

Town of Scituate, MA

Popular Annual Financial Report *Fiscal Year Ended June 30, 2023*



Purpose of Popular Annual Financial Report

The Town of Scituate strives to provide residents with financial data in a variety of formats including its Annual Comprehensive Financial Report (ACFR), comprehensive budget documents, online capital plan and access to financial data through its transparency software. A popular annual financial report (PAFR) is a concise summation of financial data which may be of most interest to citizens in an easy to read format.

This PAFR provides financial data for fiscal year 2023 which started on July 1, 2022 and ended June 30, 2023 as well as historical data for context. The goal of the PAFR is to enable readers to attain a better understanding of Scituate's financial health and how their tax dollars are being spent.

Profile of Scituate

Scituate is a coastal town located about 23 miles south of Boston with a population of 19,165. Local legislative decisions are made by an open town meeting consisting of all of the registered voters in the Town. Subject to the legislative decisions made by the town meeting, the affairs of the Town are administered by a five member Select Board.



Inside this report

| | |
|------------------------------|---|
| Services Provided | 2 |
| Scituate and its Neighbors . | 2 |
| FY 2023 Revenues | 3 |
| FY 2023 Expenses | 3 |
| Enterprise Funds | 4 |
| Fund Balance | 4 |
| Long Term Debt..... | 5 |
| Debt Exclusions | 5 |
| Debt Retirement..... | 6 |
| Reserves | 6 |
| Additional Information | 6 |

Town Hall

600 Chief Justice Cushing Hwy
Scituate, MA 02066

Services Provided



Lester J Gates Middle School opened September 2017

The Town of Scituate provides general governmental services for the area within its boundaries, including police and fire protection, public education in grades pre-k through twelve, water and sewer services, solid waste disposal, library, streets, golf course, waterways and parks and recreation.

Local school affairs are administered by a school committee of five persons. Local taxes are assessed by a board of three assessors; all elected for staggered three-year terms.

Scituate as Compared to Its Neighbors

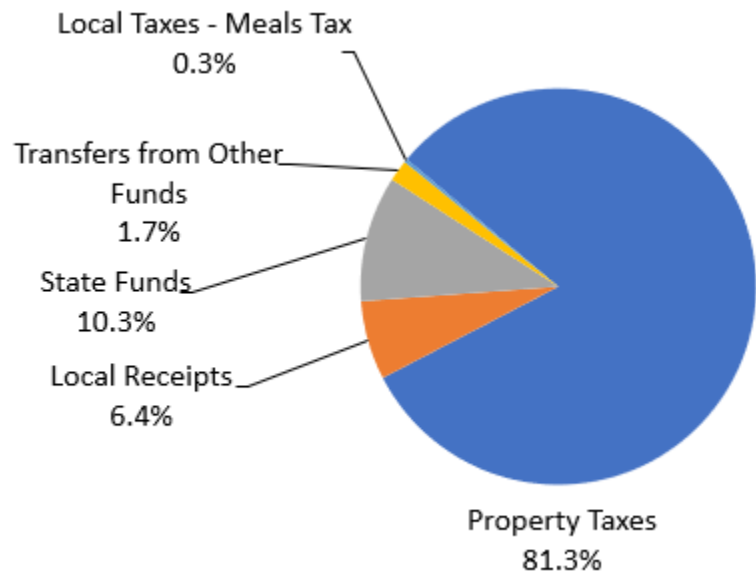
The Town of Scituate compares itself to neighboring communities that are adjacent in the area southeast of Boston. Financial metrics from the communities are used a basis of comparison for management and citizens and are included in the annual budget book . The same communities are used as part of the annual water, sewer and transfer station enterprise rate reviews.

