades K-5 and each grade/subject level in Grades 6-12.
- C. Continued to communicate the need for improvements to curriculum, assessment and instruction to stakeholders.

II. Develop plans to ensure the facilities of the HWRSD support the District's Mission and Strategic Blueprint.

### Key Actions

- A. Develop recommendations to the School Committee around the prioritization and financing of the items on the HWRSD 5-Year Capital Improvement Plan.
- B. Complete a design study for the renovation of our school libraries to reflect the need for spaces in our District that connect learners with information and facilitate the construction of knowledge.
- C. Continue to communicate the need for improvements in HWRSD School Facilities to stakeholders.

## Priorities for 2018:

I. Continue to implement a unified system of curriculum, assessment and instruction that is student-centered, rigorous and meets the needs of all learners.

- A. Strengthen the Response to Intervention (RTI) Process at the Elementary Level and develop inventory of Tier 1 Interventions.
- B. Implement new Science resources in Grades K-8
- C. Improve Assessment Practices in grades 6-12.

II. Invest in human capital to improve the skills of teachers and administrators

- A. Train Curriculum Leaders in Effective Coaching Practices
- B. Develop a shared understanding of best practices in conducting Walkthroughs among members of the Leadership Team.
- C. Undertake a review of best practices in Social Emotional Learning (SEL) with Leadership Team

III. Continue to develop the District's ability to create the conditions that support high-quality instruction.

- A. Operationalize the School Committee's Plans around Capital Improvements for the HWRSD.
- B. Present plans for the re-imagining of the HWRSD School Library Spaces.

IV. Revise District Strategic Blueprint to set a direction for the next five years.

- A. Complete a review of the 2013-2018 Strategic Blueprint Progress to date
- B. Undertake a needs assessment of the HWRSD
- C. Leadership Team will revise Strategic Blueprint Document
- D. Present new Strategic Blueprint to community

**HWRSD Improvement Priorities for 2016-2017:**

The HWRSD Currently serves 1755 students in grades K-12, 633 of these students are Wenham Residents. Three elementary schools, Bessie Buker in Wenham and Cutler and Winthrop Elementary in Hamilton, serve students in grades K-5. Students in grades 6-8 attend Miles River Middle School and grade 9-12 students attend Hamilton-Wenham Regional High School.

To serve these students, the HWRSD is currently staffed with approximately 292 Full-Time Equivalent (FTE) Positions. Professional Teaching Staff, 177 total, makes up 60% of these FTEs. Teaching assistants (58 FTE) make up the next largest group, with the remaining 79 positions distributed among administrators, nurses, administrative assistants, cafeteria workers and custodial/maintenance functions.

The FY18 Total Expenditures Budget was approved by both Hamilton and Wenham Town Meeting for the amount of \$32,292,676. The FY19 Budget request is presented in detail on the HWRSD Website: [www.hwschools.net](http://www.hwschools.net).

The HWRSD would like to recognize the retirements of the following teachers:

Prudy Pilkanis	36 Years	Teacher	Regional High School
Sally Clyse	11 Years	Occupational Therapist	Buker Elementary
Beth Blanchard	30 Years	Teacher	Buker Elementary

Regional School Committee  
Joshua Liebow, Chairperson  
Gene Lee, Vice-Chairperson  
Kerry Gertz, Secretary  
David Polito, Assistant Secretary  
Jeanise Bertrand  
Michelle Bailey  
Stacey Metternick

# Essex North Shore Agricultural & Technical School District

William H. Lupini, Ed.D.  
Superintendent-Director

William O. Nichols  
Wenham School Committee Representative

Essex Technical High School (ETHS) is Massachusetts' newest regional technical and agricultural high school, serving seventeen (17) member communities on the North Shore and over thirty-five (35) other communities statewide. Our mission is to provide students with both an academic and technical education that expands their opportunities after high school.

Twenty-four (24) career technical programs are available to students from member communities; students from other communities select from among eight agricultural and natural resource programs.

Enrollment at ETHS is 1,300 for the 2016-2017 school year. Moreover, over 1,000 students applied for 360 openings in our current 9<sup>th</sup> grade. Our new facility, which opened in September 2014, was designed for over 1,400 students (which we will reach in 2017-2018), and is organized into four (4) separate academies, which include programs that share similar career and programmatic objectives.

## **Animal and Plant Science**

Veterinary Science  
Equine Science  
Companion Animals

Natural Resource Management  
Sustainable Horticulture

## **Life and Natural Sciences**

Cosmetology  
Environmental Technology  
Biotechnology

Dental Assisting  
Health Assisting

## **Construction Technology**

Electricity  
Carpentry  
Plumbing  
Heating, Ventilation, Air Conditioning/Refrigeration

Masonry and Tile Setting  
Landscaping and Turf Management  
Arboriculture

## **Technology and Services**

Automotive Technology  
Collision Repair and Refinishing  
Culinary Arts  
Design and Visual Communication

Graphic Communication  
Information Technology Systems  
Advanced Manufacturing

In addition, our school is known for the unique opportunities provided to students and our communities, including the following:

- Our Cooperative Education Program places upperclassmen (juniors and seniors) in businesses where they work among professionals in their career majors.
- Several of the programs are open to and provide service directly to residents of our communities, including the Maple Street Bistro and Café, the Salon, Pet Grooming, Automotive and Collision Repair, and Blooming Designs, which all offer our students the opportunity to serve customers.
- Business and industry representatives serve on our Program Advisory Committee to ensure that our focus is on workforce needs.
- All of our graduates are placed in colleges, jobs, or the military, with the majority of ETHS alumni attending two- and four-year colleges.
- All ETHS academic courses are college preparatory and our programs include Honors and Advanced Placement options.
- We have early college and articulation agreements with many colleges and universities that provide our students with the opportunity to receive college credit for career and technical courses taken at ETHS.
- ETHS provides students with extracurricular activities that include MIAA competitive sports, intramural athletics, and various clubs and service groups, including SkillsUSA and FFA; organizations that encourage students to explore and develop additional skills across their career and technical disciplines.

Essex Technical High School offers a unique combination of career and technical programs from current industry and agriculture, a comprehensive academic program, and broad-ranging student activities.

Currently, Essex North Shore Agricultural & Technical School District enrolls 10 Wenham residents.



# *Appendix A*

*FY 2017*

# *Financial Documents*

**2017**

**Annual Town Report**

**Part I, Appendix A**

**Town of Wenham**

Combined Balance Sheet 07/01/2016 - 6/30/2017

	General Fund	Special Revenue Funds	Capital Project Funds	Trust Fund	Agency Fund	General Long Term Debt	General Fixed Assets	Total
<b>ASSETS</b>								
Cash/Investments	2,318,958.81	3,436,654.90	111,397.52	2,140,813.39	25,709.02			8,033,533.64
Property Taxes	220,799.91							220,799.91
Provision for Abate & Exempt	(84,950.78)							(84,950.78)
Tax Liens	85,424.80							85,424.80
Tax Foreclosures	368,455.76							368,455.76
Excises	96,177.53							96,177.53
Intergovernmental								-
Receivables - Other		15,505.79						15,505.79
CPA - Receivables		3,769.02						3,769.02
Water Receivables		29,622.00						29,622.00
Amount to be Provided for Long						4,455,000.00		4,455,000.00
<b>TOTAL ASSETS</b>	<b>3,004,866.03</b>	<b>3,485,551.71</b>	<b>111,397.52</b>	<b>2,140,813.39</b>	<b>25,709.02</b>	<b>4,455,000.00</b>	<b>-</b>	<b>13,223,337.67</b>

	General Fund	Special Revenue Funds	Capital Project Funds	Trust Fund	Agency Fund	General Long Term Debt	General Fixed Assets	Total
<b>LIABILITIES</b>								
Warrants Payable								-
Accrued Wages Payable								-
Withholdings Payable								-
Unclaimed Checks	351.69							351.69
Other Liabilities	612.50							612.50
Guarantee Deposits Payable					25,709.02			25,709.02
Def Rev Property Tax	135,849.13							135,849.13
Def Rev Tax Liens	85,424.80							85,424.80
Def Rev Tax Foreclosures	368,455.76							368,455.76
Def Rev Excise	96,177.53							96,177.53
Def Rev Intergovernmental								-
Def Rev Other Receivables		15,505.79						15,505.79
Def Rev CPA		3,769.02						3,769.02
Def Rev Water		29,622.00						29,622.00
Bonds Payable						4,455,000.00		4,455,000.00
<b>TOTAL LIABILITIES</b>	<b>686,871.41</b>	<b>48,896.81</b>	<b>-</b>	<b>-</b>	<b>25,709.02</b>	<b>4,455,000.00</b>	<b>-</b>	<b>5,216,477.24</b>

## Town of Wenham

Combined Balance Sheet 07/01/2016 - 6/30/2017

	General Fund	Special Revenue Funds	Capital Project Funds	Trust Fund	Agency Fund	General Long Term Debt	General Fixed Assets	Total
<b>Fund Balances</b>								
Invested in General Fixed								-
Reserved for Encumbrances	44,581.90							44,581.90
Reserved for Perpetual				419,843.13				419,843.13
Reserved for Cont Appropriations	936,000.00			1,720,970.26				2,656,970.26
Reserved for CPA		1,001,507.08						1,001,507.08
Designated for Subsequent								-
Undesignated General Fund	1,337,412.72							1,337,412.72
Undesignated Special Revenue		789,278.57						789,278.57
Undesignated Capital Projects			111,397.52					111,397.52
Undesignated CPA		1,424,010.93						1,424,010.93
Undesignated Water Surplus		221,858.32						221,858.32
Undesignated Capital Projects								-
Revenue								-
Expenditures								-
<b>TOTAL FUND BALANCES</b>	<b>2,317,994.62</b>	<b>3,436,654.90</b>	<b>111,397.52</b>	<b>2,140,813.39</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,006,860.43</b>
<b>TOTAL LIABILITIES &amp; FUND BALANCES</b>	<b>3,004,866.03</b>	<b>3,485,551.71</b>	<b>111,397.52</b>	<b>2,140,813.39</b>	<b>25,709.02</b>	<b>4,455,000.00</b>	<b>-</b>	<b>13,223,337.67</b>

**Cash Reconciliation for June 30 - Fiscal Year 2017**

<b>Total Treasurer's Cash and Investments (6/30 year-end report)</b>	<b>8,280,794.45</b>
<b>Other trust funds not in custody of Treasurer</b>	0.00
<b>Total Cash and Investments</b>	<b>8,280,794.45</b>
<b>Accountant's/Auditor's Cash and Investments (PER BALANCE SHEET)</b>	
General Fund	2,318,958.81
Special Revenue Funds	3,436,654.90
Capital Projects Funds	111,397.52
Enterprise Funds	0.00
Trust and Agency Funds	2,166,522.41
Total per general ledger	<b>8,033,533.64</b>
<b>Reconciling Items (specify)</b>	
Warrants Payable	244,307.01
Petty Cash	0.00
FY17 retro pay paid in FY18	2,953.80
	0.00
	0.00
	0.00
	0.00
<b>Total Adjusted Accountant's/Auditor's Cash and Investments</b>	<b>8,280,794.45</b>
<b>Variance</b>	0.00

**Signatures**

**Treasurer**

I hereby certify to the best of my knowledge that this information is complete and accurate as of this date.

**Leslie Davidson, Treasurer/Collector/Finance Director , Wenham , ldavidson@wenhamma.gov 978-468-5520 | 11/8/2017 12:41 PM**

**Accountant/Auditor**

I hereby certify that the foregoing schedule, setting forth the total cash and investments in the general ledger, is either in agreement with the total cash in the custody of the Treasurer or efforts are being made to reconcile any variances.

**Christopher Holak, Accountant , Wenham , cholak@wenhamma.gov 978-468-5520 | 11/8/2017 9:50 AM**

**Schedule of Outstanding Receivables - Fiscal Year 2017**

	Detail per Treasurer/Collector	Balance per General Ledger	Variance
<b>Personal Property Taxes</b>			
Levy of 2017	406.00	406.00	0.00
Levy of 2016	383.00	383.00	0.00
Levy of 2015	363.00	363.00	0.00
Levy of 2014	422.00	422.00	0.00
Levy of Prior Years	1,656.00	1,656.00	0.00
<b>Total</b>	<b>3,230.00</b>	<b>3,230.00</b>	<b>0.00</b>
<b>Real Estate Taxes</b>			
Levy of 2017	159,964.00	159,964.00	0.00
Levy of 2016	4,523.00	4,523.00	0.00
Levy of 2015	6,360.00	6,360.00	0.00
Levy of 2014	5,892.00	5,892.00	0.00
Levy of Prior Years	5,767.00	5,767.00	0.00
<b>Total</b>	<b>182,506.00</b>	<b>182,506.00</b>	<b>0.00</b>
<b>Deferred Property Taxes</b>			
Deferred Property Taxes	35,064.00	35,064.00	0.00
<b>Taxes in Litigation</b>			
Taxes in Litigation	0.00	0.00	0.00
<b>Motor Vehicle Excise</b>			
Levy of 2017	66,706.00	66,706.00	0.00
Levy of 2016	3,919.00	3,919.00	0.00
Levy of 2015	2,254.00	2,254.00	0.00
Levy of 2014	1,327.00	1,327.00	0.00
Levy for Prior Years	21,972.00	21,972.00	0.00
<b>Total</b>	<b>96,178.00</b>	<b>96,178.00</b>	<b>0.00</b>
<b>Tax Liens/Tax Title</b>			
Tax Liens/Tax Title	85,425.00	85,425.00	0.00
<b>Tax Foreclosures/Tax Possessions</b>			
Tax Foreclosures/Tax Possessions	368,456.00	368,456.00	0.00
<b>Other Excise Taxes</b>			
Boat Excise	0.00	0.00	0.00
Farm animal excise	0.00	0.00	0.00
Other:	0.00	0.00	0.00
Other:	0.00	0.00	0.00
<b>User Charges Receivables</b>			
Water	29,396.00	29,396.00	0.00
Sewer	0.00	0.00	0.00
Other:	0.00	0.00	0.00
Other:	0.00	0.00	0.00
Other:	0.00	0.00	0.00
Other:	0.00	0.00	0.00
<b>Utility Liens Added to Taxes</b>			
Utility Liens Added to Taxes	226.00	226.00	0.00

**Schedule of Outstanding Receivables - Fiscal Year 2017**

	Detail per Treasurer/Collector	Balance per General Ledger	Variance
<b>Departmental and Other Receivables</b>			
Ambulance	0.00	0.00	0.00
Other: PILOT	0.00	0.00	0.00
Other:	0.00	0.00	0.00
Other:	0.00	0.00	0.00
Other:	0.00	0.00	0.00
<b>Special Assessments Receivable</b>			
Unapportioned assessments	0.00	0.00	0.00
Apportioned assessments added to taxes	0.00	0.00	0.00
Committed interest added to taxes	0.00	0.00	0.00
Apportioned assessments not yet due	0.00	0.00	0.00
Suspended assessments	0.00	0.00	0.00
Special assessments tax liens	0.00	0.00	0.00

**Signatures**

**Accountant/Auditor**

I hereby certify that the foregoing schedule, setting forth the outstanding receivables in the general ledger, is either in agreement with the detail per the Treasurer / Collector or efforts are being made to reconcile any variances.

**Christopher Holak, Accountant , Wenham , cholak@wenhamma.gov 978-468-5520 | 10/18/2017 1:06 PM**

**Collector/Treasurer**

I hereby certify to the best of my knowledge that this information is complete and accurate as of this date.

**Leslie Davidson, Treasurer/Collector/Finance Director , Wenham , ldavidson@wenhamma.gov 978-468-5520 | 10/18/2017 10:31 AM**

**Treasurer**

I hereby certify to the best of my knowledge that this information is complete and accurate as of this date.

