

TOWN OF SCITUATE, MASSACHUSETTS

ANNUAL COMPREHENSIVE FINANCIAL REPORT



**For the year ended
June 30, 2021**

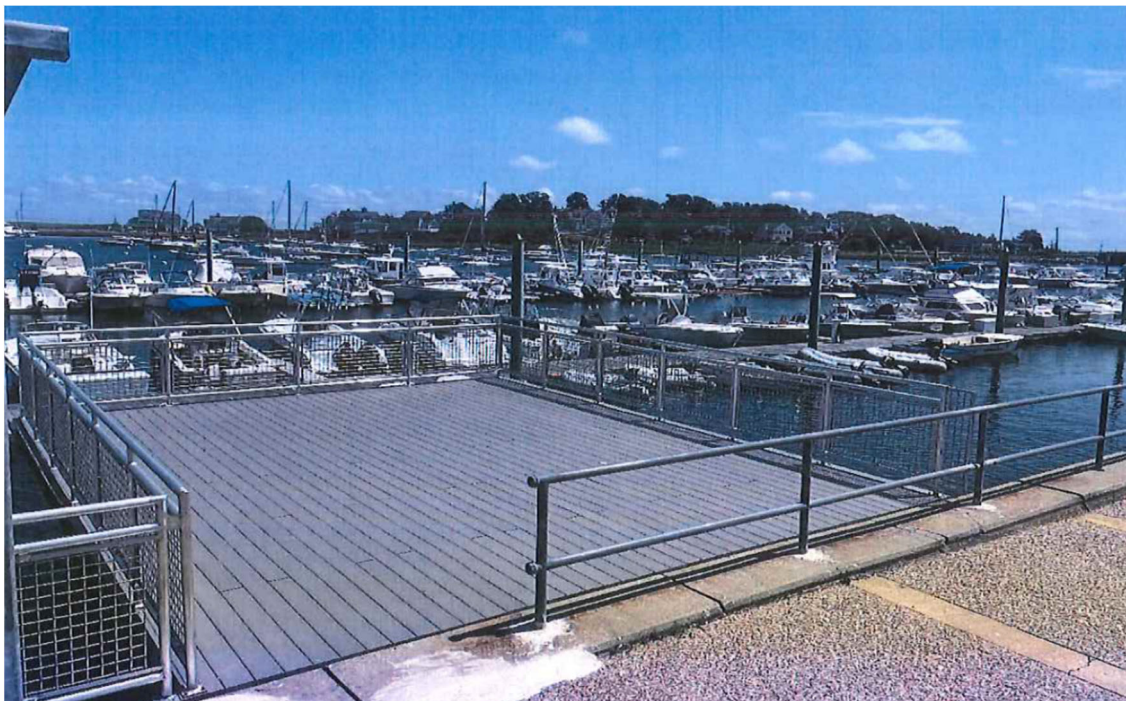
On the cover and this page: A \$1M rehabilitation project to replace granite moorings with piers in the Cole Parkway Marina funded 80% with a Seaport Economic Advisory Grant. The project provided greater resiliency to the marina, and the ability to leave docks in over the winter months rather than the costly and risky process of removing and re-installing annually. De-icers purchased through another capital project will keep water from freezing around the docks.

**REHABILITATION OF TOWN MARINA AT
COLE PARKWAY SCITUATE HARBOR**
CONTRACT NO. 17-HA-22B

CONTRACTOR: C. WHITE MARINE, INC. – DANVERS, MA
ENGINEER: GEI CONSULTANTS, INC. – FRANKLIN, MA

PROJECT FUNDED IN PART BY A GRANT FROM:
COMMONWEALTH OF MASSACHUSETTS
SEAPORT ECONOMIC COUNCIL
MASSACHUSETTS OFFICE ON DISABILITY

PROJECTED CONSTRUCTION DATES: OCT. 2020 – MAY 2021



*The Town of
Scituate, Massachusetts*



**Annual Comprehensive
Financial Report**

**For the Year Ended
June 30, 2021**

Prepared by the Finance Department

TOWN OF SCITUATE, MASSACHUSETTS
ANNUAL COMPREHENSIVE FINANCIAL REPORT

JUNE 30, 2021

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Introductory Section



Spring 2021

After nearly a year in a hybrid learning environment due to the Coronavirus, students returned to class late in the 2021 school year with safety protocols of additional spacing and masks to ensure safety.

Introductory Section

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TOWN OF SCITUATE
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Letter of Transmittal

December 20, 2021

To the Honorable Select Board and the Citizens of the Town of Scituate:

State law requires the Town of Scituate to publish at the close of each year a complete set of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) that are audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue this Annual Comprehensive Financial Report (ACFR) of the Town of Scituate, Massachusetts, for the year ending June 30, 2021, for your consideration.

This report consists of management's representations concerning the finances of the Town. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Town has established a comprehensive internal control framework that is designed to both protect the Town's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Town's financial statements in conformity with GAAP. As management, we assert that this financial report is complete and reliable in all material respects.

The ACFR is designed to be used by the elected and appointed officials of Scituate in addition to those entities concerned with the Town's management and development including credit rating agencies, bond analysts, investors and financial institutions. The format of the report enables the Town to present complex financial data in a manner that is easier for citizens and taxpayers of the Town of Scituate to review and understand.

The Town of Scituate's financial statements have been audited by Powers & Sullivan, LLC a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Scituate for the year ended June 30, 2021, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion on the Town of Scituate's financial statements for the year ended June 30, 2021, and that they are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Town of Scituate was part of a broader, federally mandated "Single Audit" designed to meet the special needs of Federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of Federal awards. These reports are available in the Town of Scituate's separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Town of Scituate's MD&A can be found immediately following the report of the independent auditors.

Profile of Town

The Town of Scituate was incorporated in 1636 and occupies a land area of approximately 31.79 square miles. The Town is bordered by the Atlantic Ocean on the east and north, Marshfield on the south, Norwell on the southwest, Hingham on the west and Cohasset on the northwest. Scituate is a coastal town located in east central Plymouth County approximately 23 miles southeast of Boston, 18 miles northeast of Brockton and 227 miles from New York City. State routes 3 and 3A are the principal highways and roads serving the Town. The commuter rail has two stations in Scituate, giving residents ready access into the City of Boston and other adjacent communities.

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 who appoint a professional Town Administrator and Finance Director to manage day-to-day and financial matters. The annual town census for 2021 lists the Town's population as 18,865.

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 on an at large basis.

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

The Town's commitment to open space, historical preservation and community housing is evidenced by its acceptance of the Community Preservation Act in 2002 at the maximum 3% surcharge. These funds have been authorized by town meeting for the purchase of hundreds of acres of open space preserving and protecting aquifers, habitats, woodlands, marshland and meadows. The Town has also dedicated funds for recreational purposes including tennis courts, athletic fields, playgrounds, basketball courts and walking/bike trails. Historic preservation projects include preservation of historical logbooks and journals, preservation of historic sites and the acquisition of historically significant property. Community housing support with rehabilitation funds for existing units as well as support for the creation of new units including the 30-unit Lawson Green Apartments.

Budgetary Controls

Under the Town Charter, the Town Administrator sets budget guidelines and prepares and recommends a budget to the Select Board and Advisory Committee which is then reviewed, amended and voted. The nine member Advisory Committee holds public hearings to review all departmental budgets and normally makes recommendations on the budget to town meeting in April.

The level of budgetary control is established by town meeting and this approval defines the level at which expenditures may not exceed appropriations. This level is typically at the individual department salary and expense level. The Finance Director/Town Accountant is responsible for ensuring all payroll and invoices are within the budgetary control level before authorizing payment. Additional appropriations may be approved at subsequent Town Meetings. The Advisory Committee may approve during the year a transfer from a reserve fund established at Town Meeting. These controls ensure compliance with the budget approved by Town Meeting. The school budget is limited to the total amount appropriated by Town Meeting, but the School Committee retains full power to allocate the appropriated funds.

Factors Affecting Economic Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Town operates.

The Town reestablished its Economic Development Commission in 2012 to examine ways to foster commercial development to strengthen the commercial tax base. This includes a multi-phase study by the Metropolitan Area Planning Council to examine existing commercial areas, perform traffic and parking studies and provide recommendations to encourage further commercial/industrial growth including tourism because of the Town's existing amenities. The Commission has worked on branding of the Town with the 'Sea Scituate' design and continues to examine and recommend amendments to the zoning bylaws to encourage and support economic growth. The Town continues to experience residential housing growth with an expected 200-300 units in various stages of development to be constructed in the next few years. To assist in coordinating these endeavors the Town added a Director of Planning & Community Development in 2017.

The Scituate Harbor Cultural District was designated by the Massachusetts Cultural Council in 2015. At the center of the district is the Town's harbor which includes a number of galleries, restaurants and specialty stores. There are a number of cultural offerings in the area including the annual Heritage Days Festival, Luminaria, St. Patrick's Day Parade, Santa Stroll, Farmer's Market and Harbor Art Walk. This designation supports the Town's economic development by encouraging tourism and highlighting the numerous cultural, historical and recreational activities.

The Town was the first municipality in the Commonwealth to provide 100% of its energy needs through renewable sources including a 1.5 megawatt wind turbine and a 3.0 megawatt solar array.