| Community | Population | FY23 Residential | Average Single | FY23 Avg Single | Income Per | Moody's/S&P |
|------------|------------|------------------|----------------|-----------------|------------|-------------|
| Abington | 17,094 | \$14.21 | \$497,978 | \$7,076 | \$37,848 | AA |
| Cohasset | 8,373 | \$11.80 | \$1,218,663 | \$14,380 | \$130,977 | AAA |
| Duxbury | 16,116 | \$10.69 | \$1,091,242 | \$11,665 | \$113,829 | Aa1/AAA |
| Hanover | 14,871 | \$13.49 | \$678,919 | \$9,156 | \$57,309 | Aa2 |
| Hingham | 24,311 | \$10.00 | \$1,117,651 | \$11,177 | \$127,975 | Aaa/AAA |
| Hull | 10,144 | \$12.17 | \$573,792 | \$6,983 | \$49,079 | AA |
| Marshfield | 25,869 | \$11.32 | \$618,840 | \$7,005 | \$54,168 | AA+ |
| Norwell | 11,349 | \$15.29 | \$798,053 | \$12,202 | \$104,464 | AAA |
| Pembroke | 18,410 | \$12.72 | \$536,695 | \$6,827 | \$45,730 | AA |
| Rockland | 17,771 | \$15.22 | \$446,931 | \$6,802 | \$32,770 | A1/AA |
| Scituate | 19,185 | \$11.13 | \$822,087 | \$9,150 | \$72,613 | AA+ |

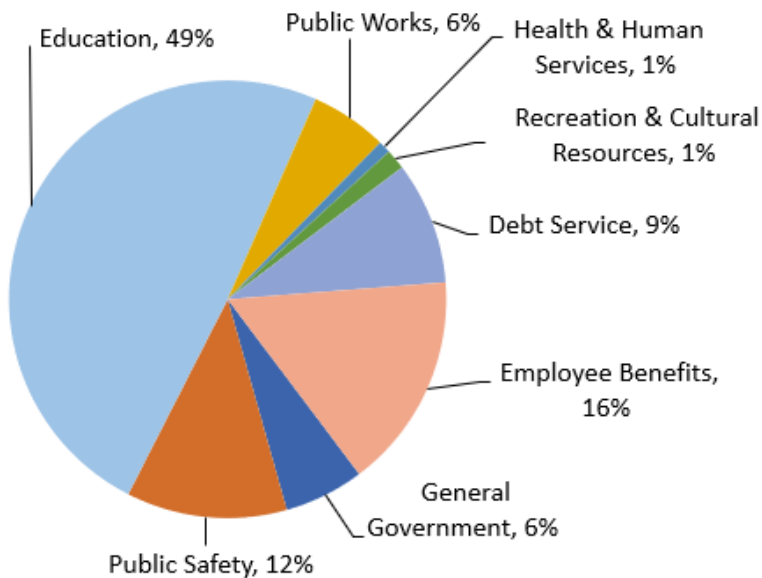
Source: Massachusetts Department of Revenue Division of Local Services Data Analytics & Resource Bureau

FY 2023 Budgeted Revenues for General Government Services

The predominant revenue supporting general government services is property taxes which account for over 80% of all funding. The Commonwealth of Massachusetts also provides support for education and general government through a variety of programs accounting for 10.3% of all revenue in fiscal year 2023. The remaining funding sources are meals tax, local receipts such as motor vehicle excise, fees, permits, investment income and transfers from other funds.



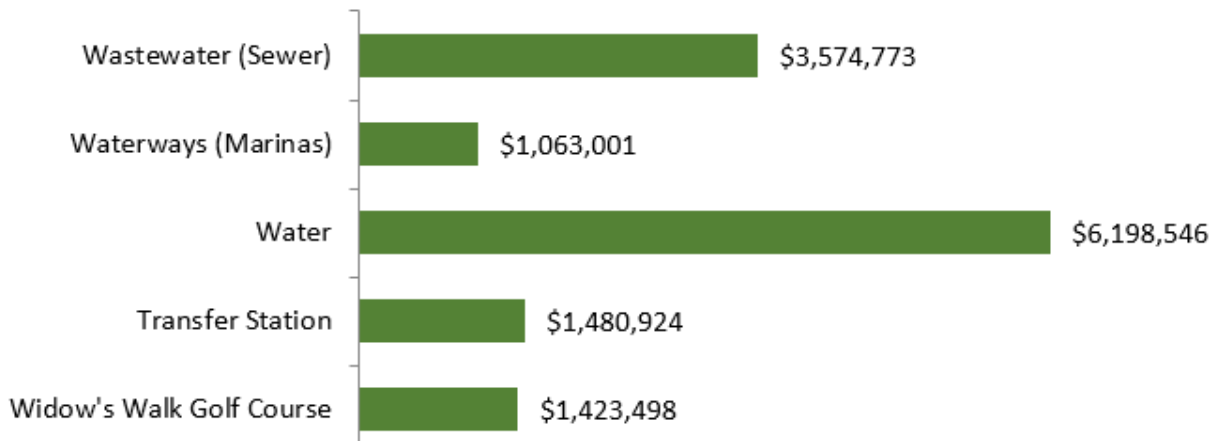
FY 2023 Budgeted Expenses for General Government Services