**Leslie Davidson, Treasurer/Collector/Finance Director , Wenham , ldavidson@wenhamma.gov 978-468-5520 | 10/18/2017 10:31 AM**

**Bureau of Accounts**

**Statement of Indebtedness**

**Wenham, Massachusetts**

**FY17**

Long Term Debt Inside the Debt Limit	Outstanding July 1, 2016	+ Issued	- Retired	= Outstanding June 30, 2017	Interest Paid in FY17
Building	3,763,000	-	459,000	3,304,000	93,092
Departmental Equipment	547,000	-	152,000	395,000	19,504
School Buildings	-	-	-	-	-
School Other	-	-	-	-	-
Sewer	459,000	-	39,000	420,000	13,119
Solid Waste Landfill	-	-	-	-	-
Other Inside	90,000	-	20,000	70,000	3,314
<b>SUB-TOTAL Inside</b>	<b>4,859,000</b>	<b>-</b>	<b>670,000</b>	<b>4,189,000</b>	<b>129,029</b>
Long Term Debt Outside the Debt Limit					
Airport	-	-	-	-	-
Gas/Electric Utility	-	-	-	-	-
Hospital	-	-	-	-	-
School Buildings	-	-	-	-	-
Sewer	-	-	-	-	-
Solid Waste Landfill	-	-	-	-	-
Water	383,000	-	117,000	266,000	6,626
Other Outside	-	-	-	-	-
<b>SUB-TOTAL Outside</b>	<b>383,000</b>	<b>-</b>	<b>117,000</b>	<b>266,000</b>	<b>6,626</b>
<b>GRAND TOTAL</b>	<b>5,242,000</b>	<b>-</b>	<b>787,000</b>	<b>4,455,000</b>	<b>135,655</b>

Please complete both sides of this report and return it to the Division of Local Services no later than September 30th.

I certify to the best of my knowledge that this information is complete and accurate as of this date.

Treasurer: Leslie Davidson Date: 11/13/2017

I certify that long and short term debt as identified in this Statement of Indebtedness is in agreement with the general ledger controls in my department and are also reflected on the balance sheet.

Accounting Officer: Christopher Holak Date: 11/13/2017

**TAX RATE RECAPITULATION**  
**Fiscal Year 2018**

**I. TAX RATE SUMMARY**

la. Total amount to be raised (from page 2, IIe)	\$ 20,504,577.38
lb. Total estimated receipts and other revenue sources (from page 2, IIIe)	5,618,085.93
lc. Tax Levy (Ia minus Ib)	\$ 14,886,491.45
ld. Distribution of Tax Rates and levies	

CLASS	(b) Levy percentage (from LA5)	(c) Ic above times each percent in col (b)	(d) Valuation by class (from LA-5)	(e) Tax Rates (c) / (d) x 1000	(f) Levy by class (d) x (e) / 1000
Residential	97.5397	14,520,239.10	772,764,042.00	18.79	14,520,236.35
Net of Exempt					
Open Space	0.0000	0.00	0.00	0.00	0.00
Commercial	1.4366	213,859.34	11,381,520.00	18.79	213,858.76
Net of Exempt					
Industrial	0.1098	16,345.37	870,300.00	18.79	16,352.94
<b>SUBTOTAL</b>	<b>99.0861</b>		<b>785,015,862.00</b>		<b>14,750,448.05</b>
Personal	0.9139	136,047.65	7,240,202.00	18.79	136,043.40
<b>TOTAL</b>	<b>100.0000</b>		<b>792,256,064.00</b>		<b>14,886,491.45</b>

MUST EQUAL 1C

Board of Assessors

Steven Ozahowski, Assessor , Wenham , sozahowski@wenhamma.gov 978-468-5520 | 10/20/2017 11:44 AM

Comment:

Do Not Write Below This Line --- For Department of Revenue Use Only

**Reviewed By:** Susan Whouley  
**Date:** 10/26/2017  
**Approved:** Thomas Guilfoyle  
**Director of Accounts:** Mary Jane Handy

*Mary Jane Handy*

NOTE : The information was Approved on 10/26/2017

**TAX RATE RECAPITULATION**  
**Fiscal Year 2018**

**II. Amounts to be raised**

Ila. Appropriations (col.(b) through col.(g) from page 4)	<u>18,920,827.00</u>
Ilb. Other amounts to be raised	
1. Amounts certified for tax title purposes	<u>10,000.00</u>
2. Debt and interest charges not included on page 4	0.00
3. Final Awards	0.00
4. Total overlay deficit	0.00
5. Total cherry sheet offsets (see cherry sheet 1-ER)	9,317.00
6. Revenue deficits	0.00
7. Offset receipts deficits Ch. 44, Sec. 53E	0.00
8. CPA other unappropriated/unreserved	<u>1,204,160.93</u>
9. Snow and ice deficit Ch. 44, Sec. 31D	0.00
10. Other :	0.00
TOTAL Ilb (Total lines 1 through 10)	<u>1,223,477.93</u>
Ilc. State and county cherry sheet charges (C.S. 1-EC)	225,090.00
Ild. Allowance for abatements and exemptions (overlay)	135,182.45
Ile. Total amount to be raised (Total Ila through Ild)	<u>20,504,577.38</u>

**III. Estimated receipts and other revenue sources**

IIIa. Estimated receipts - State	
1. Cherry sheet estimated receipts (C.S. 1-ER Total)	448,608.00
2. Massachusetts school building authority payments	0.00
TOTAL IIIa	<u>448,608.00</u>
IIIb. Estimated receipts - Local	
1. Local receipts not allocated (page 3, col (b) Line 24)	<u>2,149,967.00</u>
2. Offset Receipts (Schedule A-1)	<u>0.00</u>
3. Enterprise Funds (Schedule A-2)	<u>0.00</u>
4. Community Preservation Funds (See Schedule A-4)	<u>1,874,010.93</u>
TOTAL IIIb	<u>4,023,977.93</u>
IIIc. Revenue sources appropriated for particular purposes	
1. Free cash (page 4, col (c))	<u>216,000.00</u>
2. Other available funds (page 4, col (d))	<u>179,500.00</u>
TOTAL IIIc	<u>395,500.00</u>
IIId. Other revenue sources appropriated specifically to reduce the tax rate	
1a. Free cash..appropriated on or before June 30, 2017	750,000.00
1b. Free cash..appropriated on or after July 1, 2017	0.00
2. Municipal light source	0.00
3. Other source :	0.00
TOTAL IIId	<u>750,000.00</u>
IIIe. Total estimated receipts and other revenue sources (Total IIIa through IIId)	<u>5,618,085.93</u>

**IV. Summary of total amount to be raised and total receipts from all sources**

a. Total amount to be raised (from Ile)	<u>20,504,577.38</u>
b. Total estimated receipts and other revenue sources (from IIIe)	<u>5,618,085.93</u>
c. Total real and personal property tax levy (from Ic)	<u>14,886,491.45</u>
d. Total receipts from all sources (total IVb plus IVc)	<u>20,504,577.38</u>

NOTE : The information was Approved on 10/26/2017

**TAX RATE RECAPITULATION**  
**Fiscal Year 2018**

LOCAL RECEIPTS NOT ALLOCATED \*

	Receipt Type Description	(a) Actual Receipts Fiscal 2017	(b) Estimated Receipts Fiscal 2018
==>	1. MOTOR VEHICLE EXCISE	734,987.00	543,000.00
	2. OTHER EXCISE		
==>	a.Meals	0.00	0.00
==>	b.Room	0.00	0.00
==>	c.Other	0.00	0.00
==>	3. PENALTIES AND INTEREST ON TAXES AND EXCISES	42,209.00	42,000.00
==>	4. PAYMENTS IN LIEU OF TAXES	15,653.00	11,000.00
	5. CHARGES FOR SERVICES - WATER	478,610.00	421,617.00
	6. CHARGES FOR SERVICES - SEWER	0.00	0.00
	7. CHARGES FOR SERVICES - HOSPITAL	0.00	0.00
	8. CHARGES FOR SERVICES - SOLID WASTE FEES	0.00	0.00
	9. OTHER CHARGES FOR SERVICES	64,219.00	50,000.00
	10. FEES	31,748.00	25,000.00
	11. RENTALS	148,464.00	138,000.00
	12. DEPARTMENTAL REVENUE - SCHOOLS	0.00	0.00
	13. DEPARTMENTAL REVENUE - LIBRARIES	5,183.00	3,218.00
	14. DEPARTMENTAL REVENUE - CEMETERIES	11,750.00	11,000.00
	15. DEPARTMENTAL REVENUE - RECREATION	0.00	0.00
	16. OTHER DEPARTMENTAL REVENUE	34,578.00	26,000.00
	17. LICENSES AND PERMITS	108,730.00	108,000.00
	18. SPECIAL ASSESSMENTS	724,005.00	751,203.00
==>	19. FINES AND FORFEITS	16,460.00	18,000.00
==>	20. INVESTMENT INCOME	3,816.00	1,929.00
==>	21. MEDICAID REIMBURSEMENT	0.00	0.00
==>	22. MISCELLANEOUS RECURRING (PLEASE SPECIFY)	0.00	0.00
	23. MISCELLANEOUS NON-RECURRING (PLEASE SPECIFY)	11,252.00	0.00
	<b>24. Totals</b>	<b>2,431,664.00</b>	<b>2,149,967.00</b>

I hereby certify that the actual receipts as shown in column (a) are, to the best of my knowledge correct and complete, and I further certify that I have examined the entries made on page 4 of the Fiscal 2018 tax rate recapitulation form by the City, Town or District Clerk and hereby acknowledge that such entries correctly reflect the appropriations made and the sources from which such appropriations are to be met.

**Accounting Officer**

I hereby certify that the actual receipts as shown in column (a) are, to the best of my knowledge correct and complete, and I further certify that I have examined the entries made on page 4 of the above-indicated fiscal year tax rate recapitulation form by the City / Town / District Clerk and hereby acknowledge that such entries correctly reflect the appropriations made and the sources from which such appropriations are to be met.

Christopher Holak, Accountant, Wenham, cholak@wenhamma.gov 978-468-5520 | 10/24/2017 5:01 PM

Comment:

\* Do not include receipts in columns (a) or (b) that were voted by the City / Town / District Council or Town Meeting as offset receipts on Schedule A-1, enterprise funds on Schedule A-2, or departmental revolving funds per Chapter 44, Section 53E 1/2. Written documentation should be submitted to support increases / decreases of estimated receipts to actual receipts.

==> Written documentation should be submitted to support increases/ decreases of FY 2018 estimated receipts to FY 2017 estimated receipts to be used in calculating the Municipal Revenue Growth Factor (MRGF).

NOTE : The information was Approved on 10/26/2017

**TAX RATE RECAPITULATION**  
**Fiscal Year 2018**

APPROPRIATIONS									AUTHORIZATIONS	
									MEMO ONLY	
City/Town Council or Town Meeting Dates	FY*	(a) Total Appropriations Of Each Meeting	(b) ** From Raise and Appropriate	(c) From Free Cash (See B-1)	(d) From Other Available Funds (See B-2)	(e) From Offset Receipts (See A-1)	(f) From Enterprise Funds (See A-2)	(g) From Community Preservation Funds (See A-4)	(h) *** Departmental Revolving Funds	(i) Borrowing Authorization (Other)
04/01/2017	2018	18,920,827.00	17,855,477.00	216,000.00	179,500.00	0.00	0.00	669,850.00	20,000.00	0.00
<b>Total</b>		<b>18,920,827.00</b>	<b>17,855,477.00</b>	<b>216,000.00</b>	<b>179,500.00</b>	<b>0.00</b>	<b>0.00</b>	<b>669,850.00</b>		

\* Enter the fiscal year to which the appropriation relates, i.e., fiscal year 2017 or fiscal 2018.  
 \*\* Appropriations included in column (b) must not be reduced by local receipts or any other funding source. Appropriations must be entered gross to avoid a duplication in the use of estimated or other sources of receipts.  
 \*\*\* Include only revolving funds pursuant to Chapter 44, Section 53 E 1/2.

**Clerk**

I hereby certify that the appropriations correctly reflect the votes taken by City / Town / District Council.

**Dianne K Bucco** , Town Clerk , Wenham , [dbucco@wenhamma.gov](mailto:dbucco@wenhamma.gov) 978-468-5520 | 10/24/2017 5:11 PM

Comment:

NOTE : The information was Approved on 10/26/2017

**TOWN OF WENHAM  
TRUST FUND REPORT  
JULY 1, 2016 - JUNE 30, 2017**

NAME OF FUND	ORIGINAL ENDOWMENT	BALANCE 7/1/2016	INTEREST EARNED	OTHER INCOME	EXPENDED	BALANCE 6/30/2017
<b>Cemetery Flower Funds</b>						
Abbott Fund	200.00	217.19	1.39			218.58
George Badger Fund	100.00	104.44	0.68			105.12
Batchelder Fund	400.00	430.45	2.78			433.23
Becker Fund	1,000.00	1,128.16	7.21			1,135.37
Lloyd Brooks Fund	200.00	210.86	1.35			212.21
John D. Cannon Fund	175.00	178.48	1.14			179.62
Frank Corning Fund	200.00	203.30	1.31			204.61
D'Ambrosio Fund	200.00	242.28	1.56			243.84
Elizabeth Dodge Fund	200.00	203.30	1.31			204.61
Philip Ellwood Dodge Fund	200.00	203.33	1.32			204.65
Margaret R. Dudley Fund	200.00	200.11	1.28			201.39
Almont & Eleanor Elwell Fund	200.00	203.10	1.31			204.41
A & E Cosh Fund	500.00	578.84	3.74			582.58
Dorothy Pulsifier Fund	500.00	580.25	3.74			583.99
Mercy Featherstone Fund	425.00	481.47	2.99			484.46
Goodridge & Larabee Fund	200.00	203.30	1.31			204.61
Earle E. Johnson Fund	200.00	203.31	1.32			204.63
Col. Henry F. Kent Fund	200.00	203.30	1.31			204.61
George Kilham Fund	200.00	200.08	1.28			201.36
William E. Ludden Fund	200.00	218.77	1.39			220.16
Walter C. Ober Fund	400.00	449.92	2.87			452.79
Lena Peck Fund	225.00	239.42	1.55			240.97
A & M Perkins Fund	200.00	204.29	1.32			205.61
Edward A. Perkins Fund	200.00	227.61	1.47			229.08
Ruth D. Perkins Fund	500.00	625.50	4.00			629.50
John H. Rice Fund	100.00	99.14	0.63			99.77
Ralph M. Smith Fund	200.00	235.80	1.51			237.31
Elbridge Stanley Fund	200.00	205.92	1.35			207.27
Ethel B. Wentworth Fund	200.00	229.66	1.46			231.12
<b>General Cemetery Funds</b>						
David O. Allen Fund	475.00	1,363.21	8.76			1,371.97
Hattie L. Batchelder Fund	596.68	1,451.53	9.28			1,460.81
JH & ML Perkins Fund	1,000.00	2,036.47	13.06			2,049.53
Ethel B. Wentworth Fund	1,000.00	1,653.99	10.57			1,664.56
<b>General Charity Funds</b>						
John K. Dodge Fund	500.00	528.99	3.37			532.36
Mary E. Perkins Fund	3,000.00	3,163.48	20.28			3,183.76
Ralph M. Smith Fund	34,000.00	35,842.15	229.76			36,071.91
Elizabeth P. Tilton Fund	3,000.00	3,163.48	20.28			3,183.76
Benjamin F. Young Fund	1,620.00	1,709.52	10.95			1,720.47
<b>Library Memorial Funds</b>						
Louise E. Brown Fund	66,108.65	68,481.86	439.02		501.61	68,419.27
Charles W. & Marjorie Davis Fund	4,780.00	5,777.70	37.03		520.00	5,294.73
Judson W. Dodge Fund	500.00	1,658.11	10.63			1,668.74
Edwin P. Hawkins Fund	100.00	318.43	2.04			320.47
Dorothy Jones Library Fund	42.37	91.18	0.56			91.74
Francis Dolan Library Fund	260.36	548.97	3.51			552.48
Bernice H. Mersereau Library Fund	1,163.64	2,413.41	15.45			2,428.86
Leon W. Bishop Library Fund	1,164.97	1,481.25	9.48			1,490.73
Dodge Public Library Fund	1,808.95	3,742.09	23.99			3,766.08
John Harnett Jr. Library Fund	2,430.15	4,618.14	29.61			4,647.75