The Town continues to manage its financial affairs in a prudent manner. Standard & Poor's confirmed the Town's bond rating to AA+ with a stable outlook which is reflective of management's incorporation of long range planning tools such as a five year rolling capital plan; building of reserve balances including multiple special purpose stabilization funds for future capital needs; addressing long term liabilities, such as OPEB, within its financial policies; investing in technology to ensure efficient operations; and maintaining an aggressive debt management strategy for capital improvements and pursuing pay-as-you-go options whenever possible. The Town is consistently successful at attaining federal, state and local grants for operational services, new initiatives as well as capital improvements including the Massachusetts School Building Authority, Massachusetts Board of Library Commissioners, Commonwealth's Clean Water Trust, Executive of Energy & Environmental Affairs, Commonwealth's Seawall & Dam Repair Fund, Commonwealth's Coastal Zone Management, Green Communities, Massworks, Federal Emergency Management Agency Hazard Mitigation and Flood Mitigation, National Oceanic and Atmospheric Association and the Army Corps of Engineers.

The Town has also enhanced its revenue flexibility by establishing five enterprise funds. This has allowed the Town to shift 100% of the operating cost and capital improvements to the users of sewer, water, solid waste, golf course and waterways services so that no tax support goes towards providing operational support for these services. All related debt, except one sewer plant upgrade which matured in 2021, is funded through user fees. By doing so the Town is able to provide the maximum tax dollars available to all other services.

Major Initiatives

The Select Board adopted a Master Facilities Plan in November of 2011 and created a Public Facilities Master Planning Committee in 2012 to assess the condition of the Town's aging facilities, assess the suitability of the buildings for current needs and provide recommendations for addressing the deficiencies. To date, the Town has completed a \$12M renovation to its public library which was partially offset by a \$5M Massachusetts Board of Library Commissioners grant and over \$1.2M in private donations. An \$18M public safety complex and emergency

operations center replaced a 1959 police station and fire station. A \$75M middle school project replaced a 100 year old school and was partially financed with \$20M in Massachusetts School Building Authority funding. All three of those facilities opened in calendar year 2017. The old police station was demolished and is now green space while the old fire station has been put to use as office space, storage and a bus repair area. In May 2019, the next phase of that plan was approved by voters when a \$12M new senior center including accessibility updates to the adjacent Veterans Memorial Gym on the site of the old middle school was approved. This new facility opened in spring 2021 serving congregate meals four days a week and offering enhanced programming.

In FY 2014, the Town approved a \$22M water infrastructure project to replace approximately 21 miles of cast iron pipe was completed in three phases involving nine construction contracts. The Town continues to invest heavily into its water infrastructure including an aggressive pipe replacement and flushing program to improve water quality. Two additional authorizations for water pipe replacement totaling \$5M have been authorized and that work started in early 2021 and was expected to be completed in fall of 2021 including replacing 2" galvanized pipes, adding additional valves and hydrants to eliminate dead ends in the system and support the flushing program. A \$5M new green sand filter facility was also completed in 2021 to assist in eliminating manganese to bring a dormant well back online. Permitting is ongoing for the Dolan Well Field to provide additional water sources and the 2021 annual town meeting authorized funding for a third water storage tank. The most anticipated project is the design of a new water treatment plant to replace the outdated 1960s plant that does not meet the treatment needs of the town or current standards for redundancy.

The Town continues to participate in a regional study with the Towns of Hull and Cohasset to expand the sewer system to the residents and businesses of North Scituate. Access to Town sewer is key to the economic sustainability and future development of that business district. The Town is also aggressively tackling its inflow and infiltration problem to ease the burden on the system as well as create additional capacity for expansion. The replacement of the gravity sewer line in the Cedar Point area was expected to be completed in the summer of 2021 and was one of the most egregious sources of inflow and infiltration. The 2021 annual town meeting approved \$4.9M to continue this work in the Oceanside area.

As a coastal community, the Town has dedicated significant resources to foreshore protection in supporting over \$25.5M in improvements since 2010. Funding for foreshore protection is included in the Town's operational budget as well as annually on its five-year rolling capital plan. The Town has been successful in obtaining matching grants and low interest loans from the Massachusetts Seawall and Dam Repair Fund for seawall construction totaling \$10M in the last few years. The Town is currently working with the Massachusetts Emergency Management Agency (MEMA), the Federal Emergency Management Agency (FEMA) and the Army Corps of Engineers to repair damages to foreshore structures damaged in the last four presidentially declared disasters as well as other significant storms. The repairs would be funded with public assistance funds, hazard mitigation grants, construction grants and Town funds. The first of these "legacy" projects to restore the Egypt Beach berm was completed in FY21 at a total cost of over \$1.44M of which \$1.07M was expected to be reimbursed by FEMA. The Town recognizes the complexity of foreshore protection and has successfully applied for several grants to study sea level rise, explore coastal resiliency options and priorities, elevate severe repetitive loss homes and utilities, obtain design and permitting funding for beach nourishment projects and study managed retreat. The Town has a dedicated full-time employee for the last six years focused on coastal resources that works with residents, government agencies and other Town departments on how to manage the Town's unique geographic challenges. The bulk of these endeavors are funded through local, state and federal grant programs

The Town dedicates operational budget and capital funds to roadway improvements. This includes creating trails with Community Preservation funding with matching funds from the state, coordinating sewer and water projects so as not to waste resources on paving the same area repeatedly and utilizing Massachusetts Department of Transportation Chapter 90 funds for major repairs and drainage improvements to roads throughout Town. In the last five years, the Town has invested \$5.38M in improving its roads, sidewalks and drainage. The Town's Fire and Police Departments are also consistently successful in obtaining state and federal grants for equipment such

as stretchers, safety equipment, dewatering pumps and emergency medical supplies, training as well as construction funds for improvements to existing facilities.

Reserves

Management has adopted financial policies to address key areas of concern including funding the following reserves: Operational Budget Reserve Fund, Stabilization Fund, Capital Stabilization Fund, Economic Development Stabilization Fund, Water Enterprise Capital Stabilization Fund, Sewer Enterprise Capital Stabilization Fund, Widow's Walk Golf Course Capital Stabilization Fund, Waterways Enterprise Capital Stabilization Fund, Transfer Station Capital Stabilization Fund, Workers Compensation Reserve and Other Postemployment Liability Trust Fund.

The Other Post Employment Liability Trust was established in 2011 and is funded at 2% of the annual pension assessment pursuant to the Town's financial policies. The Town created a Capital Stabilization Fund in 2012 to complement the Town's five-year capital plan to address future capital needs and associated debt burden. This fund is a valuable tool for setting aside funds over several years to address costly projects identified on the five-year rolling capital plan. In 2013, the Town approved an Economic Development Stabilization Fund to support initiatives to develop and foster commercial growth. The Town has created capital stabilization funds for all of its five enterprise funds over the last few years as a planning tool for future capital projects related to that infrastructure. Annually, the Town approves the transfer of excess levy capacity to the Stabilization Fund and allocates additional funds to its reserves as available. In the last five years, \$2.35M has been added to the fund by this method.

Internal Controls

Management of the Town is responsible for establishing and maintaining an internal control structure designed to ensure the assets of the Town are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The Town Administrator and the Finance Director/Town Accountant are responsible for evaluating the adequacy and effectiveness of the internal control structure and implementing improvements. Because the cost of internal controls should not outweigh their benefits, the Town of Scituate's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free of material misstatement.

Financial Management

The Town adopted comprehensive financial policies in 2012 to address and document prudent strategies for the Town of Scituate to ensure stability during periods of economic downturn and that allocations to reserves are made to secure against future obligations. These policies provide an adequate level of services for the welfare of the citizens of the community in conjunction with its mission and statutory responsibilities. They afford balance and equity in providing services and have the flexibility to tolerate external economic and environmental events and other factors and variables over which the Town does not have control. The Select Board and financial team of the Town have been reviewing the financial policies to further improve financial management and support transparency.

Acknowledgements

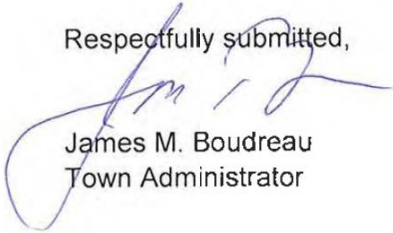
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its ACFR for the year ended June 30, 2020. This was the seventh year that the Town has achieved this prestigious award. In order to be awarded a Certificate

of Achievement, a government had to publish an easily readable and efficiently organized ACFR that satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of our Town Departments. We would like to also express our appreciation to all the members of the departments who assisted and contributed to the preparation of this report. Credit must also be given to the Select Board, and the Advisory Committee for their unfailing support for maintaining the highest standards of professionalism in the management of the Town, including its finances.