The general government services provided to citizens include public education for pre-k to 12, highway, public grounds, facilities management, recreation programs, historical building management, library, public health, elder services, community public access television, veterans services, fire, ems and police services, land use, financial services, information technology, vital records, debt service for capital programs and employee benefits.

Enterprise Funds

Scituate has five enterprise funds which support other services provided to citizens and are fully supported by fees for these services. The operational budget for FY23 for these funds is below. The shared services provided to these funds such as health insurance is transferred back to the general fund and is reflected in the revenue source entitled Transfer from Other Funds.



Fund Balance—General Governmental Funds

The Restricted classification denotes the balance of the Workers Compensation Fund. The Committed classification includes unspent town meeting general fund articles including capital projects. The Assigned classification are those funds from the FY23 budget which have been brought into the following year to pay FY23 incurred costs for which invoices have not yet been received. The Unassigned classification includes the Stabilization Fund, Capital Stabilization Fund, Economic Development Stabilization Fund and the SPED Reserve Fund. The Unassigned fund balance can serve as a way to measure a community's net resources available for expenditure. A link to the Annual Comprehensive Financial Report for Scituate is on the final page of the PAFR for more detailed financial data.

| Description | As of June 30, 2023 | As of June 30, 2022 | As of June 30, 2021 |
|--------------|---------------------|---------------------|---------------------|
| Nonspendable | 0.00 | 0.00 | 0.00 |
| Restricted | \$891,690 | \$808,246 | \$516,662 |
| Committed | \$10,016,994 | \$8,044,347 | \$5,316,034 |
| Assigned | \$713,298 | \$992,943 | \$617,081 |
| Unassigned | \$14,927,952 | \$12,263,349 | \$12,082,365 |
| Total | \$26,549,934 | \$22,108,885 | \$18,532,102 |

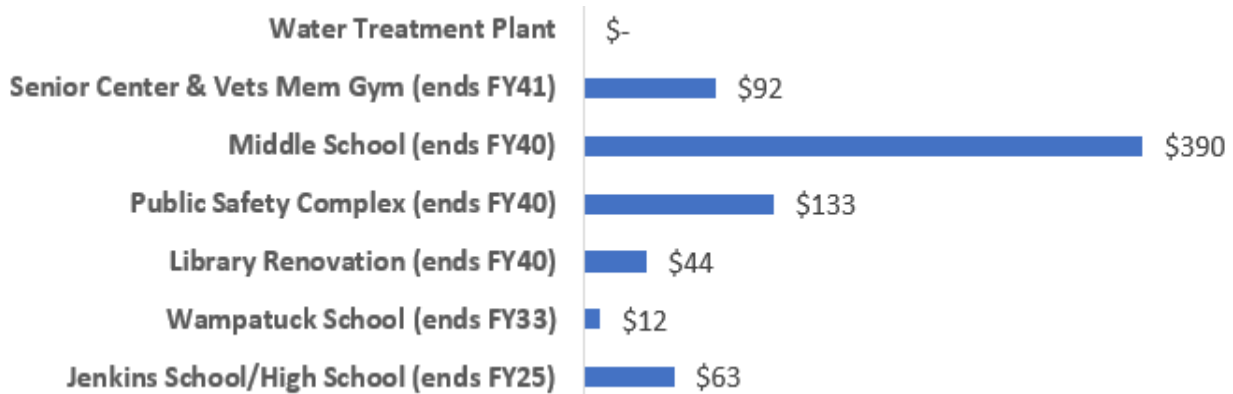
Long Term Debt (Principal & Interest)