**TOWN OF WENHAM  
TRUST FUND REPORT  
JULY 1, 2016 - JUNE 30, 2017**

NAME OF FUND	ORIGINAL ENDOWMENT	BALANCE 7/1/2016	INTEREST EARNED	OTHER INCOME	EXPENDED	BALANCE 6/30/2017
Justin Allen Library Fund	1,164.12	1,236.71	7.92			1,244.63
John F. & Ann Neary Library Fund	2,871.45	3,370.28	21.60			3,391.88
Priscilla Johnson Library Fund	540.00	880.12	5.64			885.76
Anita Bruyere Library Fund	490.00	1,011.80	6.49			1,018.29
Dr. Donald Conwell Library Fund	3,570.00	4,427.96	28.39			4,456.35
Katlyn MacCready Bird Educ'l Lib Fund	9,248.68	10,498.54	67.32			10,565.86
Marion K. Wilks Library Fund	2,490.00	3,452.48	22.13			3,474.61
James Hompe Memorial Library Fund	940.00	2,047.30	13.11			2,060.41
Percival & Elinor G. Whipple Library Fund	9,490.00	9,941.43	63.74			10,005.17
Newalt Rose A. Richards Mem'l Lib Trust	2,935.00	3,787.69	24.29			3,811.98
Eleanor H. Belton Mem'l Lib Trust	1,100.00	1,978.28	12.70			1,990.98
Elizabeth L. Beckett Mem'l Lib Trust Fund	975.00	1,421.85	9.12			1,430.97
Nielson Fund	3,000.00	7,127.46	45.72			7,173.18
Rae Scott Memorial Trust	12,000.00	12,196.18	78.19			12,274.37
Katherine Duffy Lib Trust Fund	143,601.69	147,019.09	942.45		1,200.00	146,761.54
Susan D Lillie Library Trust Fund	59,790.00	61,031.05	391.24		1,059.94	60,362.35
<b>Perpetual Care Trust Funds</b>						
Perkins War Memorial Perpetual Care	83,395.61	87,837.52	563.08			88,400.60
Perkins Cemetery Perpetual Care	143,844.62	150,862.07	967.12		444.10	151,385.09
Cemetery Perpetual Care Fund	178,215.98	188,424.11	1,207.90		5,410.81	184,221.20
<b>Other Funds Reserved for Giving</b>						
Education Fund		10,266.08	65.82			10,331.90
Scholarship Fund		3,921.68	25.15			3,946.83
Elderly and Disabled Fund		12,084.83	77.41			12,162.24
Wenham Affordable Housing Trust		652,114.51	6,651.11	0.00	4,439.72	654,325.90
Wenham Affordable Home Improvement		218,277.18	1,924.68			220,201.86
WISSH Financial Assistance		9,857.06			3,378.62	6,478.44
WISSH Elderly Housing		6,465.59				6,465.59
<b>Conservation Fund</b>		51,756.25	2,460.92			54,217.17
<b>OPEB Fund</b>		45,662.00	404.67	20,000.00		66,066.67
<b>Stabilization Fund</b>		516,856.09	3,313.32			520,169.41
<b>TOTALS</b>	<b>791,137.92</b>	<b>2,374,568.73</b>	<b>20,354.74</b>	<b>20,000.00</b>	<b>16,954.80</b>	<b>2,397,968.67</b>



# *Appendix B*

*FY 2017*

# *Independent Financial Audit Report*

**2017**

**Annual Town Report**

**Part I, Appendix B**

***TOWN OF WENHAM, MASSACHUSETTS***

***REPORT ON EXAMINATION OF  
BASIC FINANCIAL STATEMENTS***

***YEAR ENDED JUNE 30, 2017***

TOWN OF WENHAM, MASSACHUSETTS

REPORT ON EXAMINATION OF BASIC FINANCIAL STATEMENTS

JUNE 30, 2017

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## **Independent Auditor's Report**

To the Honorable Board of Selectmen  
Town of Wenham, Massachusetts

## **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Wenham, Massachusetts, as of and for the year ended June 30, 2017, which collectively comprise the Town's basic financial statements as listed in the table of contents, and the related notes to financial statements.

## **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessment, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as the evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Wenham, Massachusetts, as of June 30, 2017, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Other Reporting Required by Governmental Auditing Standards**

In accordance with *Governmental Auditing Standards*, we have also issued our report dated December 20, 2017, on our consideration of the Town of Wenham's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Wenham's internal control over financial reporting.



December 20, 2017

# ***Management's Discussion and Analysis***

# ***Management's Discussion and Analysis***

## ***Overview of the Financial Statements***

This discussion and analysis are intended to serve as an introduction to the Town's basic financial statements. These basic financial statements comprise of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of finances, in a manner similar to private-sector business.

The *statement of net position* presents information on all assets and deferred outflows and liabilities and deferred inflows, with the difference between them reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities include general government, public safety, education, public works, human services, culture and recreation, community preservation, and interest. The Town's business-type activities relate to the water activities.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds.** The focus of Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Town adopts annual appropriated budgets for its general fund and community preservation fund. Budgetary comparison schedules have been provided as required supplementary information after the notes to the financial statements to demonstrate compliance with these budgets.

**Proprietary funds.** Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town maintains one proprietary fund to account for its water activities.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The Town maintains an Other Postemployment Benefits Trust fund.

**Notes to the basic financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Town's budgetary basis of accounting as well as pension and other postemployment benefits obligations.

## Government-wide Financial Analysis

### Governmental Activities

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The Town's governmental assets and deferred outflows exceeded liabilities and deferred inflows by \$ 8.1 million at the close of 2017. Key components of the Town's governmental financial position are listed below.

	2017	2016
<b>Assets:</b>		
Current assets.....	\$ 9,148,166	\$ 9,582,310
Noncurrent assets (excluding capital).....	35,064	28,592
Capital assets.....	12,874,665	13,364,106
<b>Total assets.....</b>	<b>22,057,895</b>	<b>22,975,008</b>
<b>Deferred Outflows of Resources:</b>		
Deferred loss on refunding.....	<b>769,746</b>	<b>522,731</b>
<b>Liabilities:</b>		
Current liabilities (excluding debt).....	225,233	704,178
Noncurrent liabilities (excluding debt).....	10,004,844	9,237,751
Current debt.....	641,680	683,075
Noncurrent debt.....	3,681,838	4,202,853
<b>Total liabilities.....</b>	<b>14,553,595</b>	<b>14,827,857</b>
<b>Deferred Inflows of Resources:</b>		
Deferred inflows related to pensions.....	<b>195,061</b>	-
<b>Net Position:</b>		
Net investment in capital assets.....	8,647,434	8,582,914
Restricted.....	5,261,265	5,227,468
Unrestricted.....	(5,829,714)	(5,140,500)
<b>Total net position.....</b>	<b>\$ 8,078,985</b>	<b>\$ 8,669,882</b>

Net position of \$8.6 million reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the investment in its capital assets is reported net of its related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A restricted portion of the net position totaling \$5.3 million represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* has a year-end deficit of \$5.8 million. The Town was required to implement the provisions of the Governmental Accounting Standards Board Statement 68, Accounting and Financial Reporting for Pension. As a member unit of the Essex Regional Retirement System, the Town is required to report its proportionate share of the net pension liability and related deferred inflows/outflows.

The governmental activities of the Town are detailed below. The governmental activities net position decreased by \$591,000 during the current year which is primarily due to increases in the net pension liability, deferred inflows/outflows and the other postemployment liability.

	2017	2016
<b>Program revenues:</b>		
Charges for services.....	\$ 1,370,103	\$ 1,347,377
Operating grants and contributions.....	225,214	302,103
Capital grants and contributions.....	241,835	393,061
<b>General Revenues:</b>		
Real estate and personal property taxes.....	14,299,943	13,329,349
Motor vehicle excise taxes.....	737,053	712,324
Community preservation surcharge.....	341,945	316,749
Nonrestricted grants.....	425,522	406,310
Unrestricted investment income.....	18,443	19,978
Miscellaneous revenues.....	71,137	124,313
<b>Total revenues.....</b>	<b>17,731,195</b>	<b>16,951,564</b>
<b>Expenses:</b>		
General Government.....	1,732,931	1,868,443
Public Safety.....	3,592,743	3,271,582
Education.....	8,896,867	8,158,490
Public Works.....	1,772,517	1,660,616
Human Services.....	228,454	197,221
Culture and Recreation.....	1,437,813	1,219,889
Community Preservation.....	546,729	62,442
Interest.....	114,038	44,919
Claims and judgments.....	-	2,400
<b>Total expenses.....</b>	<b>18,322,092</b>	<b>16,486,002</b>
<b>Change in net position.....</b>	<b>(590,897)</b>	<b>465,562</b>
<b>Net position beginning of the year.....</b>	<b>8,706,530</b>	<b>8,240,968</b>
<b>Net position at the end of the year.....</b>	<b>\$ 8,115,633</b>	<b>\$ 8,706,530</b>

**Business-type Activities**

The Town's business-type activities reflect the operations of the Town's water enterprise fund. Business-type assets exceeded liabilities by \$1.4 million at the close of 2017. The following table identifies key elements of the net position of the Town's business-type activities.

	<u>2017</u>	<u>2016</u>
<b>Assets:</b>		
Current assets.....	\$ 390,429	\$ 386,868
Capital assets.....	1,340,860	1,385,031
<b>Total assets.....</b>	<b><u>1,731,289</u></b>	<b><u>1,771,899</u></b>
<b>Liabilities:</b>		
Current liabilities (excluding debt).....	3,490	12,640
Noncurrent liabilities (excluding debt).....	6,348	4,788
Current debt.....	116,000	117,000
Noncurrent debt.....	150,000	266,000
<b>Total liabilities.....</b>	<b><u>275,838</u></b>	<b><u>400,428</u></b>
<b>Net Position:</b>		
Net investment in capital assets.....	1,089,970	1,017,141
Unrestricted.....	365,481	354,330
<b>Total net position.....</b>	<b><u>\$ 1,455,451</u></b>	<b><u>\$ 1,371,471</u></b>

The Town's business type activities net position increase by \$84,000 during the current year. The results reflect the Town's intention to recover its costs of operations through rates.

<b>Program revenues:</b>		
Charges for services.....	\$ 456,096	\$ 458,914
<b>Expenses:</b>		
Water expenses.....	365,490	353,524
Interest.....	6,626	8,816
<b>Total expenses.....</b>	<b><u>372,116</u></b>	<b><u>362,340</u></b>
<b>Change in net position.....</b>	<b>83,980</b>	<b>96,574</b>
<b>Net position beginning of the year.....</b>	<b><u>1,371,451</u></b>	<b><u>1,274,877</u></b>
<b>Net position at the end of the year.....</b>	<b><u>\$ 1,455,431</u></b>	<b><u>\$ 1,371,451</u></b>

## ***Financial Analysis of the Government's Funds***

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the year.

As of the end of the current year, governmental funds reported combined ending fund balances of \$7.9 million, a net increase of \$93,000 from the prior year.

The General Fund is the Town's chief operating fund. At the end of the current year, unassigned and total fund balance of the General Fund totaled \$2.8 million and \$2.9 million, respectively. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance and total fund balance represent 16.7% and 17.0% of total General Fund expenditures, respectively. The General Fund total fund balance decreased by \$42,000 during 2017 mainly due to budgetary surpluses being offset by the use of \$750,000 in prior year fund balance (free cash) to balance the budget.

The Town has established a community preservation fund, which is funded by a combination of real estate surcharges to taxpayers and a matching grant from the Commonwealth. At the end of 2017, the fund had a positive balance of \$2.4 million, which is recorded in the Community Preservation major governmental fund. As funds accumulate, the Town expects to appropriate funds in accordance with the legislation and in the best interest of the Town of Wenham. During 2017, the fund received \$479,000, and expended \$465,000.

## ***Budgetary Highlights***

General Fund:

For 2017, the Town adopted a \$17.2 million dollar operating budget for the General Fund. The budget was financed through current revenues, \$5,000 of transfers in from other funds and the use of \$829,000 of prior year reserves. Actual revenues and expenditures came ended with a surplus of approximately \$734,000 which was offset by use of prior fund balance.

Community Preservation Fund:

The Town's Community Preservation Special Revenue fund adopted a \$432,000 revenue budget and appropriated \$896,000 for new projects. The fund experienced a net decrease of \$464,000.

### ***Capital Asset and Debt Administration***

Outstanding long-term debt, as of June 30, 2017, totaled \$4.5 million which is comprised of \$4.2 million in governmental debt and \$300,000 of Water Enterprise Fund long-term debt. During the year, the Town did not issue new debt.

During the year, the Town acquired approximately \$164,000 in new capital assets. Significant additions consisted of construction in progress, infrastructure, vehicles, equipment, and library materials.

Please refer to the Notes to the Basic Financial Statements for further discussion of the debt and capital activity.

### ***Requests for Information***

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, Wenham Town Hall, 138 Main Street, Wenham, MA 01984.

# ***Basic Financial Statements***

**STATEMENT OF NET POSITION**

JUNE 30, 2017

	<i>Primary Government</i>		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
<b>CURRENT:</b>			
Cash and cash equivalents.....	\$ 6,566,662	\$ 242,607	\$ 6,809,269
Investments.....	1,291,414	-	1,291,414
Receivables, net of allowance for uncollectibles:			
Real estate and personal property taxes.....	184,037	-	184,037
Community preservation fund surtax.....	3,769	-	3,769
Tax liens.....	85,425	-	85,425
Motor vehicle excise taxes.....	78,897	-	78,897
Water fees.....	-	147,822	147,822
Departmental and other.....	15,506	-	15,506
Intergovernmental.....	313,100	-	313,100
Community preservation fund state share.....	51,000	-	51,000
Assets held for resale.....	189,900	-	189,900
Tax foreclosures.....	368,456	-	368,456
<b>NONCURRENT:</b>			
Receivables, net of allowance for uncollectibles:			
Real estate tax deferrals.....	35,064	-	35,064
Capital assets, nondepreciable.....	776,317	17,361	793,678
Capital assets, net of accumulated depreciation.....	12,098,348	1,323,499	13,421,847
<b>TOTAL ASSETS.....</b>	<b>22,057,895</b>	<b>1,731,289</b>	<b>23,789,184</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to pensions.....	769,746	-	769,746
<b>LIABILITIES</b>			
<b>CURRENT:</b>			
Warrants payable.....	129,722	3,490	133,212
Accrued interest.....	41,066	-	41,066
Other liabilities.....	42,180	-	42,180
Capital lease obligations.....	52,680	-	52,680
Compensated absences.....	12,265	-	12,265
Bonds payable.....	589,000	116,000	705,000
<b>NONCURRENT:</b>			
Capital lease obligations.....	81,838	-	81,838
Compensated absences.....	41,321	6,348	47,669
Net pension liability.....	7,833,563	-	7,833,563
Other postemployment benefits.....	2,129,960	-	2,129,960
Bonds payable.....	3,600,000	150,000	3,750,000
<b>TOTAL LIABILITIES.....</b>	<b>14,553,595</b>	<b>275,838</b>	<b>14,829,433</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows related to pensions.....	195,061	-	195,061
<b>NET POSITION</b>			
Net investment in capital assets.....	8,647,434	1,089,970	9,737,404
Restricted for:			
Permanent funds:			
Expendable.....	93,746	-	93,746
Nonexpendable.....	806,288	-	806,288
Gifts and grants.....	4,361,231	-	4,361,231
Unrestricted.....	(5,829,714)	365,481	(5,464,233)
<b>TOTAL NET POSITION.....</b>	<b>\$ 8,078,985</b>	<b>\$ 1,455,451</b>	<b>\$ 9,534,436</b>

See notes to basic financial statements.