Respectfully submitted,



James M. Boudreau
Town Administrator



Nancy Holt
Finance Director/Town Accountant

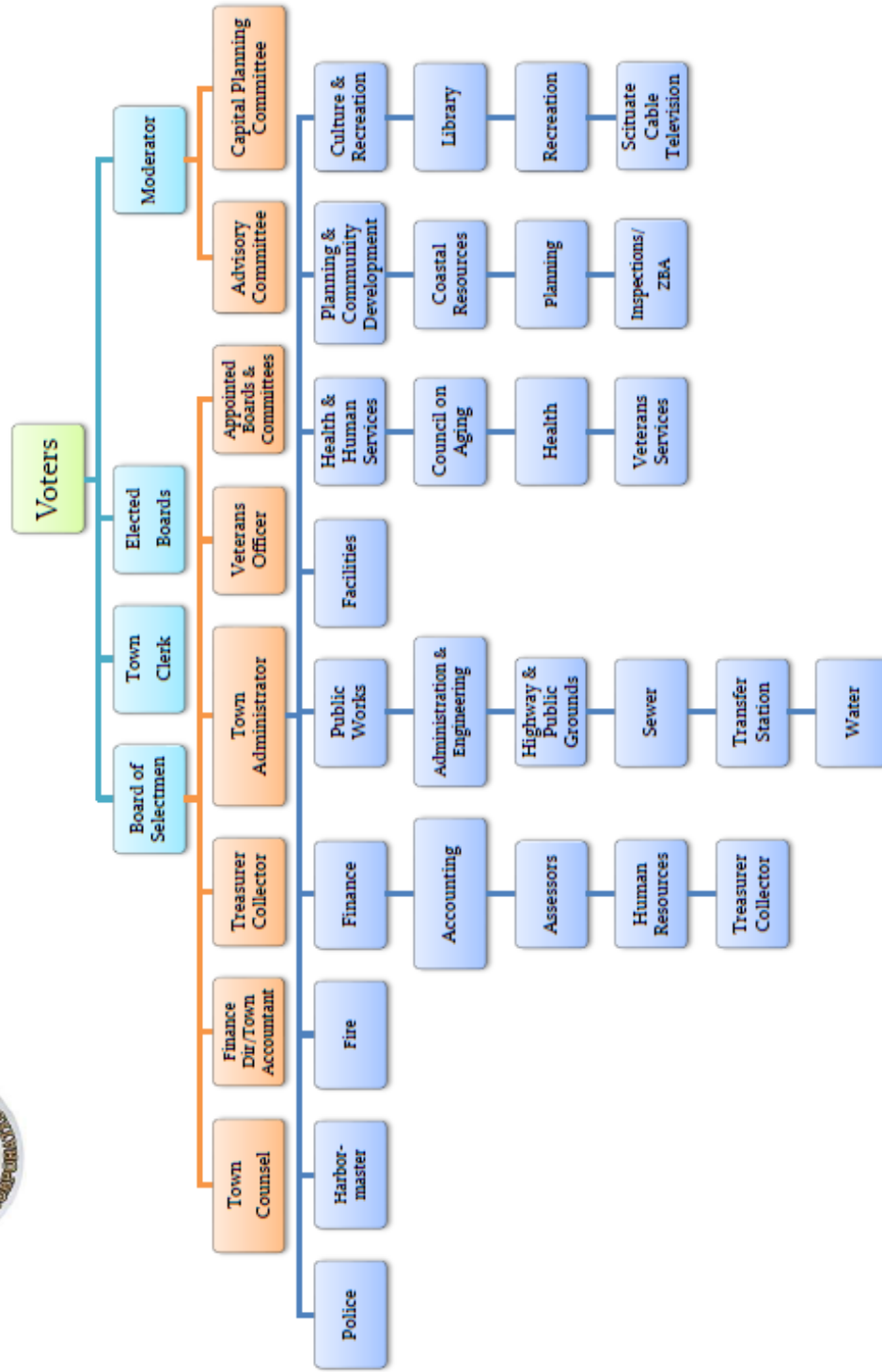
Town of Scituate, Massachusetts

Principal Executive Officers as of June 30, 2021

<u>Elected Officials</u>		<u>Term Expires</u>
Select Board	Karen B. Canfield, Chair	2022
	Anthony V. Vegnani, Vice Chair	2023
	Maura C. Curran	2021
	Andrew W. Goodrich	2023
	Karen E. Connolly	2021
Moderator	James Toomey	2021
Town Clerk	Kathleen A. Gardner	2021
School Committee	Peter Gates, Chair	2023
	Michael Thomas Long, Vice Chair	2021
	Nicole Brandolini	2022
	Michael Hayes	2022
	Janice Lindblom	2023
 <u>Appointed Officials</u>		
Town Administrator	James M. Boudreau	
Finance Director/Town Accountant	Nancy Holt	
Treasurer/Collector	Pamela J. Avitabile	
Director of Assessing	Joseph A. DiVito, Jr.	
Fire Chief	John P. Murphy	
Police Chief	Mark Thompson	
Director of Public Works	Kevin Cafferty	



Town of Scituate





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Scituate
Massachusetts**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

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Financial Section



Peggotty Beach Parking Lot Repair Work

Repair work on the Peggotty Beach parking lot, stemming from damage incurred in the 2018 Storm Riley, was supported 75% from FEMA public assistance disaster funding.

Financial Section

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Independent Auditor's Report

To the Honorable Select Board
Town of Scituate, 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 Scituate, Massachusetts, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Town of Scituate, Massachusetts' basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the 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 of 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 from 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 assessments, 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 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 Scituate, Massachusetts, as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance 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 analysis 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Scituate, Massachusetts' basic financial statements. The introductory section, combining statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2021, on our consideration of the Town of Scituate, Massachusetts' 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 not to provide an opinion on 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 Scituate, Massachusetts' internal control over financial reporting and compliance.



December 20, 2021

Management's Discussion and Analysis

Management's Discussion and Analysis

As management of the Town of Scituate, we offer readers of these financial statements this narrative overview and analysis of the financial activities for the year ended June 30, 2021. The Town complies with financial reporting requirements issued by the Governmental Accounting Standards Board (GASB). Management's discussion and analysis is part of these requirements.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town of Scituate's basic financial statements. These basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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 of resources, liabilities and deferred inflows of resources, with the difference between the two 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 business-type activities include the water, sewer, transfer station, Widow's Walk golf course and waterways 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. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund statements focus on *near-term inflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

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 funds balance

sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Town of Scituate adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund as required supplementary information to demonstrate compliance with this budget.

Proprietary funds. The Town maintains one type of proprietary fund.

Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses enterprise funds to account for its water, sewer, transfer station, Widow's Walk golf course and waterways 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 uses fiduciary funds to account for the other postemployment benefits trust fund and private purpose trust funds.

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.

Government-wide Financial Analysis

Net position may serve over time as a useful indicator of a government's financial position. The Town of Scituate's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$73.2 million at the close of 2021, which was an increase in the overall financial position of \$11.1 million from the prior year.

Net position of \$163.8 million reflects its investment in capital assets (e.g., land, buildings, infrastructure, 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.

An additional portion of net position, \$9.1 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 balance of \$99.7 million.

The governmental activity and business-type activity components are presented below.

Governmental Activities

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Governmental assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$16.9 million at the close of 2021.

Governmental net position of \$118.7 million reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, vehicles and infrastructure), less any related debt used to acquire those assets that is 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.

An additional portion of the net position, \$9.1 million represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* is a deficit of \$110.8 million. The deficit is the result of the Town recording its net pension liability of \$34.6 million along with the net other postemployment benefits (OPEB) liability of \$111.0 million. These are long term unfunded liabilities that will not require significant short-term resources. Unrestricted net position decreased by \$1.6 million. This decrease was mainly due to the change in the net pension and net OPEB liabilities and the related deferred inflows/outflows of resources.

Condensed financial data for 2021 and 2020 is presented below.

Governmental Activities

	2021	2020 (As Revised)
Assets:		
Current assets.....	\$ 50,064,012	\$ 46,467,332
Capital assets, nondepreciable.....	22,039,167	23,158,009
Capital assets, net of accumulated depreciation....	179,258,373	171,311,118
Total assets.....	251,361,552	240,936,459
Deferred outflows of resources.....	26,753,773	35,010,177
Liabilities:		
Current liabilities (excluding debt).....	7,714,515	7,268,843
Noncurrent liabilities (excluding debt).....	146,093,343	166,596,408
Current debt.....	9,164,798	7,051,424
Noncurrent debt.....	78,563,757	80,301,722
Total liabilities.....	241,536,413	261,218,397
Deferred inflows of resources.....	19,680,853	1,530,131
Net position:		
Net investment in capital assets.....	118,651,814	115,163,737
Restricted.....	9,059,958	7,287,150
Unrestricted.....	(110,813,713)	(109,252,779)
Total net position.....	\$ 16,898,059	\$ 13,198,108

Noncurrent liabilities decreased \$20.5 million due to the net pension and net OPEB liabilities.

The deferred outflows of resources and deferred inflows of resources are primarily related to pension and OPEB.

	2021	2020 (As Revised)
Program Revenues:		
Charges for services.....	\$ 7,451,170	\$ 7,004,726
Operating grants and contributions.....	28,390,377	23,125,330
Capital grants and contributions.....	1,405,279	1,239,266
General Revenues:		
Real estate and personal property taxes, net of tax refunds payable.....	67,926,608	65,237,472
Tax and other liens.....	536,214	418,807
Motor vehicle and other excise taxes.....	3,524,209	3,263,180
Hotel/motel tax.....	135,953	104,145
Meals tax.....	257,378	265,281
Community preservation tax.....	1,669,008	1,587,578
Penalties and interest on taxes.....	422,789	311,089
Payments in lieu of taxes.....	49,109	17,437
Grants and contributions not restricted to specific programs.....	2,517,585	2,757,334
Unrestricted investment income.....	186,912	559,717
Miscellaneous.....	34,080	91,185
Total revenues.....	114,506,671	105,982,547
Expenses:		
General government.....	5,904,608	6,702,565
Public safety.....	15,270,479	15,051,075
Education.....	73,633,769	76,621,191
Public works.....	9,071,595	8,253,694
Human services.....	1,596,684	1,506,644
Culture and recreation.....	2,607,980	2,734,028
Community preservation.....	508,564	2,335,939
Interest.....	2,115,059	2,426,884
Total expenses.....	110,708,738	115,632,020
Excess (Deficiency) before transfers.....	3,797,933	(9,649,473)
Transfers.....	(97,982)	(180,079)
Change in net position.....	3,699,951	(9,829,552)
Net position, beginning of year (as revised).....	13,198,108	23,027,660
Net position, end of year.....	\$ 16,898,059	\$ 13,198,108

Beginning net position of the Town's governmental activities was revised to reflect the implementation of GASB Statement #84, *Fiduciary Activities*. Previously reported net position which was \$12,959,503 was revised to \$13,198,108, an increase of \$238,605.