A community's level of debt is an indicator of its overall fiscal health. Scituate utilizes available funds such as free cash, retained earnings and other unspent articles before considering borrowing. The voters support of major facility and infrastructure investment over the last decade is reflected below in the debt exclusions as well as the level of debt supported by the water and sewer enterprise funds as a percentage of operational budget.

| Fund | FY23 Paid | % of FY23 Operational Budget | \$ Per Capita | \$ of Average Bill |
|------------------------------------|---------------------|------------------------------|---------------|--------------------|
| General Fund | \$1,899,757 | 2.1% | \$99 | \$194 |
| Debt Exclusions | \$6,083,409 | 6.8% | \$317 | \$734 |
| Widows Walk Golf Course Enterprise | \$212,450 | 14.9% | \$11 | |
| Transfer Station Enterprise | \$23,332 | 1.6% | \$1 | |
| Wastewater (Sewer) Enterprise | \$1,841,358 | 51.5% | \$96 | \$426 |
| Water Enterprise | \$2,606,371 | 42.0% | \$136 | \$339 |
| Waterways Enterprise | \$398,570 | 37.5% | \$21 | |
| Community Preservation | \$281,800 | 11.2% | \$15 | \$27 |
| Total | \$13,346,848 | 12.6% | \$696 | |

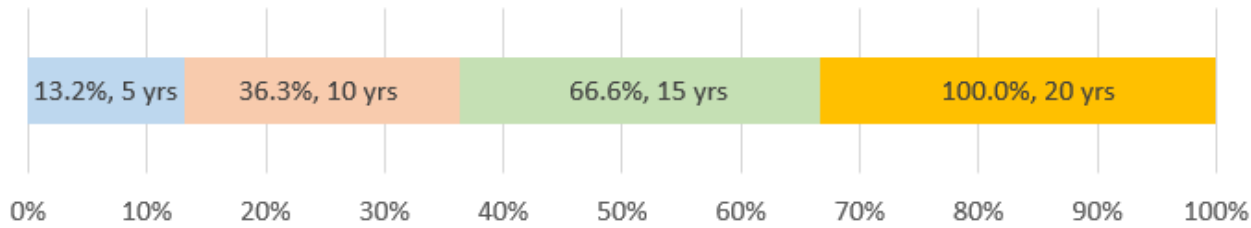
Debt Exclusions

The voters have supported a number of Proposition 2-1/2 debt exclusions to address facility and infrastructure needs in the town. A debt exclusion is a temporary increase to the property taxes for the debt service directly related to the approved project. The impact of a debt exclusion tends to decrease over time depending on the manner of the original issue. A summary of the impact on the average tax bill of the approved debt exclusions for FY 2023 is provided below.



Retirement of Long Term Debt

Utilizing shorter repayment schedules enables Scituate to authorize additional capital projects without increasing the debt service burden on the operational budgets.



Reserves

Reserves enable a community to plan for the future and provide itself with financial flexibility for future events. In some cases, these events may be planned such as a capital purchase and in other instances it may be an unforeseen and/or emergency event such as storm damage. Scituate has established the following long term reserves to maintain its fiscal health as well as reserves in its annual operational budgets.

| Fund Name | 6/30/23 |
|--|---------------------|
| Stabilization | \$7,219,590 |
| Capital Stabilization | \$144,952 |
| Workers Compensation | \$891,687 |
| Other Post Employment Liability | \$2,114,108 |
| Economic Development Stabilization | \$35,364 |
| SPED Reserve | \$122,280 |
| Widows Walk Capital Stabilization | \$219,143 |
| Transfer Station Capital Stabilization | \$25,476 |
| Wastewater Capital Stabilization | \$255,333 |
| Water Capital Stabilization | \$153,507 |
| Total | \$11,181,440 |

Sources for Additional Information

Town Financial Documents:

<https://www.scituatema.gov/town-administrator/pages/budget-documents>

Financial Transparency & Capital Data:

<https://cleargov.com/massachusetts/plymouth/town/scituate>

Annual Comprehensive Financial Reports:

<https://www.scituatema.gov/accountingfinance/pages/financial-documents>

Tourism:

<https://scituatevisitorscenter.com/>

<https://www.youtube.com/watch?v=cgWjVrezqG0&feature=youtu.be>