**STATEMENT OF ACTIVITIES**

YEAR ENDED JUNE 30, 2017

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Primary Government:</b>					
<i>Governmental Activities:</i>					
General government.....	\$ 1,732,931	\$ 191,722	\$ 101,371	\$ -	\$ (1,439,838)
Public safety.....	3,592,743	373,096	9,016	-	(3,210,631)
Education.....	8,896,867	-	-	-	(8,896,867)
Public works.....	1,772,517	65,604	-	152,409	(1,554,504)
Human services.....	228,454	12,350	23,624	-	(192,480)
Affordable housing.....	-	-	2,211	-	2,211
Culture and recreation.....	1,437,813	727,331	88,992	-	(621,490)
Community preservation.....	546,729	-	-	89,426	(457,303)
Interest.....	114,038	-	-	-	(114,038)
Total Governmental Activities.....	<u>18,322,092</u>	<u>1,370,103</u>	<u>225,214</u>	<u>241,835</u>	<b>(16,484,940)</b>
<i>Business-Type Activities:</i>					
Water.....	<u>372,116</u>	<u>456,096</u>	<u>-</u>	<u>-</u>	<b>83,980</b>
Total Primary Government.....	<u>\$ 18,694,208</u>	<u>\$ 1,826,199</u>	<u>\$ 225,214</u>	<u>\$ 241,835</u>	<b>(16,400,960)</b>

See notes to basic financial statements.

(Continued)

**STATEMENT OF ACTIVITIES (Continued)**

YEAR ENDED JUNE 30, 2017

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Changes in net position:</b>			
Net (expense) revenue from previous page.....	\$ <b>(16,484,940)</b>	\$ <b>83,980</b>	\$ <b>(16,400,960)</b>
<i>General revenues:</i>			
Real estate and personal property taxes, net of tax refunds payable.....	14,299,943	-	14,299,943
Motor vehicle excise taxes.....	737,053	-	737,053
Community preservation surcharge.....	341,945	-	341,945
Grants and contributions not restricted to specific programs.....	425,522	-	425,522
Unrestricted investment income.....	18,443	-	18,443
Miscellaneous.....	71,137	-	71,137
<b>Total General Revenues.....</b>	<b>15,894,043</b>	<b>-</b>	<b>15,894,043</b>
Change in net position.....	(590,897)	83,980	(506,917)
<i>Net Position:</i>			
Beginning of year.....	8,669,882	1,371,471	10,041,353
End of year.....	\$ <b>8,078,985</b>	\$ <b>1,455,451</b>	\$ <b>9,534,436</b>

(Concluded)

**GOVERNMENTAL FUNDS  
BALANCE SHEET**

JUNE 30, 2017

	General	Community Preservation	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents.....	\$ 2,947,996	\$ 2,429,805	\$ 1,188,861	\$ 6,566,662
Investments.....	-	-	1,291,414	1,291,414
Receivables, net of uncollectibles:				
Real estate and personal property taxes.....	184,037	-	-	184,037
Real estate tax deferrals.....	35,064	-	-	35,064
Community preservation fund surtax.....	-	3,769	-	3,769
Tax liens.....	85,425	-	-	85,425
Motor vehicle excise taxes.....	78,897	-	-	78,897
Departmental and other.....	-	-	15,506	15,506
Intergovernmental.....	-	-	313,100	313,100
Community preservation fund state share.....	-	51,000	-	51,000
Assets held for resale.....	-	-	189,900	189,900
Tax foreclosures.....	368,456	-	-	368,456
<b>TOTAL ASSETS.....</b>	<b>\$ 3,699,875</b>	<b>\$ 2,484,574</b>	<b>\$ 2,998,781</b>	<b>\$ 9,183,230</b>
<b>LIABILITIES</b>				
Warrants payable.....	\$ 110,798	\$ 4,287	\$ 14,637	\$ 129,722
Other liabilities.....	965	-	41,215	42,180
<b>TOTAL LIABILITIES.....</b>	<b>111,763</b>	<b>4,287</b>	<b>55,852</b>	<b>171,902</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue.....	727,428	54,769	313,100	1,095,297
<b>FUND BALANCES</b>				
Nonspendable.....	-	-	996,188	996,188
Restricted.....	-	2,425,518	1,633,641	4,059,159
Assigned.....	1,009,977	-	-	1,009,977
Unassigned.....	1,850,707	-	-	1,850,707
<b>TOTAL FUND BALANCES.....</b>	<b>2,860,684</b>	<b>2,425,518</b>	<b>2,629,829</b>	<b>7,916,031</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....</b>	<b>\$ 3,699,875</b>	<b>\$ 2,484,574</b>	<b>\$ 2,998,781</b>	<b>\$ 9,183,230</b>

See notes to basic financial statements.

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TOTAL FUND BALANCES TO THE STATEMENT OF NET POSITION**

JUNE 30, 2017

Total governmental fund balances.....	\$	7,916,031
Capital assets (net) used in governmental activities are not financial resources and, therefore, are not reported in the funds.....		12,874,665
Accounts receivable are not available to pay for current-period expenditures and, therefore, are unavailable in the funds.....		1,095,297
Certain changes in the net pension liability are required to be included in pension expense over future periods. These changes are reported as deferred outflows of resources or (deferred inflows of resources) related to pensions.....		574,685
In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.....		(41,066)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds		
Bonds and notes payable.....	(4,189,000)	
Capital lease obligations.....	(134,518)	
Net pension liability.....	(7,833,563)	
Other postemployment benefits.....	(2,129,960)	
Compensated absences.....	<u>(53,586)</u>	
Net effect of reporting long-term liabilities.....		<u>(14,340,627)</u>
Net position of governmental activities.....	\$	<u><u>8,078,985</u></u>

See notes to basic financial statements.

**GOVERNMENTAL FUNDS**  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2017

	General	Community Preservation	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>				
Real estate and personal property taxes, net of tax refunds.....	\$ 14,265,818	\$ -	\$ -	\$ 14,265,818
Motor vehicle excise taxes.....	734,968	-	-	734,968
Community preservation surcharge.....	-	341,945	-	341,945
Intergovernmental.....	1,144,427	-	328,347	1,472,774
Departmental and other.....	483,947	-	220,494	704,441
Contributions.....	-	-	93,967	93,967
Investment income.....	7,347	5,162	8,145	20,654
Community preservation state match.....	-	131,609	-	131,609
Miscellaneous.....	13,256	-	8,736	21,992
<b>TOTAL REVENUES.....</b>	<b>16,649,763</b>	<b>478,716</b>	<b>659,689</b>	<b>17,788,168</b>
<b>EXPENDITURES:</b>				
Current:				
General government.....	1,014,779	-	35,116	1,049,895
Public safety.....	2,124,732	-	198,967	2,323,699
Education.....	8,896,867	-	-	8,896,867
Public works.....	1,440,491	-	247,274	1,687,765
Human services.....	151,084	-	28,853	179,937
Culture and recreation.....	988,994	-	23,456	1,012,450
Community preservation.....	-	320,685	-	320,685
Pension benefits.....	608,276	-	-	608,276
Property and liability insurance.....	116,924	-	-	116,924
Employee benefits.....	639,324	-	-	639,324
State and county charges.....	223,661	-	-	223,661
Debt service:				
Principal.....	555,000	115,000	-	670,000
Interest.....	100,092	28,938	-	129,030
<b>TOTAL EXPENDITURES.....</b>	<b>16,860,224</b>	<b>464,623</b>	<b>533,666</b>	<b>17,858,513</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>(210,461)</b>	<b>14,093</b>	<b>126,023</b>	<b>(70,345)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Capital lease financing.....	163,655	-	-	163,655
Transfers in.....	5,000	-	-	5,000
Transfers out.....	-	-	(5,000)	(5,000)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>168,655</b>	<b>-</b>	<b>(5,000)</b>	<b>163,655</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>(41,806)</b>	<b>14,093</b>	<b>121,023</b>	<b>93,310</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>2,902,490</b>	<b>2,411,425</b>	<b>2,508,806</b>	<b>7,822,721</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 2,860,684</b>	<b>\$ 2,425,518</b>	<b>\$ 2,629,829</b>	<b>\$ 7,916,031</b>

See notes to basic financial statements.

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES**

YEAR ENDED JUNE 30, 2017

Net change in fund balances - total governmental funds.....		\$ 93,310
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital outlay.....	292,263	
Depreciation expense.....	<u>(781,704)</u>	
Net effect of reporting capital assets.....		(489,441)
<p>Revenues in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable (i.e., real estate and personal property, motor vehicle excise, etc.) differ between the two statements. This amount represents the net change in unavailable revenue.....</p>		
		(56,973)
<p>The issuance of long-term debt (e.g., bonds and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.</p>		
Debt service principal payments.....	<u>670,000</u>	
Net effect of reporting long-term debt.....		670,000
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.</p>		
Net change in compensated absences accrual.....	(3,627)	
Net change in capital lease obligation.....	(107,590)	
Net change in deferred outflow/(inflow) of resources related to pensions.....	51,954	
Net change in net pension liability.....	(384,161)	
Net change in other postemployment benefits.....	(379,361)	
Net change in accrued interest on long-term debt.....	<u>14,992</u>	
Net effect of recording long-term liabilities.....		<u>(807,793)</u>
Change in net position of governmental activities.....		\$ <u><u>(590,897)</u></u>

See notes to basic financial statements.

**PROPRIETARY FUNDS**  
STATEMENT OF NET POSITION

JUNE 30, 2017

		Water Enterprise Fund
<b>ASSETS</b>		
CURRENT:		
Cash and cash equivalents.....	\$	242,607
Receivables, net of allowance for uncollectibles:		
Water fees.....		147,822
Total current assets.....		390,429
NONCURRENT:		
Capital assets, nondepreciable.....		17,361
Capital assets, net of accumulated depreciation.....		1,323,499
Total noncurrent assets.....		1,340,860
TOTAL ASSETS.....		1,731,289
<b>LIABILITIES</b>		
CURRENT:		
Warrants payable.....		3,490
Bonds payable.....		116,000
Total current liabilities.....		119,490
NONCURRENT:		
Compensated absences.....		6,348
Bonds and notes payable.....		150,000
Total noncurrent liabilities.....		156,348
TOTAL LIABILITIES.....		275,838
<b>NET POSITION</b>		
Net investment in capital assets.....		1,089,970
Unrestricted.....		365,481
TOTAL NET POSITION.....	\$	1,455,451

See notes to basic financial statements.

**PROPRIETARY FUNDS**  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEAR ENDED JUNE 30, 2017

	Water Enterprise Fund
<u>OPERATING REVENUES:</u>	
Charges for services .....	\$ 456,096
<u>OPERATING EXPENSES:</u>	
Cost of services and administration .....	294,884
Depreciation.....	70,606
TOTAL OPERATING EXPENSES .....	365,490
OPERATING INCOME (LOSS).....	90,606
<u>NONOPERATING REVENUES (EXPENSES):</u>	
Interest expense.....	(6,626)
CHANGE IN NET POSITION.....	83,980
NET POSITION AT BEGINNING OF YEAR.....	1,371,471
NET POSITION AT END OF YEAR.....	\$ 1,455,451

See notes to basic financial statements.

**PROPRIETARY FUNDS**  
**STATEMENT OF CASH FLOWS**

YEAR ENDED JUNE 30, 2017

	Water Enterprise Fund
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>	
Receipts from customers and users.....	\$ 478,610
Payments to vendors.....	(139,626)
Payments to employees.....	<u>(162,848)</u>
NET CASH FROM OPERATING ACTIVITIES.....	<u>176,136</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</u>	
Acquisition and construction of capital assets.....	(26,435)
Principal payments on bonds and notes.....	(117,000)
Interest expense.....	<u>(6,626)</u>
NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES.....	<u>(150,061)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS.....	26,075
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR.....	<u>216,532</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR.....	<u>\$ 242,607</u>
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH</u>	
<u>FROM OPERATING ACTIVITIES:</u>	
Operating income (loss).....	\$ <u>90,606</u>
Adjustments to reconcile operating income (loss) to net	
Cash from operating activities:	
Depreciation.....	70,606
Changes in assets and liabilities:	
Water fee receivable.....	22,514
Warrants payable.....	(3,948)
Accrued payroll.....	(5,202)
Accrued compensated absences.....	<u>1,560</u>
Total adjustments.....	<u>85,530</u>
NET CASH FROM OPERATING ACTIVITIES.....	<u>\$ 176,136</u>

See notes to basic financial statements.

**FIDUCIARY FUNDS**  
**STATEMENT OF FIDUCIARY NET POSITION**

JUNE 30, 2017

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	Other Postemployment Benefit Fund
<b>ASSETS</b>	
Cash and cash equivalents.....	\$ 66,067
<b>NET POSITION</b>	
Held in trust for other postemployment benefits.....	\$ 66,067

See notes to basic financial statements.

**FIDUCIARY FUNDS**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**

YEAR ENDED JUNE 30, 2017

	Other Postemployment Benefit Fund
<u>ADDITIONS:</u>	
Contributions:	
Employer contribution to the trust.....	\$ 20,000
Employer contribution to pay for OPEB benefits.....	171,732
Total contributions.....	191,732
Net investment income:	
Interest.....	405
TOTAL ADDITIONS.....	192,137
<u>DEDUCTIONS:</u>	
OPEB benefits.....	171,732
CHANGE IN NET POSITION.....	20,405
NET POSITION AT BEGINNING OF YEAR.....	45,662
NET POSITION AT END OF YEAR.....	\$ 66,067

See notes to basic financial statements.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying basic financial statements of the Town of Wenham, Massachusetts (the Town) have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the recognized standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies are described herein.

**A. Reporting Entity**

The Town is a municipal corporation governed by an elected three member Board of Selectmen and an appointed Town Administrator.

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

During 2010 the Town established the Wenham Affordable Housing Trust, which is reported within the nonmajor governmental funds. The Trust Fund was initially funded with a gift received in 2008 from a real estate developer for \$703,000. That balance, plus accumulated interest and a \$208,292 contribution from the CPA Fund is being used to increase the Town's stock of affordable housing units. The funds were used to purchase two properties during 2010. One property was sold during 2011 and the other is being held for future resale. The cost to acquire the properties totaled \$517,000. The net realizable value of the property held is estimated at \$189,900. In 2013, the WHAT Friend Court, LLC was created as a Massachusetts single-member manager-managed limited liability company. The single member is the Wenham Affordable Housing Trust and as such the LLC is reported a blended component unit. Ownership of the property has been transferred from the Town's Affordable Housing Trust to the LLC.

The Town has an agreement with the Town of Hamilton to operate a Joint Public Library under the direction of a Joint Board of Library Trustees. The Town is the administrator for all matters associated with the management of the Joint Public Library. All revenues and expenditures related to the operation of the Joint Public Library are accounted for in the Town's General Fund. Reimbursements from the Town of Hamilton for their apportioned share of expenditures are recorded as intergovernmental revenue. In 2017 operating expenses were approximately \$962,000 of which the Town's share totaled \$243,000 and Hamilton's share totaled \$719,000. The \$719,000 is reported as intergovernmental revenue.

The Town also has an agreement with the Town of Hamilton to operate a joint recreation. The program is operated by the Town of Hamilton. The Town of Wenham reimburses Hamilton for Wenham's share of the program. Reimbursements to Hamilton for the program totaled \$61,000 in 2017.

The Town is a member of the Hamilton-Wenham Regional School District (the District) which provides educational services for all levels of schools to both communities. This joint venture assesses each community its share of operating and debt service costs based on student population and other factors. In 2017, Wenham's share of the operating expense totaled \$8,433,000 and its share of the debt service expense totaled \$246,000. There is no equity interest required to be reported in the basic financial statements. Complete audited financial statements can be obtained directly from the District's administrative office located at 5 School Street, Wenham, Massachusetts 01984.

The Town, along with surrounding communities, has entered into an agreement for a regional communication center. The Town's 2017 assessment for the regional communication center of \$82,194 is budgeted as intergovernmental expenditures.

## B. Government-Wide and Fund Financial Statements

### *Government-Wide Financial Statements*

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

### *Fund Financial Statements*

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

#### *Major Fund Criteria*

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

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

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

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

## C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

### *Government-Wide Financial Statements*

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

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

- Charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment.
- Grants and contributions that are restricted to meeting the operational requirements of a particular function or segment.
- Grants and contributions that are restricted to meeting the capital requirements of a particular function or segment.

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

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

#### *Fund Financial Statements*

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

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

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

The following major governmental funds are reported:

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

The *community preservation fund* is used to account for the proceeds of a surcharge to real estate taxes along with a matching state grant. These funds must be spent in accordance with state law.