Operating grant revenue came in higher from the previous year due to increased state financing for the Massachusetts Teachers' Retirement System (MTRS), which increased revenue and the corresponding expense by \$1.8 million over the prior year. The Town also received additional grant funding from the state for ongoing projects and to reimburse costs related to the COVID-19 pandemic.

Property taxes are the most significant revenue source for the Town's governmental activities. They comprise 58% of all governmental revenues.

Expenses decreased \$4.9 million from the prior year which was mainly related to the \$5.9 million change in the net pension and net OPEB liabilities and the related deferred inflows/outflows of resources. This decrease was offset by a \$1.8 million increase in nonemployer contributions to the MTRS.

During FY2020, Plymouth County received federal funding that they allotted to each member community based on population. The communities could use these funds to offset the costs associated with the novel Coronavirus (COVID-19). The Town had expenses of \$2.4 million of which the full amount will be reimbursed with federal and state grants

Business-type Activities

	2021	2020
Assets:		
Current assets.....	\$ 19,944,219	\$ 13,225,850
Noncurrent assets (excluding capital).....	4,329,013	5,199,203
Capital assets, nondepreciable.....	17,829,765	3,999,174
Capital assets, net of accumulated depreciation....	71,233,765	72,008,163
Total assets.....	113,336,762	94,432,390
Deferred outflows of resources.....	777,122	1,626,598
Liabilities:		
Current liabilities (excluding debt).....	3,240,826	1,368,366
Noncurrent liabilities (excluding debt).....	6,262,088	9,365,212
Current debt.....	8,103,329	4,596,034
Noncurrent debt.....	39,560,839	31,767,744
Total liabilities.....	57,167,082	47,097,356
Deferred inflows of resources.....	677,196	129,282
Net position:		
Net investment in capital assets.....	45,181,269	40,941,659
Unrestricted.....	11,088,337	7,890,691
Total net position.....	\$ 56,269,606	\$ 48,832,350

At the end of the current year, the Town reports \$56.3 million in net position for its combined business-type activities. Of this balance, \$45.2 million reflects the Town’s investment in capital assets of the enterprise funds less debt outstanding related to the construction of those assets.

Noncurrent liabilities decreased by \$3.1 million due to the net pension and net OPEB liabilities.

	2021	2020
Program Revenues:		
Charges for services..... \$	14,149,103	\$ 12,719,220
Operating grants and contributions.....	-	209,490
Capital grants and contributions.....	3,575,144	255,653
General Revenues:		
Other excise taxes.....	43,691	42,535
Unrestricted investment income.....	50,993	120,953
Total revenues.....	17,818,931	13,347,851
Expenses:		
Water.....	4,069,886	4,930,684
Sewer.....	2,912,067	3,379,048
Transfer Station.....	1,344,058	1,449,897
Widow's Walk golf course.....	1,450,465	1,215,838
Waterways.....	703,181	1,338,580
Total expenses.....	10,479,657	12,314,047
Excess before transfers.....	7,339,274	1,033,804
Transfers.....	97,982	180,079
Change in net position.....	7,437,256	1,213,883
Net position, beginning of year.....	48,832,350	47,618,467
Net position, end of year..... \$	56,269,606	\$ 48,832,350

There was a net increase of \$7.4 million in net position reported in connection with the Town's business-type activities (enterprise funds). The changes by fund are listed in the following table:

	2021	2020	Change
Net Position:			
Water..... \$	16,217,518	\$ 12,626,959	\$ 3,590,559
Sewer.....	31,433,317	29,423,719	2,009,598
Transfer Station.....	571,378	212,941	358,437
Widow's Walk golf course....	1,463,260	1,172,415	290,845
Waterways.....	6,584,133	5,396,316	1,187,817
Total Net Position..... \$	56,269,606	\$ 48,832,350	\$ 7,437,256

All of the enterprise funds set their user rates to recover the expected cash basis expenses in the current year. Therefore, changes in the long-term assets and liabilities compared to the cash received or paid will explain the change in net position. One example is that the Town sets user rates to recover debt service principal expense and not depreciation. Therefore, a consistent factor that explains why net position changed is the difference between long-term debt principal payments compared to depreciation expense. If the principal payment exceeds depreciation, then net position will increase.

The water enterprise fund reported an increase in net position of \$3.6 million compared to a \$1.1 million increase in fiscal year 2020. The increase is a result of the water rates increasing and an increase of state grant revenue of \$897,000.

The sewer enterprise fund reported an increase in net position of \$2.0 million compared to a \$238,000 decrease in fiscal year 2020. The increase is the result of capital contributions from MassWorks for infrastructure projects.

The transfer station fund reported an increase of \$358,000 in net position compared to a \$19,000 increase in fiscal year 2020. The Town had an increase in operating revenue due to an increase in the construction and demolition bulky waste rate. Also, due to the COVID-19 pandemic, sticker renewal for stickers expiring during the second half of fiscal year 2020 were not enforced until fiscal year 2021 causing an increase in revenue.

The Widow's Walk golf course fund reported a \$291,000 increase in net position compared to a decrease of \$4,300 in fiscal year 2020. The golf course operations resumed and were not interrupted due to the COVID-19 pandemic as they were in 2020.

The waterways enterprise fund reported a \$1.2 million increase in net position compared to an increase of \$306,000 in fiscal year 2020. The increase is primarily attributable to capital contributions for land improvements, and a decrease in net pension and OPEB expenses.

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 the Town's *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 \$38.0 million, which is comprised of \$18.5 million in the general fund, \$6.3 million in the community preservation fund, a deficit of \$356,000 in Town capital projects, and \$13.5 million in the nonmajor governmental funds. Cumulatively there was an increase of \$1.8 million in fund balances from the prior year, which is due to the activities of the Town's general fund, and Town capital projects fund. Previously reported fund balance was revised to reflect the implementation of GASB Statement #84, *Fiduciary Funds* (See Note 17).

The *general fund* is the chief operating fund. At the end of the current year, unassigned fund balance of the general fund was \$12.1 million, restricted fund balance was \$517,000, committed fund balance was \$5.3 million, and assigned fund balance was \$617,000 while total fund balance was \$18.5 million. 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 represents 12.8% of total general fund budgetary expenditures, while total fund balance represents 19.6% of that same amount.

The fund balance of the general fund increased by \$3.5 million. This increase was due to positive budgetary results where actual revenues exceeded the budget and actual expenditures were less than budgeted, which was offset by the use of free cash. The Stabilization Funds and Workers' Compensation Fund; which are reported as components of the general fund for GAAP basis reporting totaled \$5.9 million and \$517,000, respectively.

The Town reports the Worker's Compensation Fund as restricted fund balance in the general fund.

The *Community Preservation Fund* had a fund balance at year-end of \$6.3 million. These funds are attributable to the Town's acceptance of the Community Preservation Act, which allows the Town to impose a surcharge on property taxes and to receive matching state funds for specified uses related to the acquisition, creation, preservation and support of open space, historic resources, land for recreational use and community housing. The Community Preservation fund increased by \$1.7 million in 2021. The change in fund balance is entirely dependent on the timing of the planned use of accumulated revenues for the projects authorized. The Town spent \$172,000 on various projects in 2021.

The *Town Capital Projects Fund* had a year-end fund deficit of \$356,000. Included in this fund is the construction of the senior center and recreation facility, which the Town spent \$7.8 million in 2021. Additionally, the Town spent \$1.1 million relating to the renovation of the athletic fields. During 2021, the fund balance decreased by \$5.1 million which was due to the timing of expenditures and the permanent funding of the projects.

General Fund Budgetary Highlights

The original 2021 operating budget totaled \$88.6 million and consisted of \$83.5 million in appropriations and \$5.1 million in budgeted articles and encumbrances carried over from prior years. The increase between the original budget and the final amended budget was primarily due to supplemental appropriations of free cash (available fund balance) totaling \$2.1 million for capital articles. Actual revenues came in over budget by approximately \$2.8 million, mainly due to an increase in licenses and permits and conservative excise budgeting. Actual expenditures came in under budget by approximately \$7.0 million. Of this balance, the Town reserved \$5.9 million in articles and encumbrances for spending in subsequent years. The remaining balance turned back related to personal services, mainly public safety, and contributory group insurance and unemployment insurance costs coming in under budget.

Capital Asset and Debt Administration

In conjunction with the operating budget, the Town annually prepares a capital budget for the upcoming year and a five-year Capital Improvement Plan (CIP) that is used as a guide for future capital expenditures.

The Town's major governmental capital asset activity in 2021 includes additions of \$1.3 million for school athletic field renovations, \$9.4 million for the senior center project and recreation facility improvements, \$2.3 million for machinery and equipment and vehicles, \$3.1 million for infrastructure, \$400,000 for land improvements and \$800,000 in other building projects.