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

The *special revenue fund* is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than permanent funds or capital projects.

The *capital projects fund* is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets of the governmental funds.

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

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

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

The following proprietary fund type is reported:

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

**Fiduciary** fund financial statements are reported using the flow of economic resources measurement focus and use the accrual basis of accounting. Fiduciary funds are used to account for assets held in a trustee capacity for others that cannot be used to support the governmental programs.

The following fiduciary fund type is reported:

The *other postemployment benefit trust fund* is used to accumulate resources to provide funding for future other postemployment benefits (OPEB) liabilities.

#### D. Cash and Investments

##### *Government-Wide and Fund Financial Statements*

Cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with an original maturity of three months or less from the date of acquisition. Investments are carried at fair value.

#### E. Accounts Receivable

##### *Government-Wide and Fund Financial Statements*

The recognition of revenue related to accounts receivable reported in the government-wide financial statements are reported under the accrual basis of accounting. The recognition of revenue related to accounts receivable reported in the governmental funds financial statements are reported under the modified accrual basis of accounting.

##### **Real Estate, Personal Property Taxes and Tax Liens**

Real estate and personal property taxes are levied and based on values assessed on January 1<sup>st</sup> of every year. Assessed values are established by the Board of Assessors for 100% of the estimated fair market value. Taxes

are due on August 1<sup>st</sup>, November 1<sup>st</sup>, February 1<sup>st</sup> and May 1<sup>st</sup> and are subject to penalties and interest if they are not paid by the respective due date. Real estate and personal property taxes levied are recorded as receivables in the year of the levy.

Real estate tax liens are processed after the close of the valuation year on delinquent properties and are recorded as receivables in the year they are processed.

Real estate receivables are secured via the tax lien process and are considered 100% collectible. Accordingly, an allowance for uncollectibles is not reported.

Personal property taxes cannot be secured through the lien process. The allowance of uncollectibles is estimated based on historical trends and specific account analysis.

### **Motor Vehicle Excise**

Motor vehicle excise taxes are assessed annually for each vehicle registered and are recorded as receivables in the year of the levy. The Commonwealth is responsible for reporting the number of vehicles registered and the fair values of those vehicles. The tax calculation is the fair value of the vehicle multiplied by \$25 per \$1,000 of value.

The allowance for uncollectibles is estimated based on historical trends and specific account analysis.

### **Water Fees**

Water user fees are levied quarterly based on individual meter readings and are subject to penalties and interest if they are not paid by the respective due date. Unbilled user fees are estimated at year-end and are recorded as revenue in the current period. Water liens are processed after year end and included as a lien on the property owner's tax bill.

Since the receivables are secured via the lien process, these accounts are considered 100% collectible and therefore do not report an allowance for uncollectibles.

### **Intergovernmental**

Various federal and state grants for operating and capital purposes are applied for and received annually. For non-expenditure driven grants, receivables are recorded as soon as all eligibility requirements imposed by the provider have been met. For expenditure driven grants, receivables are recorded when the qualifying expenditures are incurred and all other grant requirements are met.

These receivables are considered 100% collectible and therefore do not report an allowance for uncollectibles.

### **F. Inventories**

#### *Government-Wide and Fund Financial Statements*

Inventories are recorded as expenditures at the time of purchase. Such inventories are not material in total to the government-wide financial statements.

**G. Capital Assets**

*Government-Wide and Proprietary Fund Financial Statements*

Capital assets, which include land, buildings, machinery and equipment, and infrastructure (e.g., roads, water mains, and similar items), are reported in the applicable governmental activity column of the government-wide financial statements. Capital assets are recorded at historical cost, or at estimated historical cost, if actual historical cost is not available. Donated capital assets are recorded at the estimated fair market value at the date of donation. Capital assets of the governmental activities column in the government-wide financial statements do not include construction period interest.

All purchases and construction costs in excess of \$5,000 are capitalized at the date of acquisition or construction, respectively, with expected useful lives of greater than one year.

Capital assets (excluding land) are depreciated on a straight-line basis. The estimated useful lives of capital assets are as follows:

<u>Capital Asset Type</u>	<u>Estimated Useful Life (in years)</u>
Buildings.....	40
Machinery and equipment.....	5-50
Infrastructure.....	10-60

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized and are treated as expenses when incurred. Improvements are capitalized.

*Governmental Fund Financial Statements*

Capital asset costs are recorded as expenditures in the acquiring fund in the year of the purchase.

**H. Deferred Outflows/Inflows of Resources**

*Government-Wide Statement of Financial Position and Governmental Funds Balance Sheet*

In addition to assets, these statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The Town has recorded a deferred outflow of resources related to pensions on the government-wide statement of net position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The Town recorded a deferred inflow related to pensions on the government-wide statement of net position.

*Government Fund Financial Statements*

In addition to liabilities, the government funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents assets that have been recorded in the governmental fund financial statements but the revenue is not available and so will *not* be recognized as an inflow of resources (revenue) until it becomes available. The Town has recorded unavailable revenue as deferred inflows of resources in the governmental funds balance sheet.

I. Interfund Receivables and Payables

During the course of its operations, transactions occur between and within individual funds that may result in amounts owed between funds.

*Fund Financial Statements*

Transactions of a buyer/seller nature between and within funds are *not* eliminated from the individual fund statements. Receivables and payables resulting from these transactions are classified as “Due from other funds” or “Due to other funds” on the balance sheet.

*Government Wide Financial Statements*

Transactions of a buyer/seller nature between and within governmental funds are eliminated from the governmental activities in the statement of net position.

J. Interfund Transfers

During the course of its operations, resources are permanently reallocated between and within funds. These transactions are reported as transfers in and transfers out.

*Fund Financial Statements*

Transfers between and within funds are *not* eliminated from the individual fund statements and are reported as transfers in and transfers out.

*Government-Wide Financial Statements*

Transfers between and within governmental funds are eliminated from the governmental activities in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the Statement of Activities as “Transfers, net”.

K. Net Position and Fund Equity*Government-Wide Financial Statements (Net Position)*

Net position are reported as restricted when amounts that are not available for appropriation or are legally restricted by outside parties for a specific future use.

Net position has been “restricted for” the following:

“Permanent funds - expendable” represents the amount of realized and unrealized investment earnings of donor restricted trusts. The donor restrictions and trustee policies only allows the trustees to approve spending of the realized investment earnings that support governmental programs.

“Permanent funds - nonexpendable” represents the endowment portion of donor restricted trusts that support governmental programs.

“Grants and gifts” represents restrictions placed on assets from outside parties and consist primarily of gifts and federal and state grants.

Sometimes the Town will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town’s policy to consider restricted net position to have been depleted before unrestricted net position is applied.

#### *Fund Financial Statements (Fund Balances)*

Governmental fund balances are classified as nonspendable, restricted, committed, assigned, or unassigned based on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

The governmental fund balance classifications are as follows:

“Nonspendable” fund balance includes amounts that cannot be spent because they are either not in spendable form or they are legally or contractually required to be maintained intact.

“Restricted” fund balance includes amounts subject to constraints placed on the use of resources that is either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or that are imposed by law through constitutional provisions or enabling legislation.

“Committed” fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision-making authority. Town Meeting is the highest level of decision making authority that can, by Town Meeting vote, commit funds for a specific purpose. Once voted, the limitation imposed by the vote remains in place until the funds are used for their intended purpose or a vote is taken to rescind the commitment.

“Assigned” fund balance includes amounts that are constrained by the Town’s intent to be used for specific purposes, but are neither restricted nor committed. The Town’s by-laws authorize the Town Accountant to assign fund balance. Assignments generally only exist temporarily. Additional action does not have to be taken for the removal of an assignment.

“Unassigned” fund balance includes the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

#### L. Long-term debt

##### *Government-Wide and Proprietary Fund Financial Statements*

Long-term debt is reported as liabilities in the government-wide and proprietary fund statement of net position. Material bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

*Governmental Fund Financial Statements*

The face amount of governmental funds long-term debt is reported as other financing sources. Bond premiums and discounts, as well as issuance costs, are recognized in the current period. Bond premiums are reported as other financing sources and bond discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual bond proceeds received, are reported as general government expenditures.

M. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Essex Regional Retirement System (System) and additions to/deductions from the System's fiduciary net position have been determined on the same basis as they are reported by the System. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

N. Investment Income

Excluding the permanent funds, investment income derived from major and nonmajor governmental funds is legally assigned to the general fund unless otherwise directed by Massachusetts General Law (MGL).

O. Compensated Absences

Employees are granted vacation and sick leave in varying amounts based on collective bargaining agreements, state laws and executive policies.

*Government-Wide and Proprietary Fund Financial Statements*

Vested or accumulated vacation and sick leave are reported as liabilities and expensed as incurred.

*Governmental Fund Financial Statements*

Vested or accumulated vacation and sick leave, which will be liquidated with expendable available financial resources, are reported as expenditures and fund liabilities.

P. Use of Estimates*Government-Wide and Fund Financial Statements*

The preparation of basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure for contingent assets and liabilities at the date of the basic financial statements and the reported amounts of the revenues and expenditures/expenses during the year. Actual results could vary from estimates that were used.

Q. Total Column*Fund Financial Statements*

The total column on the fund financial statements is presented only to facilitate financial analysis. Data in this column is not the equivalent of consolidated financial information.

## R. Fair Value Measurements

The Town reports required types of financial instruments in accordance with the fair value standards. These standards require an entity to maximize the use of observable inputs (such as quoted prices in active markets) and minimize the use of unobservable inputs (such as appraisals or valuation techniques) to determine fair value. Fair value standards also require the government to classify these financial instruments into a three-level hierarchy, based on the priority of inputs to the valuation technique or in accordance with net asset value practical expedient rules, which allow for either Level 2 or Level 3 depending on lock up and notice periods associated with the underlying funds.

Instruments measured and reported at fair value are classified and disclosed in one of the following categories:

Level 1 – Quoted prices are available in active markets for identical instruments as of the reporting date. Instruments, which are generally included in this category, include actively traded equity and debt securities, U.S. government obligations, and mutual funds with quoted market prices in active markets.

Level 2 – Pricing inputs are other than quoted in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. Certain fixed income securities, primarily corporate bonds, are classified as Level 2 because fair values are estimated using pricing models, matrix pricing, or discounted cash flows.

Level 3 – Pricing inputs are unobservable for the instrument and include situations where there is little, if any, market activity for the instrument. The inputs into the determination of fair value require significant management judgment or estimation.

In some instances the inputs used to measure fair value may fall into different levels of the fair value hierarchy and is based on the lowest level of input that is significant to the fair value measurement.

Market price is affected by a number of factors, including the type of instrument and the characteristics specific to the instrument. Instruments with readily available active quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value. It is reasonably possible that change in values of these instruments will occur in the near term and that such changes could materially affect amounts reported in these financial statements. For more information on the fair value of the Town's financial instruments, see Note 2 – Cash and Investments.

## **NOTE 2 – CASH AND INVESTMENTS**

A cash and investment pool is maintained that is available for use by all funds. Each fund type's portion of this pool is displayed on the balance sheet as "Cash and Cash Equivalents". The deposits and investments of the trust funds are held separately from those of other funds.

Statutes authorize the Town to invest in obligations of the U.S. Treasury, agencies, and instrumentalities, certificates of deposit, repurchase agreements, money market accounts, bank deposits and the State Treasurer's investment pool (the Pool). In addition, there are various restrictions limiting the amount and length of deposits and investments.

### Custodial Credit Risk – Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Town has not formally adopted a policy for custodial credit risk of deposits. At year-end, the carrying amount of deposits totaled \$6,816,829 and the bank balance totaled \$7,068,046. Of the bank balance, \$1,276,286 was covered by Federal Depository Insurance, \$2,181,740 was covered by Depositors

Insurance Fund, \$143,941 was covered by the Securities Investor Protector Corporation, \$1,284,230 was collateralized, and \$2,181,849 was exposed to custodial credit risk because it was uninsured and uncollateralized.

#### Custodial Credit Risk – Investments

For an investment, this is the risk that, in the event of a failure by the counterparty, the government will not be able to recover the value of its investments or collateral security that are in the possession of an outside party.

The Town has adopted a custodial credit risk policy requiring all securities not held directly by the Town be held in the Town's name and tax identification number by a third party custodian approved by the Treasurer and evidenced by safekeeping receipts showing individual CUSIP numbers for each security.

#### Investments and Fair Value Measurements

The Town holds investments that are measured at fair value on a recurring basis. Because investing is not a core part of the Town's mission, the Town determines that the disclosures related to these investments only need to be disaggregated by major type. The Town chooses a tabular format for disclosing the levels within the fair value hierarchy.

The following table presents financial assets at June 30, 2017, that the Town measures fair value on a recurring basis, by level, within the fair value hierarchy:

Investment Type	Fair Value Measurements Using		
	6/30/2017	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
<u>Debt Securities:</u>			
U.S. Government Securities:			
U.S. government treasuries.....	\$ 304,184	\$ 304,184	\$ -
Corporate bonds.....	275,232	-	275,232
Government sponsored enterprises.....	607,343	607,343	-
Total Debt Securities.....	<u>1,186,759</u>	<u>911,527</u>	<u>275,232</u>
<u>Other Investments:</u>			
Money market mutual funds.....	58,507	58,507	-
Equity mutual funds.....	104,655	104,655	-
Total other investments.....	<u>163,162</u>	<u>163,162</u>	<u>-</u>
Total Investments measured at fair value.....	<u>\$ 1,349,921</u>	<u>\$ 1,074,689</u>	<u>\$ 275,232</u>

Debt and equity securities, U.S. Government Treasuries and Government Sponsored Enterprises, Mutual Funds, Repurchase Agreements, and MMDT classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are

valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Interest Rate Risk

The Town's policy limits the investment duration as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk

The Town's policy is to minimize the concentration of credit risk by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized.

More than 30 percent of the Town's investments are in the following securities:

<u>Issuer</u>	<u>Percentage of Total Investments</u>
Federal Home Loan Mortgage Corporation.....	45%

**NOTE 3 – RECEIVABLES**

At June 30, 2017, receivables for the governmental funds, in the aggregate, including the applicable allowance for uncollectibles, are as follows:

	<u>Gross Amount</u>	<u>Allowance for Uncollectibles</u>	<u>Net Amount</u>
<u>Receivables:</u>			
Real estate and personal property taxes.....	\$ 185,737	\$ (1,700)	\$ 184,037
Real estate tax deferrals.....	35,064	-	35,064
Community preservation fund surtax .....	3,769	-	3,769
Tax liens.....	85,425	-	85,425
Motor vehicle excise taxes.....	96,197	(17,300)	78,897
Departmental and other.....	15,506	-	15,506
Intergovernmental.....	313,100	-	313,100
Community preservation fund state share.....	51,000	-	51,000
Total.....	<u>\$ 785,798</u>	<u>\$ (19,000)</u>	<u>\$ 766,798</u>

At June 30, 2017, receivables for the water enterprise consist of the following:

	<u>Gross Amount</u>	<u>Allowance for Uncollectibles</u>	<u>Net Amount</u>
<u>Receivables:</u>			
Water fees.....	<u>\$ 147,822</u>	<u>\$ -</u>	<u>\$ 147,822</u>

Governmental funds report *deferred inflows of resources* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of *deferred inflows of resources* reported in the governmental funds were as follows:

	General Fund	Community Preservation	Other Governmental Funds	Total
<u>Receivable type:</u>				
Real estate and personal property taxes.....	\$ 159,586	\$ -	\$ -	\$ 159,586
Real estate tax deferrals.....	35,064	-	-	35,064
Community preservation fund surtax .....	-	3,769	-	3,769
Tax liens.....	85,425	-	-	85,425
Motor vehicle excise taxes.....	78,897	-	-	78,897
Intergovernmental.....	-	-	313,100	313,100
Community preservation fund state share.....	-	51,000	-	51,000
<u>Other asset type:</u>				
Tax foreclosures.....	368,456	-	-	368,456
Total.....	<u>\$ 727,428</u>	<u>\$ 54,769</u>	<u>\$ 313,100</u>	<u>\$ 1,095,297</u>

**NOTE 4 – CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2017, was as follows:

<b>Governmental Activities:</b>	Beginning Balance	Increases	Decreases	Ending Balance
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 486,680	\$ -	\$ -	\$ 486,680
Construction in progress.....	483,673	32,008	(226,044)	289,637
Total capital assets not being depreciated.....	970,353	32,008	(226,044)	776,317
<u>Capital assets being depreciated:</u>				
Buildings.....	10,554,735	-	-	10,554,735
Machinery and equipment.....	2,346,724	212,399	-	2,559,123
Vehicles.....	2,465,668	208,655	-	2,674,323
Infrastructure.....	3,647,817	65,245	-	3,713,062
Total capital assets being depreciated.....	19,014,944	486,299	-	19,501,243
<u>Less accumulated depreciation for:</u>				
Buildings.....	(2,894,173)	(254,909)	-	(3,149,082)
Machinery and equipment.....	(1,380,167)	(201,638)	-	(1,581,805)
Vehicles.....	(1,532,972)	(243,489)	-	(1,776,461)
Infrastructure.....	(813,879)	(81,668)	-	(895,547)
Total accumulated depreciation.....	(6,621,191)	(781,704)	-	(7,402,895)
Total capital assets being depreciated, net.....	12,393,753	(295,405)	-	12,098,348
Total governmental activities capital assets, net.....	<u>\$ 13,364,106</u>	<u>\$ (263,397)</u>	<u>\$ (226,044)</u>	<u>\$ 12,874,665</u>

<b>Business-Type Activities:</b>	Beginning Balance	Increases	Decreases	Ending Balance
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 17,361	\$ -	\$ -	\$ 17,361
<u>Capital assets being depreciated:</u>				
Machinery and equipment.....	284,989	-	-	284,989
Vehicles.....	120,682	26,435	-	147,117
Infrastructure.....	1,808,516	-	-	1,808,516
Total capital assets being depreciated.....	<u>2,214,187</u>	<u>26,435</u>	<u>-</u>	<u>2,240,622</u>
<u>Less accumulated depreciation for:</u>				
Machinery and equipment.....	(175,972)	(29,307)	-	(205,279)
Vehicles.....	(92,185)	(2,644)	-	(94,829)
Infrastructure.....	<u>(578,360)</u>	<u>(38,655)</u>	<u>-</u>	<u>(617,015)</u>
Total accumulated depreciation.....	<u>(846,517)</u>	<u>(70,606)</u>	<u>-</u>	<u>(917,123)</u>
Total capital assets being depreciated, net.....	<u>1,367,670</u>	<u>(44,171)</u>	<u>-</u>	<u>1,323,499</u>
Total business-type activities capital assets, net.....	<u>\$ 1,385,031</u>	<u>\$ (44,171)</u>	<u>\$ -</u>	<u>\$ 1,340,860</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

<b>Governmental Activities:</b>	
General government.....	\$ 207,646
Public safety.....	218,835
Public works.....	235,383
Culture and recreation.....	<u>119,840</u>
Total depreciation expense - governmental activities.....	<u>\$ 781,704</u>
<b>Business-Type Activities:</b>	
Water.....	<u>\$ 70,606</u>

**NOTE 5 – INTERFUND TRANSFERS**

In 2017, the Town transferred \$5,000 from nonmajor funds to the General Fund was voted to support the General Fund operations.

**NOTE 6 – CAPITAL LEASES**

The Town has entered into several lease agreements to finance the acquisition of vehicles. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. The following identifies the assets acquired through capital lease agreements:

<u>Asset:</u>	<u>Governmental Activities</u>
Machinery and equipment.....	\$ 229,250
Less: accumulated depreciation.....	<u>(73,192)</u>
Total.....	<u>\$ 156,058</u>

The future minimum lease obligations and the net present value of these minimum lease payments at June 30, 2017, are as follows:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>
2018.....	\$ 57,667
2019.....	42,991
2020.....	<u>42,990</u>
Total minimum lease payments.....	143,648
Less: amounts representing interest.....	<u>(9,130)</u>
Present value of minimum lease payments.....	<u>\$ 134,518</u>

**NOTE 7 – SHORT-TERM FINANCING**

The Town is authorized to borrow on a temporary basis to fund the following:

- Current operating costs prior to the collection of revenues through issuance of revenue or tax anticipation notes (RANS or TANS).
- Capital project costs and other approved expenditures incurred prior to obtaining permanent financing through issuance of bond anticipation notes (BANS) or grant anticipation notes (GANS).

Short-term loans are general obligations of the Town and carry maturity dates that are limited by statute. Interest expenditures for short-term borrowings are accounted for in the General Fund.

There was no short-term debt issued during 2017 or outstanding at June 30, 2017.

**NOTE 8 – LONG-TERM DEBT**

State law permits the Town, under the provisions of Chapter 44, Section 10, to authorize indebtedness up to a limit of 5% of its equalized valuation. Debt issued in accordance with this section of the law is designated as being "inside the debt limit". In addition, however, a Town may authorize debt in excess of that limit for specific purposes. Such debt, when issued, is designated as being "outside the debt limit".

Details related to the Town's outstanding indebtedness at June 30, 2017, and the debt service requirements are as follows:

**Bonds Payable Schedule**

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2016	Issued	Redeemed	Outstanding at June 30, 2017
<i>Governmental:</i>							
Town Hall/Police Station.....	2017	\$ 6,358,500	3.88 - 4.50	\$ 330,000	\$ -	\$(330,000)	\$ -
Fire Truck.....	2017	465,000	4.25 - 4.50	45,000	-	(45,000)	-
Drainage/Road Repair.....	2023	656,811	2.00 - 3.25	459,000	-	(39,000)	420,000
Energy Service Company.....	2023	288,000	2.00 - 2.25	168,000	-	(24,000)	144,000
Library.....	2020	294,600	2.00	220,000	-	(60,000)	160,000
Lease Buyback.....	2020	73,600	2.00	60,000	-	(15,000)	45,000
Town Hall Renovations.....	2020	49,100	2.00	40,000	-	(10,000)	30,000
Town Hall/Police Station.....	2027	2,965,300	2.00 - 4.00	2,945,000	-	(20,000)	2,925,000
State House Serial Loan Notes.....	2021	592,000	2.70	592,000	-	(127,000)	465,000
<b>Total Governmental Debt.....</b>				<b>4,859,000</b>	<b>-</b>	<b>(670,000)</b>	<b>4,189,000</b>
<i>Enterprise:</i>							
Water Tower.....	2018	258,189	2.00 - 2.25	73,000	-	(37,000)	36,000
Water.....	2020	392,400	2.00	310,000	-	(80,000)	230,000
<b>Total Enterprise Debt.....</b>				<b>383,000</b>	<b>-</b>	<b>(117,000)</b>	<b>266,000</b>
<b>Total Debt.....</b>				<b>\$ 5,242,000</b>	<b>\$ -</b>	<b>\$(787,000)</b>	<b>\$ 4,455,000</b>

Debt service requirements for principal and interest for governmental bonds payable in future years are as follows:

Year	Principal	Interest	Total
2018.....	\$ 589,000	\$ 103,606	\$ 692,606
2019.....	605,000	90,496	695,496
2020.....	590,000	76,973	666,973
2021.....	510,000	64,185	574,185
2022.....	395,000	53,375	448,375
2023.....	390,000	44,025	434,025
2024.....	280,000	36,350	316,350
2025.....	280,000	27,600	307,600
2026.....	275,000	16,500	291,500
2027.....	275,000	5,500	280,500
<b>Total.....</b>	<b>\$ 4,189,000</b>	<b>\$ 518,610</b>	<b>\$ 4,707,610</b>

**Bonds and Notes Payable Schedule – Enterprise Fund**

Debt service requirements for principal and interest for enterprise fund bonds payable in future years are as follows:

Year	Principal	Interest	Total
2018.....	\$ 116,000	\$ 4,205	\$ 120,205
2019.....	75,000	2,250	77,250
2020.....	75,000	750	75,750
Total.....	<u>\$ 266,000</u>	<u>\$ 7,205</u>	<u>\$ 273,205</u>

The Town is subject to various debt limits by statute and may issue additional general obligation debt under the normal debt limit. At June 30, 2017, the Town had the following authorized and unissued debt:

Purpose	Amount
ESCO.....	\$ 260,955
DPW Equipment.....	23,000
Finance/Police Hardware Upgrades...	14,700
Finance/Police Software Upgrades....	38
Total.....	<u>\$ 298,693</u>

General Long-Term Liabilities

The Town records its liability for long-term bonds and notes in the Government-wide financial statements. Other general long-term obligations recognized by the Town are its obligations for compensated absence benefits (sick and vacation pay), net pension liability, and other postemployment benefits.

During the year ended June 30, 2017, the following changes occurred in long-term liabilities:

	Balance June 30, 2016	Bonds and Notes Issued	Bonds and Notes Redeemed	Other Net Increase (Decrease)	Balance June 30, 2017	Current Portion
<b>Governmental Activities:</b>						
Long-Term Bonds and Notes.....	\$ 4,859,000	\$ -	\$ (670,000)	\$ -	\$ 4,189,000	\$ 589,000
Compensated Absences.....	37,750	-	-	15,836	53,586	12,265
Capital Leases.....	26,928	-	-	107,590	134,518	52,680
Net Pension Liability.....	7,449,402	-	-	384,161	7,833,563	-
Other Postemployment Benefits.....	1,750,599	-	-	379,361	2,129,960	-
Total.....	<u>\$ 9,264,679</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 886,948</u>	<u>\$ 10,151,627</u>	<u>\$ 64,945</u>
<b>Business-Type Activities:</b>						
Long-Term Bonds and Notes.....	\$ 383,000	\$ -	\$ (117,000)	\$ -	\$ 266,000	\$ 116,000
Compensated Absences.....	4,788	-	-	1,560	6,348	-
Total.....	<u>\$ 387,788</u>	<u>\$ -</u>	<u>\$ (117,000)</u>	<u>\$ 1,560</u>	<u>\$ 272,348</u>	<u>\$ 116,000</u>

**NOTE 9 – GOVERNMENTAL FUND BALANCE CLASSIFICATIONS**

The Town classifies fund balance according to the constraints imposed on the uses of the resources.

There are two major types of fund balances, which are nonspendable and spendable. Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund. The Town has reported principal portions of endowment funds as nonspendable.

In addition to the nonspendable fund balance, GASB 54 has provided a hierarchy of spendable fund balances, based on a hierarchy of spending constraints.

- Restricted: fund balances that are constrained by external parties, constitutional provisions, or enabling legislation.
- Committed: fund balances that contain self-imposed constraints of the government from its highest level of decision making authority.
- Assigned: fund balances that contain self-imposed constraints of the government to be used for a particular purpose.
- Unassigned: fund balance of the general fund that is not constrained for any particular purpose.

The Town has classified its fund balances with the following hierarchy:

	<u>General</u>	<u>Community Preservation</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>FUND BALANCES</b>				
Nonspendable:				
Permanent Fund Principal..... \$	-	-	806,288	806,288
Assets Held for Resale.....	-	-	189,900	189,900
Restricted for:				
Community Preservation.....	-	2,425,518	-	2,425,518
Affordable Housing.....	-	-	654,326	654,326
Town Hall and Police Station Project.....	-	-	1,252	1,252
Federal and State Grants.....	-	-	177,208	177,208
Receipts Reserved for Appropriation.....	-	-	70,562	70,562
Gifts and Revolving Funds.....	-	-	541,512	541,512
Highway Capital Projects.....	-	-	95,035	95,035
Expendable Trust Funds.....	-	-	93,746	93,746
Assigned to:				
General Government.....	26,288	-	-	26,288
Public Safety.....	3,623	-	-	3,623
Public Works.....	13,066	-	-	13,066
Human Services.....	1,000	-	-	1,000
Reserved for Subsequent Year Expenditures...	966,000	-	-	966,000
Unassigned.....	1,850,707	-	-	1,850,707
<b>TOTAL FUND BALANCES..... \$</b>	<b><u>2,860,684</u></b>	<b><u>2,425,518</u></b>	<b><u>2,629,829</u></b>	<b><u>7,916,031</u></b>

Massachusetts General Law Ch.40 §5B allows for the establishment of stabilization funds for one or more different purposes. The creation of a fund requires a two-thirds vote of the legislative body and must clearly define the purpose of the fund. Any change to the purpose of the fund along with any additions to or appropriations from the fund requires a two-thirds vote of the legislative body.

In accordance with Statement No. 54, the Town's \$520,387 stabilization fund has been reported in the general fund as unassigned.

## **NOTE 10 – PENSION PLAN**

### *Plan Description*

The Town is a member of the Essex Regional Retirement System (ERRS), a cost-sharing multiple-employer defined benefit pension plan covering eligible employees of the 47 member units. The System is administered by five board members (Board) on behalf of all current employees and retirees except for current teachers and retired teachers. Chapter 32 of the MGL assigns authority to establish and amend benefit provisions of the plan. The System issues a publically available, audited financial report that may be obtained by contacting the System located at 491 Maple Street, Suite 202, Danvers, MA 01923 or by visiting [www.essexregional.com](http://www.essexregional.com).

### *Benefits Provided*

The System provides retirement, disability, survivor and death benefits to plan members and beneficiaries. Massachusetts Contributory Retirement System benefits are, with certain minor exceptions, uniform from system to system. The System provides for retirement allowance benefits up to a maximum of 80% of a member's highest three-year average annual rate of regular compensation. For persons who became members on or after April 2, 2012, average salary is the average annual rate of regular compensation received during the five consecutive years that produce the highest average, or, if greater, during the last five years (whether or not consecutive) preceding retirement. Benefit payments are based upon a member's age, length of creditable service, level of compensation, and group classification. Members become vested after ten years of creditable service.

Employees who resign from service and who are not eligible to receive a retirement allowance or are under the age of 55 are entitled to request a refund of their accumulated total deductions. Survivor benefits are extended to eligible beneficiaries of members whose death occurs prior to or following retirement.

Cost-of-living adjustments granted between 1981 and 1997 and any increase in other benefits imposed by the Commonwealth's state law during those years are borne by the Commonwealth and are deposited into the pension fund. Cost-of-living adjustments granted after 1997 must be approved by the Board and are borne by the System.

There were no changes in benefit terms that effect the measurement of the total pension liability this year.

### *Contributions*

Chapter 32 of the MGL governs the contributions of plan members and member units. Active plan members are required to contribute to the System at rates ranging from 5% to 9% of gross regular compensation with an additional 2% contribution required for compensation exceeding \$30,000. The percentage rate is keyed to the date upon which an employee's membership commences. The member units are required to pay into the ERRS a legislatively mandated actuarial determined contribution that is apportioned among the employers based on active current payroll. The Town's proportionate share of the required contribution equaled its actual contribution

for the year ended December 31, 2016 was \$589,102 and 21.49% of covered payroll, actuarially determined as an amount that, when combined with plan member contributions, is expected to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability.

*Pension Liabilities*

At June 30, 2017, the Town reported a liability of \$7,833,563 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2016. Accordingly, update procedures were used to roll forward the total pension liability to the measurement date. The Town’s proportion of the net pension liability was based on a projection of the Town’s long-term share of contributions to the pension plan relative to the projected contributions of all participating members. At December 31, 2016, the Town’s proportion was 2.03%, which changed from 2.05% proportion measured at December 31, 2015.

*Pension Expense*

For the year ended June 30, 2017, the Town recognized pension expense of \$921,309. At June 30, 2017, the Town reported deferred outflows and inflows of resources related to pensions of \$769,746 and \$195,061, respectively, from the net difference between expected and actual experience, between projected and actual investment earnings on pension plan investments along with changes in proportion.