The Town's 2021 business-type capital asset activity includes \$6.2 million in additions related to water main replacement and well projects, \$7.1 million of inflow/infiltration sewer projects, \$756,000 of various machinery, equipment and vehicle additions, \$57,000 in buildings and improvements, \$850,000 in land improvements, and \$515,000 in other infrastructure.

Outstanding governmental long-term debt, as of June 30, 2021, totaled \$84.5 million, of which approximately \$41.4 million relates to various school construction projects, \$12.4 million relates to the public safety complex, \$3.9 million relates to the library, \$4.5 million relates to energy saving projects, \$3.3 million relates to seawall repair projects, \$8.9 million relates to the senior center, and \$4.5 million relates to other various projects and equipment.

The enterprise funds long-term debt totaled \$43.7 million at year end; comprised of \$28.0 million in water debt, \$12.3 million in sewer debt, \$104,000 in transfer station debt, \$1.8 million in golf course debt, and \$1.6 million in waterways debt. Approximately \$53,000 of the sewer debt is scheduled to be subsidized by the Massachusetts Clean Water Trust (MCWT).

In order to take advantage of favorable interest rates, the Town issued \$3,576,800 of general obligation refunding bonds on March 4, 2021. The proceeds of the refunding bonds were used to complete a current refunding of existing debt. The refunded bonds totaled \$4,140,000 and became callable on April 15, 2021. As a result of the transaction, the refunded bonds were paid down on the call date and the liability has been removed from the statement of net position. The transaction resulted in an economic gain of \$571,704 and a reduction of \$593,709 in future debt service payments.

Please refer to Notes 4, 6, 7, and 8 of the notes to the financial statements for further discussion of the major capital and debt activity, respectively.

Requests for Information

This financial report is designed to provide a general overview of the Town of Scituate'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, Town Hall, 600 Chief Justice Cushing Way, Scituate, Massachusetts 02066.

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Basic Financial Statements

STATEMENT OF NET POSITION

JUNE 30, 2021

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
CURRENT:			
Cash and cash equivalents.....	\$ 42,568,933	\$ 15,024,403	\$ 57,593,336
Receivables, net of allowance for uncollectibles:			
Real estate and personal property taxes.....	916,896	-	916,896
Tax liens.....	1,027,623	148,215	1,175,838
Community preservation fund surtax.....	13,772	-	13,772
Motor vehicle and other excise taxes.....	254,660	-	254,660
User charges.....	-	3,165,981	3,165,981
Departmental and other.....	401,778	-	401,778
Intergovernmental.....	3,298,223	970,187	4,268,410
Community preservation state share.....	742,423	-	742,423
Special assessments.....	234,525	614,356	848,881
Tax foreclosures.....	605,179	-	605,179
Inventory.....	-	21,077	21,077
Total current assets.....	<u>50,064,012</u>	<u>19,944,219</u>	<u>70,008,231</u>
NONCURRENT:			
Receivables, net of allowance for uncollectibles:			
Intergovernmental.....	-	43,506	43,506
Special assessments.....	-	4,285,507	4,285,507
Capital assets, nondepreciable.....	22,039,167	17,829,765	39,868,932
Capital assets, net of accumulated depreciation.....	<u>179,258,373</u>	<u>71,233,765</u>	<u>250,492,138</u>
Total noncurrent assets.....	<u>201,297,540</u>	<u>93,392,543</u>	<u>294,690,083</u>
TOTAL ASSETS.....	<u>251,361,552</u>	<u>113,336,762</u>	<u>364,698,314</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions.....	3,451,149	356,746	3,807,895
Deferred outflows related to other postemployment benefits.....	23,302,624	420,376	23,723,000
TOTAL DEFERRED OUTFLOWS OF RESOURCES.....	<u>26,753,773</u>	<u>777,122</u>	<u>27,530,895</u>
LIABILITIES			
CURRENT:			
Warrants payable.....	1,997,759	2,265,209	4,262,968
Accrued payroll.....	1,246,767	133,390	1,380,157
Accrued interest.....	1,082,745	580,507	1,663,252
Other liabilities.....	1,291,018	63,221	1,354,239
Unearned revenue.....	1,066,212	-	1,066,212
Capital lease obligations.....	801,960	62,062	864,022
Landfill closure.....	-	83,000	83,000
Compensated absences.....	1,030,014	115,499	1,145,513
Notes payable.....	2,232,000	3,798,515	6,030,515
Bonds payable.....	6,130,838	4,242,752	10,373,590
Total current liabilities.....	<u>16,879,313</u>	<u>11,344,155</u>	<u>28,223,468</u>
NONCURRENT:			
Capital lease obligations.....	240,000	100,010	340,010
Landfill closure.....	-	661,000	661,000
Compensated absences.....	533,203	42,767	575,970
Net pension liability.....	34,556,911	3,572,161	38,129,072
Net other postemployment benefits liability.....	111,003,229	1,986,160	112,989,389
Bonds payable.....	78,323,757	39,460,829	117,784,586
Total noncurrent liabilities.....	<u>224,657,100</u>	<u>45,822,927</u>	<u>270,480,027</u>
TOTAL LIABILITIES.....	<u>241,536,413</u>	<u>57,167,082</u>	<u>298,703,495</u>
DEFERRED INFLOWS OF RESOURCES			
Taxes paid in advance.....	240,810	-	240,810
Deferred inflows related to pensions.....	3,826,308	395,527	4,221,835
Deferred inflows related to other postemployment benefits.....	15,613,735	281,669	15,895,404
TOTAL DEFERRED INFLOWS OF RESOURCES.....	<u>19,680,853</u>	<u>677,196</u>	<u>20,358,049</u>
NET POSITION			
Net investment in capital assets.....	118,651,814	45,181,269	163,833,083
Restricted for:			
Permanent funds:			
Expendable.....	328,536	-	328,536
Nonexpendable.....	27,051	-	27,051
Gifts and grants.....	2,338,724	-	2,338,724
Community preservation.....	6,365,647	-	6,365,647
Unrestricted.....	(110,813,713)	11,088,337	(99,725,376)
TOTAL NET POSITION.....	<u>\$ 16,898,059</u>	<u>\$ 56,269,606</u>	<u>\$ 73,167,665</u>

See notes to basic financial statements.

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:					
<i>Governmental Activities:</i>					
General government.....	\$ 5,904,608	\$ 1,529,384	\$ 1,619,253	\$ -	\$ (2,755,971)
Public safety.....	15,270,479	3,786,241	945,488	-	(10,538,750)
Education.....	73,633,769	741,208	23,188,302	7,252	(49,697,007)
Public works.....	9,071,595	799,643	2,016,224	559,610	(5,696,118)
Human services.....	1,596,684	199,018	562,814	-	(834,852)
Culture and recreation.....	2,607,980	395,676	58,296	-	(2,154,008)
Community preservation.....	508,564	-	-	838,417	329,853
Interest.....	2,115,059	-	-	-	(2,115,059)
Total Governmental Activities.....	110,708,738	7,451,170	28,390,377	1,405,279	(73,461,912)
<i>Business-Type Activities:</i>					
Water.....	4,069,886	6,675,381	-	960,377	3,565,872
Sewer.....	2,912,067	2,845,095	-	1,965,034	1,898,062
Transfer Station.....	1,344,058	1,686,076	-	14,053	356,071
Widow's Walk golf course.....	1,450,465	1,735,244	-	-	284,779
Waterways.....	703,181	1,207,307	-	635,680	1,139,806
Total Business-Type Activities.....	10,479,657	14,149,103	-	3,575,144	7,244,590
Total Primary Government.....	\$ 121,188,395	\$ 21,600,273	\$ 28,390,377	\$ 4,980,423	\$ (66,217,322)

See notes to basic financial statements.

(Continued)

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2021

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Changes in net position:			
Net (expense) revenue from previous page.....	\$ (73,461,912)	\$ 7,244,590	\$ (66,217,322)
<i>General revenues:</i>			
Real estate and personal property taxes, net of tax refunds payable.....	67,926,608	-	67,926,608
Tax and other liens.....	536,214	-	536,214
Motor vehicle and other excise taxes.....	3,524,209	43,691	3,567,900
Hotel/motel tax.....	135,953	-	135,953
Meals tax.....	257,378	-	257,378
Community preservation tax.....	1,669,008	-	1,669,008
Penalties and interest on taxes.....	422,789	-	422,789
Payments in lieu of taxes.....	49,109	-	49,109
Grants and contributions not restricted to specific programs.....	2,517,585	-	2,517,585
Unrestricted investment income.....	186,912	50,993	237,905
Miscellaneous.....	34,080	-	34,080
<i>Transfers, net</i>	(97,982)	97,982	-
Total general revenues and transfers.....	77,161,863	192,666	77,354,529
Change in net position.....	3,699,951	7,437,256	11,137,207
<i>Net position:</i>			
Beginning of year (as revised).....	13,198,108	48,832,350	62,030,458
End of year.....	\$ 16,898,059	\$ 56,269,606	\$ 73,167,665

See notes to basic financial statements.

(Concluded)

**GOVERNMENTAL FUNDS
BALANCE SHEET**

JUNE 30, 2021

	General	Community Preservation	Town Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents.....	\$ 19,571,488	\$ 5,586,285	\$ 1,984,725	\$ 15,426,435	\$ 42,568,933
Receivables, net of uncollectibles:					
Real estate and personal property taxes.....	916,896	-	-	-	916,896
Tax liens.....	1,000,164	27,459	-	-	1,027,623
Community preservation fund surtax.....	-	13,772	-	-	13,772
Motor vehicle and other excise taxes.....	254,660	-	-	-	254,660
Departmental and other.....	301,848	-	-	99,930	401,778
Intergovernmental.....	-	-	-	3,298,223	3,298,223
Community preservation state share.....	-	742,423	-	-	742,423
Special assessments.....	117,881	-	-	116,644	234,525
Tax foreclosures.....	605,179	-	-	-	605,179
Due from other funds.....	1,111,409	-	-	-	1,111,409
TOTAL ASSETS.....	\$ 23,879,525	\$ 6,369,939	\$ 1,984,725	\$ 18,941,232	\$ 51,175,421
LIABILITIES					
Warrants payable.....	\$ 933,228	\$ 388	\$ 141,145	\$ 922,998	\$ 1,997,759
Accrued payroll.....	1,165,702	-	-	36,163	1,201,865
Due to other funds.....	-	-	-	1,111,409	1,111,409
Other liabilities.....	75,392	-	-	1,260,528	1,335,920
Fees collected in advance.....	-	-	-	1,066,212	1,066,212
Notes payable.....	-	-	2,200,000	32,000	2,232,000
TOTAL LIABILITIES.....	2,174,322	388	2,341,145	4,429,310	8,945,165
DEFERRED INFLOWS OF RESOURCES					
Taxes paid in advance.....	236,906	3,904	-	-	240,810
Unavailable revenue.....	2,936,195	41,231	-	1,011,826	3,989,252
TOTAL DEFERRED INFLOWS OF RESOURCES.....	3,173,101	45,135	-	1,011,826	4,230,062
FUND BALANCES					
Nonspendable.....	-	-	-	27,051	27,051
Restricted.....	516,622	6,324,416	826,279	13,561,383	21,228,700
Committed.....	5,316,034	-	-	-	5,316,034
Assigned.....	617,081	-	-	-	617,081
Unassigned.....	12,082,365	-	(1,182,699)	(88,338)	10,811,328
TOTAL FUND BALANCES.....	18,532,102	6,324,416	(356,420)	13,500,096	38,000,194
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....	\$ 23,879,525	\$ 6,369,939	\$ 1,984,725	\$ 18,941,232	\$ 51,175,421

See notes to basic financial statements.

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

JUNE 30, 2021

Total governmental fund balances.....		\$ 38,000,194
Capital assets (net) used in governmental activities are not financial resources and, therefore, are not reported in the funds.....		201,297,540
Accounts receivable are not available to pay for current-period expenditures and, therefore, are unavailable in the funds.....		3,989,252
The statement of net position includes certain deferred inflows of resources and deferred outflows of resources that will be amortized over future periods. In governmental funds, these amounts are not deferred.....		7,313,730
In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.....		(1,082,745)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Bonds payable.....	(84,454,595)	
Net pension liability.....	(34,556,911)	
Net other postemployment benefits liability.....	(111,003,229)	
Capital lease obligations.....	(1,041,960)	
Compensated absences.....	<u>(1,563,217)</u>	
Net effect of reporting long-term liabilities.....		<u>(232,619,912)</u>
Net position of governmental activities.....		<u>\$ 16,898,059</u>

See notes to basic financial statements.

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

YEAR ENDED JUNE 30, 2021

	General	Community Preservation	Town Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:					
Real estate and personal property taxes, net of tax refunds.....	\$ 68,145,481	\$ -	\$ -	\$ -	\$ 68,145,481
Tax liens.....	378,650	6,948	-	-	385,598
Motor vehicle and other excise taxes.....	3,511,969	-	-	-	3,511,969
Hotel/motel tax.....	135,953	-	-	-	135,953
Meals tax.....	257,378	-	-	-	257,378
Penalties and interest on taxes.....	416,433	5,219	-	1,137	422,789
Fees and rentals.....	573,898	-	-	27,675	601,573
Payments in lieu of taxes.....	49,109	-	-	-	49,109
Licenses and permits.....	1,544,104	-	-	344,410	1,888,514
Fines and forfeitures.....	92,772	-	-	-	92,772
Intergovernmental - state aid.....	8,416,453	-	-	-	8,416,453
Intergovernmental - Teachers Retirement.....	13,159,250	-	-	-	13,159,250
Intergovernmental - other.....	193,855	838,417	-	8,709,177	9,741,449
Departmental and other.....	1,105,741	-	-	3,661,344	4,767,085
Community preservation taxes.....	-	1,676,751	-	-	1,676,751
Special assessments.....	19,773	-	-	85,821	105,594
Contributions and donations.....	-	-	242,500	144,815	387,315
Investment income.....	165,107	18,468	-	3,337	186,912
TOTAL REVENUES.....	98,165,926	2,545,803	242,500	12,977,716	113,931,945
EXPENDITURES:					
Current:					
General government.....	3,789,945	-	-	1,509,687	5,299,632
Public safety.....	10,505,080	-	179,735	1,359,924	12,044,739
Education.....	40,597,688	-	-	4,222,727	44,820,415
Public works.....	4,650,775	-	913,509	4,411,131	9,975,415
Human services.....	601,584	-	7,826,566	447,201	8,875,351
Culture and recreation.....	1,440,363	-	1,051,537	381,578	2,873,478
Community preservation.....	-	146,738	-	-	146,738
Pension benefits.....	4,891,451	-	-	-	4,891,451
Pension benefits - Teachers Retirement.....	13,159,250	-	-	-	13,159,250
Employee benefits.....	7,079,630	-	-	-	7,079,630
State and county charges.....	648,239	-	-	-	648,239
Debt service:					
Principal.....	4,399,092	-	-	-	4,399,092
Interest.....	2,904,933	25,667	-	-	2,930,600
TOTAL EXPENDITURES.....	94,668,030	172,405	9,971,347	12,332,248	117,144,030
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	3,497,896	2,373,398	(9,728,847)	645,468	(3,212,085)
OTHER FINANCING SOURCES (USES):					
Issuance of bonds.....	-	-	1,718,833	1,084,222	2,803,055
Issuance of refunding bonds.....	1,214,100	-	-	-	1,214,100
Premium from issuance of bonds.....	-	-	2,141,167	106,531	2,247,698
Premium from issuance of refunding bonds.....	200,847	-	-	-	200,847
Payments to refunded bond escrow agent.....	(1,400,000)	-	-	-	(1,400,000)
Transfers in.....	591,688	-	748,433	446,070	1,786,191
Transfers out.....	(570,940)	(690,433)	-	(622,800)	(1,884,173)
TOTAL OTHER FINANCING SOURCES (USES).....	35,695	(690,433)	4,608,433	1,014,023	4,967,718
NET CHANGE IN FUND BALANCES.....	3,533,591	1,682,965	(5,120,414)	1,659,491	1,755,633
FUND BALANCES AT BEGINNING OF YEAR (AS REVISED)..	14,998,511	4,641,451	4,763,994	11,840,605	36,244,561
FUND BALANCES AT END OF YEAR.....	\$ 18,532,102	\$ 6,324,416	\$ (356,420)	\$ 13,500,096	\$ 38,000,194

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, 2021

Net change in fund balances - total governmental funds.....		\$ 1,755,633
<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.....	16,223,074	
Depreciation expense.....	<u>(9,394,661)</u>	
Net effect of reporting capital assets.....		6,828,413
<p>Revenues in the Statement of Activities that do not provide current financial resources are unavailable in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable differ between the two statements. This amount represents the net change in unavailable revenue.....</p>		
		574,726
<p>The issuance of long-term debt 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 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 unavailable and amortized in the Statement of Activities.</p>		
Principal payments on capital leases.....	196,350	
Issuance of bonds.....	(2,803,055)	
Issuance of refunding bonds.....	(1,214,100)	
Premium from issuance of bonds.....	(2,247,698)	
Premium from issuance of refunding bonds.....	(200,847)	
Principal payment on current refunding.....	1,400,000	
Net amortization of premium from issuance of bonds.....	1,012,194	
Debt service principal payments.....	<u>4,399,092</u>	
Net effect of reporting long-term debt.....		541,936
<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.....	60,144	
Net change in accrued interest on long-term debt.....	(196,653)	
Net change in deferred outflow/(inflow) of resources related to pensions.....	(4,771,253)	
Net change in net pension liability.....	6,398,640	
Net change in deferred outflow/(inflow) of resources related to other postemployment benefits.....	(21,638,962)	
Net change in net other postemployment benefits liability.....	<u>14,147,327</u>	
Net effect of recording long-term liabilities.....		<u>(6,000,757)</u>
Change in net position of governmental activities.....		\$ <u><u>3,699,951</u></u>

See notes to basic financial statements.