The balances of deferred outflows and inflows at June 30, 2017 consist of the following:

Deferred category	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Differences between expected and actual experience.....\$	-	\$ (141,070)	\$ (141,070)
Changes in assumptions.....	331,994	-	331,994
Differences between projected and actual investment earnings.....	343,149	-	343,149
Changes in proportionate share of contributions.....	94,603	(53,991)	40,612
Total Deferred Outflows/(Inflows) of Resources.....\$	769,746	\$ (195,061)	\$ 574,685

The Town’s deferred inflows (inflows) of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30:</u>	
2018.....\$	170,213
2019.....	170,213
2020.....	177,658
2021.....	50,081
2022.....	6,520
Total.....\$	574,685

*Actuarial Assumptions* - The total pension liability in the January 1, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement that was updated to December 31, 2016:

Valuation date.....	January 1, 2016
Actuarial cost method.....	Entry Age Normal Cost Method.
Amortization method.....	The total appropriation is set to increase annually by 7.41% for five years, then by 6.36% for one year and 4.0% increases annually thereafter until the final year which will be 3.89%,
Remaining amortization period.....	18 years for the fresh start base.
Asset valuation method.....	Market value adjusted by accounts payable and receivables adjusted to phase in over 5 years investment gains or losses above or below the expected rate of investment return. The actuarial value of assets must be no less than 90% of the adjusted market value nor more than 110% of the adjusted market value.
Projected salary increases.....	3.75% ultimate rate, with steps. 7.50% year one, 6.5% year two, 6.00% year three, 5.5% year four, 5.00% year five.
Cost of living adjustments.....	3.0% of the first \$13,000 of a members retirement allowance is assumed to be granted every year.
Rates of retirement.....	Varies based upon age for general employees, police and fire employees.
Rates of disability.....	Disability is assumed to be 45% ordinary and 55% accidental for Group 1 and Group 2 and 10% ordinary and 90% accidental for Group 4.
Mortality Rates:	
Pre-Retirement.....	The RP-2000 mortality table (sex-distinct) projected with scale BB and Generational Mortality. During employment the healthy employee mortality table was used. Post-employment the healthy annuitant table is used.
Disabled Retiree.....	The RP-2000 mortality table for healthy annuitants (sex-distinct) projected with scale BB and Generational Mortality set-forward by two years. Death is assumed to be due to the same cause as the disability 40% of the time.
Investment rate of return/Discount rate.....	7.75% per year.

*Investment policy* - The pension plan’s policy in regard to the allocation of invested assets is established by PRIT. Plan assets are managed on a total return basis with a long-term objective of achieving a fully funded status for the benefits provided through the pension plan.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan

investment expense and inflation of 3.0%) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 3.0%. Best estimates of geometric real rates of return for each major asset class included in the pension plan’s target asset allocation as of January 1, 2016 are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return	Long-Term Expected Asset Allocation
<b>Global Equity</b>		
Large Cap Equities.....	4.50%	14.50%
Mid/Small Cap Equities.....	4.75%	3.50%
International Equities.....	4.83%	16.00%
Emerging International Equities.....	6.61%	6.00%
<b>Core Fixed Income</b>		
Core Bonds.....	1.00%	5.00%
20+ Year Treasuries.....	0.75%	5.00%
TIPS.....	0.75%	3.00%
<b>Value Added Fixed Income</b>		
High-Yield Bonds.....	2.75%	1.50%
Bank Loans.....	3.00%	1.50%
EMD (External).....	2.75%	1.00%
EMD (Local Currency).....	3.50%	2.00%
Private Debt.....	3.06%	4.00%
Private Equity.....	3.50%	10.00%
Real Estate.....	3.50%	10.00%
Timber/Natural Resources.....	3.00%	4.00%
Hedge Funds and Portfolio Completion.....	3.48%	13.00%
		100.00%

*Discount rate:* The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that contributions will be made at rates equal to the actuarially determined contribution rate. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the net position liability to changes in the discount rate.* The following presents the net position liability, calculated using the discount rate of 7.75%, as well as what the net position liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75%) or 1-percentage-point higher (8.75%) than the current rate:

	1% Decrease (6.75%)	Current Discount (7.75%)	1% Increase (8.75%)
The Town's proportionate share of the net pension liability..... \$	9,601,367	\$ 7,833,563	\$ 6,525,695

*Pension plan fiduciary net position* - Detailed information about the pension plan’s fiduciary net position is available in the separately issued Essex Regional Retirement System financial report.

**NOTE 11 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS**

*Plan Description* – The Town of Wenham administers a single-employer defined benefit healthcare plan (“the Retiree Health Plan”). The plan provides healthcare, dental, and life insurance for eligible retirees and their spouses through the Town’s group health insurance plan, which covers both active and retired members. Chapter 32B of the MGL assigns authority to establish and amend benefit provisions of the plan. Benefit provisions are negotiated between the Town and the unions representing Town employees and are renegotiated each bargaining period. The Retiree Health Plan does not issue a publicly available financial report.

*Funding Policy* – The contribution requirements of plan members and the Town are established and may be amended by the Town. The required contribution is based on a pay-as-you-go financing requirement. The Town contributes 75 percent of the cost of current-year premiums for health and life insurance for eligible retired plan members and their spouses. Plan members receiving benefits contribute the remaining 25 percent of their premium costs for health and life insurance and all of the premiums related to dental insurance.

The Commonwealth of Massachusetts passed special legislation that has allowed the Town to establish a postemployment benefit trust fund for the purpose of accumulating assets to pre-fund its OPEB liabilities. The Town Treasurer is the custodian and Trustee of the OPEB Fund. The Trustee has the authority to employ an Executive Director, outside investment managers, custodians, consultants, and others as it deems necessary to formulate policies and procedures and to take such other actions as necessary and appropriate to manage the assets.

During 2017, the Town pre-funded future OPEB liabilities totaling approximately \$20,000 by contributing funds to the Other Postemployment Benefit Fund in excess of the pay-as-you-go required contribution. These funds are reported within the Fiduciary Funds financial statements. As of June 30, 2017, the balance of this fund totaled \$66,067. The Town has adopted a long-term policy of pre-funding future OPEB liabilities. The policy may be amended at any time by the Town’s Board of Selectmen.

The annual money-weighted rate of return on OPEB plan investments was 0.89%. The money-weighted rate of return expresses investment performance, net of OPEB plan investment expense, adjusted for the changing amounts actually invested.

*Plan Membership* – The following table represents the Plan’s membership at June 30, 2017:

Active members.....	40
Inactive employees or beneficiaries currently receiving benefits.....	<u>31</u>
Total.....	<u><u>71</u></u>

*Components of OPEB Liability* – The following table represents the components of the Plan’s OPEB liability as of June 30, 2017:

Total OPEB liability.....	\$ 4,912,630
Less: OPEB plan's fiduciary net position.....	<u>(66,067)</u>
Net OPEB liability.....	<u><u>\$ 4,846,563</u></u>
The OPEB plan's fiduciary net position as a percentage of the total OPEB liability.....	1.34%

*Significant Actuarial Methods and Assumptions* – The total OPEB liability in the July 1, 2015 actuarial valuation was determined by using the following actuarial assumptions actuarial, applied to all periods including the measurement date that was updated to June 30, 2017 to be in accordance with GASB #74:

Actuarial Assumptions:

Valuation date.....	Actuarially determined contribution was calculated as of June 30, 2017.
Actuarial cost method.....	Individual Entry Age Normal
Asset valuation method.....	Market Value of Assets as of the Reporting Date, June 30, 2017.
Investment rate of return.....	6.33%, including inflation of 2.75% and net of investment expense of 0.25%
Long-term Expected Real Rate of Investment Return.....	3.83%, based on Investment Policy Statement and target allocation
Municipal Bond Rate.....	3.13% as of June 30, 2017 per S&P Municipal Bond High Grade Index - SAPIHG
Single equivalent discount rate.....	5.00%, net of OPEB plan investment expense, including inflation. Using a blend of the Municipal Bond Rate for unfunded periods and the Investment Rate of Return for funded periods.
Inflation.....	2.75% as of June 30, 2017 and for future periods.
Salary increases.....	3.00% annually
Healthcare cost trend rate.....	5.0%
Pre-Retirement mortality.....	RP-2000 Employees Mortality Table projected generationally with scale BB and a base year 2009 for males and females.
Post-Retirement mortality.....	RP-2000 Healthy Annuitant Mortality Table projected generationally with scale BB and a base year 2009 for males and females.
Disabled mortality.....	RP-2000 Healthy Annuitant Table projected generationally with scale BB and a base year 2012 for males and females.
Change in assumptions.....	Discount rate is 5.00% previously 4.00%.

*Investment policy*

The OPEB plan's assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the OPEB plan. The long-term real rate of return on OPEB investments was determined using the Town's investment policy.

The long-term expected rate of return on OPEB plan investments was determined using the building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. Those ranges are combined to produce the long-term expected rate of return by weighting the future real rates of return by the target asset allocation percentage and by adding expected inflation. The plan's expected future real rate of return of 3.83% is added to the expected inflation of 3.00% less expected investment expense of 0.25% to produce the expected returns of 6.33%. The Single Equivalent Discount Rate is calculated by blending this rate for funded periods with the risk free rate of 3.13% for unfunded periods. The risk free rate was obtained by referring to the S&P municipal bond 20 year high grade rate index as of June 30, 2017.

*Sensitivity of the net position liability to changes in the discount rate* – The following table presents the net other postemployment benefit liability and service cost, calculated using the discount rate of 5.00%, as well as what the net other postemployment benefit liability and service cost would be if it were calculated using a discount rate that is 1-percentage-point lower (4.00%) or 1-percentage-point higher (6.00%) than the current rate.

	1% Decrease 4.00%	Current Discount Rate 5.00%	1% Increase 6.00%
Net OPEB liability.....	\$ 5,580,530	\$ 4,846,563	\$ 4,251,145

*Sensitivity of the net position liability to changes in the healthcare trend* – The following table presents the net other postemployment benefit liability and service cost, calculated using the current healthcare trend rate of 5.00%, as well as what the net other postemployment benefit liability and service cost would be if it were calculated using a healthcare trend rate that is 1-percentage-point lower (4.00%) or 1-percentage-point higher (6.00%).

	1% Decrease (4.00%)	Current Trend (5.00%)	1% Increase (6.00%)
Net OPEB liability.....	\$ 3,977,075	\$ 4,846,563	\$ 5,939,777

*Annual OPEB Cost and Net OPEB Obligation* – The Town’s annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The components of the Town’s annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Town’s net OPEB obligation are summarized in the following table:

Annual required contribution.....	\$ 496,750
Amortization of Actuarial (Gains) / Losses.....	69,224
Adjustments to annual required contribution.....	(96,232)
Interest on net OPEB obligation.....	<u>101,351</u>
Annual OPEB cost (expense).....	<u>571,093</u>
Benefit payments.....	(171,732)
Employer contribution to the trust.....	<u>(20,000)</u>
Contributions made.....	<u>(191,732)</u>
Increase/(Decrease) in OPEB Obligation.....	379,361
Net OPEB Obligation - beginning of year.....	<u>1,750,599</u>
Net OPEB Obligation - end of year.....	<u>\$ 2,129,960</u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2017 and the previous years was as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2017	\$ 571,093	34%	\$ 2,129,960
6/30/2016	542,142	29%	\$ 1,750,599
6/30/2015	419,397	40%	\$ 1,368,206
6/30/2014	402,612	41%	1,118,393

*Funded Status and Funding Progress* – The funded status of the plan as of the most recent actuarial valuation dates are as follows:

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (A)</u>	<u>Actuarial Liability (AAL) Projected Unit Credit (B)</u>	<u>Unfunded AAL (UAAL) (B-A)</u>	<u>Funded Ratio (A/B)</u>	<u>Covered Payroll (C)</u>	<u>UAAL as a Percentage of Covered Payroll ((B-A)/C)</u>
7/1/2015	\$ 25,371	\$ 5,059,967	\$ 5,034,596	1%	\$ N/A	N/A
7/1/2012	-	4,006,943	4,006,943	0%	3,385,097	118.4%
7/1/2009	-	4,053,759	4,053,759	0%	3,153,907	128.5%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

*Actuarial Methods and Assumptions* – Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2015, actuarial valuation, actuarial liabilities were determined using the projected unit credit cost method. The actuarial assumptions included a 4.0% investment return assumption, which is based on the expected yield on the assets of the Town, calculated based on the funded level of the plan at the valuation date, and an annual medical/drug cost trend rate of 5% initially, graded to 6% over 3 years and included a 2.5% inflation assumption. The UAAL is being amortized over a 30 year period, with a flat dollar amortization. The remaining amortization period at June 30, 2017 is 23 years.

**NOTE 12 – RISK FINANCING**

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Town carries commercial insurance. The Town participates in premium-based health care plans for its employees and retirees. The Town participates in a premium-based workers' compensation insurance plan for its employees.

The amount of settlements has not exceeded the coverage in any of the last three years.

**NOTE 13 – CONTINGENCIES**

The Town participates in a number of federal award programs. These programs are subject to financial and compliance audits. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

Various legal actions and claims are pending against the Town. Litigation is subject to many uncertainties, and the outcome of individual litigated matters is not always predictable. Although the amount of liability, if any, at June 30, 2017, cannot be ascertained, management believes any resulting liability should not materially affect the financial position of the Town at June 30, 2017.

**NOTE 14 – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through December 20, 2017 which is the date the financial statements were available to be issued.

**NOTE 15 – IMPLEMENTATION OF NEW GASB PRONOUNCEMENTS**

During 2017, the following GASB pronouncements were implemented:

- GASB Statement #74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. The basic financial statements, related notes and required supplementary information were updated to be in compliance with this pronouncement.
- GASB Statement #77, *Tax Abatement Disclosures*. This pronouncement did not impact the basic financial statements.
- GASB Statement #78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. This pronouncement did not impact the basic financial statements.
- GASB Statement #80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement #14*. This pronouncement did not impact the basic financial statements.
- GASB Statement #82, *Pension Issues – an amendment of GASB Statements #67, #68, and #73*. The basic financial statements and related notes were updated to be in compliance with this pronouncement.

The following GASB pronouncements will be implemented in the future:

- The GASB issued Statement #75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which is required to be implemented in 2018.
- The GASB issued Statement #81, *Irrevocable Split-Interest Agreements*, which is required to be implemented in 2018.
- The GASB issued Statement #83, *Certain Asset Retirement Obligations*, which is required to be implemented in 2019.
- The GASB issued Statement #84, *Fiduciary Activities*, which is required to be implemented in 2020.
- The GASB issued Statement #85, *Omnibus 2017*, which is required to be implemented in 2018.
- The GASB issued Statement #86, *Certain Debt Extinguishment Issues*, which is required to be implemented in 2018.
- The GASB issued Statement #87, *Leases*, which is required to be implemented in 2021.

Management is currently assessing the impact the implementation of these pronouncements will have on the basic financial statements.

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# ***Required Supplementary Information***

## ***Budgetary Comparison Schedules***

The General Fund is the general operating fund of the Town. It is used to account for all of the Town's financial resources, except those required to be accounted for in another fund.

The Community Preservation Fund is used to account for the proceeds of a surcharge to real estate taxes along with a matching state grant.

**GENERAL FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES**  
**BUDGETARY BASIS - BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2017

	Budgeted Amounts			
	Amounts Carried Forward From Prior Year	Initial Budget	Original Budget	Final Budget
<b>REVENUES:</b>				
Real estate and personal property taxes, net of tax refunds.....	\$ -	\$ 14,207,552	\$ 14,207,552	\$ 14,207,552
Motor vehicle and other excise taxes.....	-	639,186	639,186	639,186
Intergovernmental.....	-	1,147,282	1,147,282	1,142,350
Departmental and other.....	-	381,928	381,928	386,860
Investment income.....	-	1,900	1,900	1,900
Miscellaneous.....	-	-	-	-
<b>TOTAL REVENUES.....</b>	<b>-</b>	<b>16,377,848</b>	<b>16,377,848</b>	<b>16,377,848</b>
<b>EXPENDITURES:</b>				
Current:				
General government.....	2,528	1,212,884	1,215,412	1,124,515
Public safety.....	1,975	2,227,517	2,229,492	2,244,284
Education.....	-	8,963,193	8,963,193	8,918,741
Public works.....	5,101	1,237,575	1,242,676	1,387,328
Human services.....	1,114	157,673	158,787	159,787
Culture and recreation.....	53,868	953,575	1,007,443	999,027
Pension benefits.....	-	604,239	604,239	623,413
Property and liability insurance.....	-	123,600	123,600	123,600
Employee benefits.....	19,250	758,380	777,630	746,777
State and county charges.....	-	223,661	223,661	223,661
Debt service:				
Principal.....	-	555,000	555,000	555,000
Interest.....	-	100,092	100,092	100,092
<b>TOTAL EXPENDITURES.....</b>	<b>83,836</b>	<b>17,117,389</b>	<b>17,201,225</b>	<b>17,206,225</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES...</b>	<b>(83,836)</b>	<b>(739,541)</b>	<b>(823,377)</b>	<b>(828,377)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in.....	-	5,000	5,000	5,000
Prior year carryforward appropriations.....	83,836	-	83,836	83,836
Prior year fund balance (Free cash).....	-	745,000	745,000	745,000
Other amounts raised and used.....	-	(10,459)	(10,459)	(5,459)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>83,836</b>	<b>739,541</b>	<b>823,377</b>	<b>828,377</b>
<b>NET CHANGE IN FUND BALANCE.....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>BUDGETARY FUND BALANCE, Beginning of year.....</b>	<b>-</b>	<b>-</b>	<b>2,361,662</b>	<b>2,361,662</b>
<b>BUDGETARY FUND BALANCE, End of year.....</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,361,662</b>	<b>\$ 2,361,662</b>

See notes to required supplementary information.

	Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance To Final Budget
\$	14,265,339	\$ -	\$ 57,787
	734,968	-	95,782
	1,144,427	-	2,077
	483,947	-	97,087
	3,816	-	1,916
	<u>13,256</u>	<u>-</u>	<u>13,256</u>
	<u>16,645,753</u>	<u>-</u>	<u>267,905</u>
	1,014,779	26,288	83,448
	2,124,732	3,623	115,929
	8,896,867	-	21,874
	1,276,836	13,066	97,426
	151,084	1,000	7,703
	988,994	-	10,033
	608,276	-	15,137
	116,924	-	6,676
	639,324	-	107,453
	223,661	-	-
	555,000	-	-
	<u>100,092</u>	<u>-</u>	<u>-</u>
	<u>16,696,569</u>	<u>43,977</u>	<u>465,679</u>
	<u>(50,816)</u>	<u>(43,977)</u>	<u>733,584</u>
	5,000	-	-
	-	-	(83,836)
	-	-	(745,000)
	<u>-</u>	<u>-</u>	<u>5,459</u>
	<u>5,000</u>	<u>-</u>	<u>(823,377)</u>
	(45,816)	(43,977)	(89,793)
	<u>2,361,662</u>	<u>-</u>	<u>-</u>
\$	<u><u>2,315,846</u></u>	<u><u>(43,977)</u></u>	<u><u>(89,793)</u></u>

**COMMUNITY PRESERVATION FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES**  
**BUDGETARY BASIS - BUDGET AND ACTUAL**

YEAR ENDED JUNE 30, 2017

	Original and Final Budget	Actual Budgetary Amounts	Variance To Final Budget
<b>REVENUES:</b>			
Community preservation surcharge.....	\$ 300,000	\$ 341,945	\$ 41,945
Community preservation state match.....	131,609	131,609	-
Investment income.....	-	5,162	5,162
<b>TOTAL REVENUES.....</b>	<b>431,609</b>	<b>478,716</b>	<b>47,107</b>
<b>EXPENDITURES:</b>			
Current:			
Community preservation expenditures.....	751,933	546,729	205,204
Debt service:			
Principal.....	115,000	115,000	-
Interest.....	28,938	28,938	-
<b>TOTAL EXPENDITURES.....</b>	<b>895,871</b>	<b>690,667</b>	<b>205,204</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>(464,262)</b>	<b>(211,951)</b>	<b>252,311</b>
<b>NET CHANGE IN FUND BALANCE.....</b>	<b>(464,262)</b>	<b>(211,951)</b>	<b>252,311</b>
<b>BUDGETARY FUND BALANCE, Beginning of year.....</b>	<b>2,637,469</b>	<b>2,637,469</b>	<b>-</b>
<b>BUDGETARY FUND BALANCE, End of year.....</b>	<b>\$ 2,173,207</b>	<b>\$ 2,425,518</b>	<b>\$ 252,311</b>

See notes to required supplementary information.

## ***Pension Plan Schedules***

The Schedule of the Town's Proportionate Share of the Net Pension Liability presents multi-year trend information on the Town's net pension liability and related ratios.

The Schedule of Contributions presents multi-year trend information on the Town's required and actual contributions to the pension plan and related ratios.

These schedules are intended to present information for ten years. Until a ten year trend is compiled, information is presented for those years for which information is available.

**SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY  
ESSEX REGIONAL RETIREMENT SYSTEM**

	December 31, 2014	December 31, 2015	December 31, 2016
Town's proportion of the net pension liability (asset).....	1.99%	2.05%	2.03%
Town's proportionate share of the net pension liability (asset)..... \$	6,750,090	\$ 7,499,402	\$ 7,833,563
Town's covered employee payroll..... \$	2,472,907	\$ 2,579,576	\$ 2,740,673
Town's net pension liability as a percentage of covered-employee payroll.....	272.96%	290.72%	285.83%
Plan fiduciary net position as a percentage of the total pension liability.....	52.27%	51.01%	51.12%

Note: this schedule is intended to present information for 10 years. Until a 10-year trend is compiled, information is presented for those years for which information is available.

See notes to required supplementary information.

**SCHEDULE OF CONTRIBUTIONS**  
**ESSEX REGIONAL RETIREMENT SYSTEM**

	2014	2015	2016
Actuarially determined contribution..... \$	510,403	\$ 563,272	589,102
Contributions in relation to the actuarially determined contribution.....	<u>510,403</u>	<u>563,272</u>	<u>589,102</u>
Contribution deficiency (excess)..... \$	<u>-</u>	<u>\$ -</u>	<u>-</u>
Covered-employee payroll..... \$	2,472,907	\$ 2,579,576	2,740,673
Contributions as a percentage of covered- employee payroll.....	20.64%	21.84%	21.49%

Note: this schedule is intended to present information for 10 years.  
Until a 10-year trend is compiled, information is presented for those  
years for which information is available.

See notes to required supplementary information.

# ***Other Postemployment Benefit Plan Schedules***

## GASB 74 OPEB Plan Schedules

The Schedule of Changes in the Town's Net Other Postemployment Benefit Liability presents multi-year trend information on the Town's net other postemployment benefit liability and related ratios.

The Schedule of the Town's Contributions presents multi-year trend information on the Town's actual contributions to the other postemployment benefit plan and related ratios.

The Schedule of Investment Return presents multi-year trend information on the money-weighted investment return on other postemployment assets, net of investment expense.

## GASB 45 OPEB Employer Schedules

The Schedule of Funding progress compares, over time, the actuarial accrued liability for benefits with the actuarial value of accumulated plan assets.

The Schedule of Employer Contributions presents multi-year trend information for required and actual contributions relating to the plan.

The Schedule of Actuarial Methods and Assumptions presents factors that significantly affect the identification of trends in the amounts reported.

**SCHEDULE OF CHANGES IN THE  
TOWN'S NET OPEB LIABILITY AND RELATED RATIOS  
OTHER POSTEMPLOYMENT BENEFIT PLAN**

	June 30, 2017
<b>Total OPEB Liability</b>	
Service Cost.....	\$ 207,549
Interest.....	249,767
Changes of benefit terms.....	-
Differences between expected and actual experience.....	-
Changes of assumptions.....	-
Benefit payments.....	(171,732)
Net change in total OPEB liability.....	285,584
Total OPEB liability- beginning.....	4,627,046
Total OPEB liability- ending (a).....	\$ 4,912,630
<b>Plan fiduciary net position</b>	
Employer contribution to the trust.....	\$ 171,732
Employer contribution to pay for OPEB benefits.....	20,000
Net investment income.....	405
Benefit payments.....	(171,732)
Net change in plan fiduciary net position.....	20,405
Plan fiduciary net position- beginning.....	45,662
Plan fiduciary net position- ending (b).....	\$ 66,067
<b>Town's net OPEB liability- ending (a)-(b).....</b>	<b>\$ 4,846,563</b>
Plan fiduciary net position as a percentage of the total OPEB liability.....	1.34%
Covered-employee payroll.....	\$ 3,817,816
Town's net OPEB liability as a percentage of covered-employee payroll.....	126.95%

Note: this schedule is intended to present information for 10 years.  
Until a 10-year trend is compiled, information is presented for those years  
for which information is available.

See notes to required supplementary information.

**SCHEDULE OF TOWN CONTRIBUTIONS  
OTHER POSTEMPLOYMENT BENEFIT PLAN**

	June 30, 2017
Actuarially determined contribution.....	\$ 492,623
Contributions in relation to the actuarially determined contribution.....	(191,732)
Contribution deficiency (excess).....	\$ 300,891
Covered-employee payroll.....	\$ 3,817,816
Contributions as a percentage of covered- employee payroll.....	12.90%

Note: this schedule is intended to present information for 10 years.  
Until a 10-year trend is compiled, information is presented for those years for  
which information is available.

See notes to required supplementary information.

**SCHEDULE OF INVESTMENT RETURNS**  
**OTHER POSTEMPLOYMENT BENEFIT PLAN**

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Fiscal Year	Annual money-weighted rate of return, net of investment expense
2017.....	0.89%

Note: This schedule is intended to present information for 10 years. Until a 10-year trend is compiled, information is presented for those years for which information is available.

See notes to required supplementary information.

**OTHER POSTEMPLOYMENT BENEFIT PLAN**  
**SCHEDULE OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS**

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) Projected Unit Credit (B)	Unfunded AAL (UAAL) (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percentage of Covered Payroll ((B-A)/C)
7/1/2015	\$ 25,371	\$ 5,059,967	\$ 5,034,596	1%	\$ N/A	N/A
7/1/2012	-	4,006,943	4,006,943	0%	3,385,097	118.4%
7/1/2009	-	4,053,759	4,053,759	0%	3,153,907	128.5%

Schedule of Employer Contributions

Year Ended	Annual Required Contribution	Actual Contributions Made	Percentage Contributed
6/30/2017	\$ 496,750	\$ 191,732	39%
6/30/2016	496,750	191,732	39%
6/30/2015	400,880	169,584	42%
6/30/2014	393,555	166,119	42%
6/30/2013	393,382	161,613	41%
6/30/2012	376,232	164,212	44%

See notes to required supplementary information.

**OTHER POSTEMPLOYMENT BENEFIT PLAN**  
**ACTUARIAL METHODS AND ASSUMPTIONS**

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Actuarial Methods:

Valuation date.....	July 1, 2015
Actuarial cost method.....	Entry age normal
Amortization method.....	Amortized as a level dollar amount
Remaining amortization period.....	24 years as of July 1, 2015
Asset valuation method.....	Market value

Actuarial Assumptions:

Investment rate of return.....	4.0%, per year
Medical/drug cost trend rate.....	5.0% graded to 6.0% over 3 years

Plan Membership:

Current retirees, beneficiaries, and dependents...	31
Current active members.....	<u>40</u>
Total.....	<u><u>71</u></u>

See notes to required supplementary information.

**NOTE A – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY****A. Budgetary Information**

Municipal Law requires the Town to adopt a balanced budget that is approved by the Finance Committee (Committee). The Committee presents an annual budget to the Open Town Meeting, which includes estimates of revenues and other financing sources and recommendations of expenditures and other financing uses. Town Meeting, which has full authority to amend and/or reject the budget or any individual line item, adopts the expenditure budget by majority vote. Increases or decreases subsequent to the approval of the annual budget require a vote at a Special Town Meeting.

The majority of the Town's appropriations are non-continuing which lapse at the end of each year. Others are continuing appropriations for which the governing body has authorized that an unspent balance from a prior year be carried forward and made available for spending in the current year. These carry forwards are included as part of the subsequent year's original budget.

Generally, expenditures may not exceed the legal level of spending authorized for an appropriation account. However, the Town is statutorily required to pay debt service, regardless of whether such amounts are appropriated. Additionally, expenditures for disasters, natural or otherwise, and final judgments may exceed the level of spending authorized by majority vote at Town Meeting.

The Town adopts an annual budget for the General Fund in conformity with the guidelines described above. The original 2017 budget for the General Fund includes current year appropriations and other amounts to be raised of \$17,117,389 and continuing appropriations from prior year of \$828,836.

The Town adopts an annual budget for the Community Preservation Fund in conformity with the guidelines described above. The original and final 2017 budget includes current and prior year appropriations of \$895,871 and budgeted revenues of \$431,609.

The Town Accountant has the responsibility to ensure that budgetary control is maintained on an individual line item appropriation account basis. Budgetary control is exercised through the Town's accounting system.

**B. Budgetary - GAAP Reconciliation**

For budgetary financial reporting purposes, the Uniform Municipal Accounting System basis of accounting (established by the Commonwealth of Massachusetts (Commonwealth)) is followed, which differs from the GAAP basis of accounting. A reconciliation of budgetary basis to GAAP basis results for the General Fund for the year ended June 30, 2017, is presented below:

	<u>General Fund</u>	<u>Community Preservation Fund</u>
Net change in fund balance - budgetary basis.....	\$ (45,816)	\$ (211,951)
<u>Perspective difference:</u>		
Activity of the stabilization fund recorded in the general fund for GAAP.....	3,531	-
<u>Basis of accounting differences:</u>		
Net change in recording 60-day receipts accrual.....	<u>479</u>	<u>-</u>
Net change in fund balances - GAAP basis.....	<u>\$ (41,806)</u>	<u>\$ (211,951)</u>

**NOTE B – PENSION PLAN**

Changes in Assumptions:

The principal actuarial assumptions used in this valuation are the same as the prior valuation except for the following change.

Amounts reported in the January 1, 2016 actuarial valuation reflect an adjustment of the mortality assumptions which are based upon the RP-2000 (sex distinct) Employee Mortality Table increased with generational mortality and Scale BB. The previous actuarial valuation, January 1, 2014 used a 20 year projection with Scale AA.

Change in Plan Terms:

None.

**NOTE C – OTHER POSTEMPLOYMENT BENEFITS**

The Town administers a single-employer defined benefit healthcare plan (“The Retiree Health Plan”). The plan provides lifetime healthcare, dental and life insurance for eligible retirees and their spouses through the Town’s group health insurance plan, which covers both active and retired members.

## **The Other Postemployment Benefit Plan**

### The Schedule of Changes in the Town's Net Other Postemployment Benefit Liability and Related Ratios

The Schedule of Changes in the Town's Net Other Postemployment Benefit Liability and Related Ratios presents multi-year trend information on changes in the Plan's total OPEB liability, changes in the Plan's net position, and ending net OPEB liability. It also demonstrates the Plan's net position as a percentage of the total liability and the Plan's net other postemployment benefit liability as a percentage of covered employee payroll.

### Schedule of the Town's Contributions

The Schedule of the Town's Contributions includes the Town's annual required contribution to the Plan, along with the contribution made in relation to the actuarially determined contribution and the covered employee payroll. The Town is not required to fully fund this contribution. It also demonstrates the contributions as a percentage of covered payroll.

### Schedule of Investment Return

The Schedule of Investment Return includes the money-weighted investment return on the Plan's other postemployment assets, net of investment expense.

## **The Town**

The Town currently finances its other postemployment benefits (OPEB) on a combined pre-funded and pay-as-you-go basis. As a result, the funded ratio is the actuarial value of assets expressed as a percentage of the actuarial accrued liability. In accordance with Governmental Accounting Standards, the Town has recorded its OPEB cost equal to the actuarial determined annual required contribution (ARC) which includes the normal cost of providing benefits for the year and a component for the amortization of the total unfunded actuarial accrued liability of the plan.

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

### Schedule of Funding Progress

The Schedule of Funding Progress presents multiyear trend information which compares, over time, the Town's actuarial accrued liability for benefits with the actuarial value of accumulated plan assets.

### Schedule of Employer Contributions

The Schedule of Employer Contributions presents multiyear trend information for the Town's required and actual contributions relating to the plan.

### Schedule of Actuarial Methods and Assumptions

The Schedule of Actuarial Methods and Assumptions presents factors that significantly affect the identification of trends in the amounts reported.