PROPRIETARY FUNDS
STATEMENT OF NET POSITION

JUNE 30, 2021

Business-type Activities - Enterprise Funds						
	Water	Sewer	Transfer Station	Widow's Walk Golf Course	Waterways	Total
ASSETS						
CURRENT:						
Cash and cash equivalents.....	\$ 6,824,274	\$ 3,259,414	\$ 1,074,659	\$ 2,536,085	\$ 1,329,971	\$ 15,024,403
Receivables, net of allowance for uncollectibles:						
Liens - user charges.....	67,565	80,650	-	-	-	148,215
User charges.....	2,341,941	824,040	-	-	-	3,165,981
Intergovernmental.....	960,377	9,810	-	-	-	970,187
Special assessments.....	-	614,356	-	-	-	614,356
Inventory.....	-	-	-	21,077	-	21,077
Total current assets.....	<u>10,194,157</u>	<u>4,788,270</u>	<u>1,074,659</u>	<u>2,557,162</u>	<u>1,329,971</u>	<u>19,944,219</u>
NONCURRENT:						
Receivables, net of allowance for uncollectibles:						
Intergovernmental.....	-	43,506	-	-	-	43,506
Special assessments.....	-	4,285,507	-	-	-	4,285,507
Capital assets, nondepreciable.....	6,537,262	7,118,100	-	499,403	3,675,000	17,829,765
Capital assets, net of accumulated depreciation.....	<u>33,360,348</u>	<u>31,545,839</u>	<u>1,036,183</u>	<u>1,242,040</u>	<u>4,049,355</u>	<u>71,233,765</u>
Total noncurrent assets.....	<u>39,897,610</u>	<u>42,992,952</u>	<u>1,036,183</u>	<u>1,741,443</u>	<u>7,724,355</u>	<u>93,392,543</u>
TOTAL ASSETS.....	<u>50,091,767</u>	<u>47,781,222</u>	<u>2,110,842</u>	<u>4,298,605</u>	<u>9,054,326</u>	<u>113,336,762</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows related to pensions.....	144,874	77,661	36,298	32,645	65,268	356,746
Deferred outflows related to other postemployment benefits.....	<u>180,720</u>	<u>130,113</u>	<u>48,164</u>	<u>27,397</u>	<u>33,982</u>	<u>420,376</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES.....	<u>325,594</u>	<u>207,774</u>	<u>84,462</u>	<u>60,042</u>	<u>99,250</u>	<u>777,122</u>
LIABILITIES						
CURRENT:						
Warrants payable.....	1,190,022	676,537	82,769	286,122	29,759	2,265,209
Accrued payroll.....	50,932	27,474	12,786	14,984	27,214	133,390
Accrued interest.....	368,505	153,957	-	33,938	24,107	580,507
Other liabilities.....	-	-	-	63,221	-	63,221
Capital lease obligations.....	-	-	-	62,062	-	62,062
Landfill closure.....	-	-	83,000	-	-	83,000
Compensated absences.....	51,134	31,586	12,564	5,172	15,043	115,499
Notes payable.....	1,968,515	1,830,000	-	-	-	3,798,515
Bonds payable.....	<u>2,009,642</u>	<u>1,583,022</u>	<u>18,900</u>	<u>233,087</u>	<u>398,101</u>	<u>4,242,752</u>
Total current liabilities.....	<u>5,638,750</u>	<u>4,302,576</u>	<u>210,019</u>	<u>698,586</u>	<u>494,224</u>	<u>11,344,155</u>
NONCURRENT:						
Capital lease obligations.....	-	-	-	100,010	-	100,010
Landfill closure.....	-	-	661,000	-	-	661,000
Compensated absences.....	22,400	6,250	4,190	-	9,927	42,767
Net pension liability.....	1,450,649	777,634	363,455	326,884	653,539	3,572,161
Net other postemployment benefits liability.....	850,210	619,177	227,746	131,443	157,584	1,986,160
Bonds payable.....	<u>25,956,121</u>	<u>10,676,758</u>	<u>85,000</u>	<u>1,583,913</u>	<u>1,159,037</u>	<u>39,460,829</u>
Total noncurrent liabilities.....	<u>28,279,380</u>	<u>12,079,819</u>	<u>1,341,391</u>	<u>2,142,250</u>	<u>1,980,087</u>	<u>45,822,927</u>
TOTAL LIABILITIES.....	<u>33,918,130</u>	<u>16,382,395</u>	<u>1,551,410</u>	<u>2,840,836</u>	<u>2,474,311</u>	<u>57,167,082</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to pensions.....	160,623	86,103	40,244	36,194	72,363	395,527
Deferred inflows related to other postemployment benefits.....	<u>121,090</u>	<u>87,181</u>	<u>32,272</u>	<u>18,357</u>	<u>22,769</u>	<u>281,669</u>
TOTAL DEFERRED INFLOWS OF RESOURCES.....	<u>281,713</u>	<u>173,284</u>	<u>72,516</u>	<u>54,551</u>	<u>95,132</u>	<u>677,196</u>
NET POSITION						
Net investment in capital assets.....	11,963,255	24,872,264	932,283	1,069,168	6,344,299	45,181,269
Unrestricted.....	<u>4,254,263</u>	<u>6,561,053</u>	<u>(360,905)</u>	<u>394,092</u>	<u>239,834</u>	<u>11,088,337</u>
TOTAL NET POSITION.....	<u>\$ 16,217,518</u>	<u>\$ 31,433,317</u>	<u>\$ 571,378</u>	<u>\$ 1,463,260</u>	<u>\$ 6,584,133</u>	<u>\$ 56,269,606</u>

See notes to basic financial statements.

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

YEAR ENDED JUNE 30, 2021

	Business-type Activities - Enterprise Funds					
	Water	Sewer	Transfer Station	Widow's Walk Golf Course	Waterways	Total
OPERATING REVENUES:						
Charges for services.....	\$ 6,638,999	\$ 2,610,053	\$ 1,686,076	\$ 1,735,244	\$ 1,023,356	\$ 13,693,728
Other operating revenues.....	-	-	-	-	183,951	183,951
TOTAL OPERATING REVENUES	6,638,999	2,610,053	1,686,076	1,735,244	1,207,307	13,877,679
OPERATING EXPENSES:						
Cost of services and administration.....	2,008,882	1,262,551	1,182,396	951,803	313,626	5,719,258
Salaries and wages.....	1,087,307	537,770	255,303	208,817	421,636	2,510,833
Pension and other postemployment benefits expense.....	(1,011,294)	(151,439)	(170,965)	64,948	(395,998)	(1,664,748)
Depreciation.....	1,254,680	1,090,307	77,324	190,959	339,565	2,952,835
TOTAL OPERATING EXPENSES	3,339,575	2,739,189	1,344,058	1,416,527	678,829	9,518,178
OPERATING INCOME (LOSS)	3,299,424	(129,136)	342,018	318,717	528,478	4,359,501
NONOPERATING REVENUES (EXPENSES):						
Investment income.....	24,687	13,554	2,366	6,066	4,320	50,993
Interest expense.....	(730,311)	(172,878)	-	(33,938)	(24,352)	(961,479)
Penalties and interest.....	36,382	235,042	-	-	-	271,424
Boat excise taxes.....	-	-	-	-	43,691	43,691
TOTAL NONOPERATING REVENUES (EXPENSES), NET	(669,242)	75,718	2,366	(27,872)	23,659	(595,371)
INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	2,630,182	(53,418)	344,384	290,845	552,137	3,764,130
CAPITAL CONTRIBUTIONS	960,377	1,965,034	14,053	-	635,680	3,575,144
TRANSFERS:						
Transfers in.....	-	97,982	-	-	-	97,982
CHANGE IN NET POSITION	3,590,559	2,009,598	358,437	290,845	1,187,817	7,437,256
NET POSITION AT BEGINNING OF YEAR	12,626,959	29,423,719	212,941	1,172,415	5,396,316	48,832,350
NET POSITION AT END OF YEAR	\$ 16,217,518	\$ 31,433,317	\$ 571,378	\$ 1,463,260	\$ 6,584,133	\$ 56,269,606

See notes to basic financial statements.

**PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS**

YEAR ENDED JUNE 30, 2021

	Business-type Activities - Enterprise Funds					
	Water	Sewer	Transfer Station	Widow's Walk Golf Course	Waterways	Total
CASH FLOWS FROM OPERATING ACTIVITIES:						
Receipts from customers and users.....	\$ 6,662,377	\$ 2,812,505	\$ 1,686,076	\$ 1,735,244	\$ 1,250,998	\$ 14,147,200
Payments to vendors.....	(1,208,124)	(661,022)	(1,225,771)	(669,826)	(379,681)	(4,144,424)
Payments to employees.....	(1,071,312)	(536,523)	(256,798)	(202,396)	(421,741)	(2,488,770)
NET CASH FROM OPERATING ACTIVITIES.....	4,382,941	1,614,960	203,507	863,022	449,576	7,514,006
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:						
Transfers in.....	-	97,982	-	-	-	97,982
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:						
Proceeds from the issuance of bonds and notes.....	6,762,915	4,420,703	103,900	1,502,000	-	12,789,518
Premium from the issuance of bonds.....	1,443,000	411,906	-	315,000	-	2,169,906
Capital contributions.....	-	2,856,083	14,053	-	635,680	3,505,816
Acquisition and construction of capital assets.....	(6,630,439)	(7,696,672)	(14,053)	(499,403)	(1,168,461)	(16,009,028)
Principal payments on bonds and notes.....	(1,633,000)	(1,462,852)	-	-	(310,000)	(3,405,852)
Interest expense.....	(635,109)	(239,896)	-	-	(54,447)	(929,452)
NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES.....	(692,633)	(1,710,728)	103,900	1,317,597	(897,228)	(1,879,092)
CASH FLOWS FROM INVESTING ACTIVITIES:						
Investment income.....	24,687	13,554	2,366	6,066	4,320	50,993
NET CHANGE IN CASH AND CASH EQUIVALENTS.....	3,714,995	15,768	309,773	2,186,685	(443,332)	5,783,889
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR.....	3,109,279	3,243,646	764,886	349,400	1,773,303	9,240,514
CASH AND CASH EQUIVALENTS AT END OF YEAR.....	\$ 6,824,274	\$ 3,259,414	\$ 1,074,659	\$ 2,536,085	\$ 1,329,971	\$ 15,024,403
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES:						
Operating income (loss).....	\$ 3,299,424	\$ (129,136)	\$ 342,018	\$ 318,717	\$ 528,478	\$ 4,359,501
Adjustments to reconcile operating income to net cash from operating activities:						
Depreciation.....	1,254,680	1,090,307	77,324	190,959	339,565	2,952,835
Deferred (outflows)/inflows related to pensions.....	194,499	105,728	48,736	43,166	88,511	480,640
Deferred (outflows)/inflows related to other postemployment benefits.....	485,691	172,752	99,717	8,838	149,752	916,750
Receipts from users penalties and interest.....	36,382	235,042	-	-	-	271,424
Boat excise taxes.....	-	-	-	-	43,691	43,691
Changes in assets and liabilities:						
Liens - user charges.....	(21,463)	(28,610)	-	-	-	(50,073)
User charges.....	8,459	(3,980)	-	-	-	4,479
Inventory.....	-	-	-	6,429	-	6,429
Warrants payable.....	800,758	601,529	2,625	259,209	(66,055)	1,598,066
Accrued payroll.....	2,512	3,251	43	2,230	2,033	10,069
Other liabilities.....	-	-	-	1,709	-	1,709
Capital lease obligations.....	-	-	-	14,630	-	14,630
Landfill closure.....	-	-	(46,000)	-	-	(46,000)
Compensated absences.....	13,483	(2,004)	(1,538)	4,191	(2,138)	11,994
Net pension liability.....	(214,648)	(128,710)	(53,828)	(42,209)	(104,960)	(544,355)
Net other postemployment benefits.....	(1,476,836)	(301,209)	(265,590)	55,153	(529,301)	(2,517,783)
Total adjustments.....	1,083,517	1,744,096	(138,511)	544,305	(78,902)	3,154,505
NET CASH FROM OPERATING ACTIVITIES.....	\$ 4,382,941	\$ 1,614,960	\$ 203,507	\$ 863,022	\$ 449,576	\$ 7,514,006
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:						
Capital lease financing.....	\$ -	\$ -	\$ -	\$ 83,007	\$ -	\$ 83,007
Issuance of refunding bonds.....	1,479,300	648,900	-	-	140,500	2,268,700
Long-term bonds refunded.....	(1,735,000)	(750,000)	-	-	(255,000)	(2,740,000)
Refunding premium.....	255,700	101,100	-	-	114,500	471,300
Intergovernmental subsidy of debt service.....	-	88,232	-	-	-	88,232

See notes to basic financial statements.

FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2021

	Other Postemployment Benefit Trust Fund	Private Purpose Trust Funds
ASSETS		
Cash and cash equivalents.....	\$ 1,507,843	\$ 252,722
NET POSITION		
Restricted for other postemployment benefits.....	1,507,843	-
Held in trust for other purposes.....	-	252,722
TOTAL NET POSITION.....	\$ 1,507,843	\$ 252,722

See notes to basic financial statements.

FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

YEAR ENDED JUNE 30, 2021

	Other Postemployment Benefit Trust Fund	Private Purpose Trust Funds
<u>ADDITIONS:</u>		
Contributions:		
Employer contributions.....	\$ 343,866	\$ -
Employer contributions for other postemployment benefit payments...	2,766,737	-
Private donations.....	-	668
Total contributions.....	3,110,603	668
Investment income.....	2,493	721
TOTAL ADDITIONS.....	3,113,096	1,389
<u>DEDUCTIONS:</u>		
Other postemployment benefit payments.....	2,766,737	-
Educational scholarships.....	-	2,350
TOTAL DEDUCTIONS.....	2,766,737	2,350
NET INCREASE (DECREASE) IN NET POSITION.....	346,359	(961)
NET POSITION AT BEGINNING OF YEAR.....	1,161,484	253,683
NET POSITION AT END OF YEAR.....	\$ 1,507,843	\$ 252,722

See notes to basic financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of the Town of Scituate, Massachusetts (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 Town accounting policies are described herein.

A. Reporting Entity

The Town of Scituate, Massachusetts is a municipal corporation that is governed by an elected Select Board.

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 not identified any component units requiring inclusion in these basic financial statements.

Joint Ventures – The Town is a member of the South Shore Vocational Technical High School District along with the Towns of Abington, Cohasset, Hanover, Hanson, Norwell, Rockland and Whitman. The South Shore Vocational Technical High School District serves the members' students seeking an education in academic, technical and agriculture studies. The members share in the operations of the South Shore Vocational Technical High School District and each member is responsible for its proportionate share of the operational and capital cost of the South Shore Vocational Technical High School District, which are paid in the form of assessments. The Town does not have an equity interest in the South Shore Vocational Technical High School District and the 2021 assessment was \$590,813. Separate financial statements may be obtained by writing to the Treasurer at 476 Webster Street, Hanover, Massachusetts 02339.

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 activities) report information on all of the non-fiduciary activities of the primary government. *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

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

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. Exceptions are charges between the general fund and the enterprise funds. 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 funds received in accordance with the Massachusetts Community Preservation Act (the CPA). Funds are received under the CPA through a surcharge of up to 3% of the real property tax levy and matching state grants. These funds are spent for the acquisition, creation and preservation of open space, historic resources and affordable housing.

The *Town capital projects fund* is used to account for the construction and renovation of Town projects.

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 major proprietary funds are reported:

The *water enterprise fund* is used to account for the activities of the public water system.

The *sewer enterprise fund* is used to account for the sewer activities.

The *transfer station enterprise fund* is used to account for user fees and costs associated with the Town's pay-as-you-throw facility for household refuse.

The *Widow's Walk golf course enterprise fund* is used to account for the operations of the Town's golf course facility, which is maintained through the collection of user fees.

The *waterways enterprise fund* is used to account for user fees and costs associated with the protection, tracking, oversight, and usage of waterways surrounding or within the Town's borders. Fees are primarily derived from public marina slips and moorings maintained by the Town.

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 by the Town for others that cannot be used to support the governmental programs.

The following fiduciary fund types are reported:

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

The *private purpose trust fund* is used to account for trust arrangements that exclusively benefit individuals, private organizations, or other governments. Some of these trusts have donor restrictions and trustee policies that do not allow the endowment portion and any unrealized appreciation to be spent. The donor restrictions and trustee policies only allow the trustees to authorize spending of the realized investment earnings. The Town's educational scholarship trusts are accounted for in this fund.

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. The fair values were determined by the closing price for those securities traded on national stock exchanges and at an average bid-and-asked quotation for those securities traded in the over-the-counter market.

E. 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.

F. Accounts Receivable

Government-Wide and Fund Financial Statements

The recognition of revenue related to accounts receivable reported in the government-wide financial statements and the proprietary funds and fiduciary funds 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 Taxes, Personal Property Taxes and Tax Liens

Real estate and personal property taxes are levied and based on values assessed on January 1st 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 1st, November 1st, February 1st and May 1st 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 during the 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 for uncollectibles is estimated based on historical trends and specific account analysis.

Motor Vehicle and Other Excise Taxes

Motor vehicle excise taxes are assessed annually for each vehicle registered in the Town 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.

Boat excise taxes are assessed annually for each boat registered and are recorded as receivables in the year of the levy. The Commonwealth is responsible for reporting the number of boats registered and the fair value of those boats. The tax calculation is the fair value of the boat multiplied by \$10 per \$1,000 of value.

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

User Charges

User charges 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. Water and Sewer liens are processed every year and included as a lien on the property owner's tax bill. Water and Sewer charges and liens are recorded as receivables in the year of the levy.

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

Departmental and Other

Departmental and other receivables are recorded as receivables in the year accrued. The allowance for uncollectibles is estimated based on historical trends and specific account analysis.

Special Assessments

The costs incurred on completed special projects that have been assessed to the benefited taxpayers which have not been paid.

Since these receivables are secured via the lien process, they 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.

G. Inventories

Government-Wide and Fund Financial Statements

Inventories of the governmental funds are recorded as expenditures at the time of purchase. Such inventories are not material in total to the government-wide and fund financial statements, and therefore are not reported.

Inventories of the Widow’s Walk golf course enterprise fund are carried at lower of cost or market (first- in first-out).

H. Capital Assets

Government-Wide and Proprietary Fund Financial Statements

Capital assets, which include land, land improvements, buildings, machinery and equipment, and infrastructure (e.g., roads, water mains, sewer mains, and similar items), are reported in the applicable governmental or business-type activity column of the government-wide financial statements, and the proprietary fund financial statements. Capital assets are recorded at historical cost, or at estimated historical cost, if actual historical cost is not available. Donated capital assets; donated works of art, historical treasures and similar assets; and capital assets received in service concession arrangements are recorded at acquisition value. Except for the capital assets of the governmental activities column in the government-wide financial statements, construction period interest is capitalized on constructed capital assets.

All purchases in excess of \$5,000 are capitalized at the date of acquisition with expected useful life of greater than two years. Capital assets (excluding land and construction in progress) 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>
Land improvements.....	20-50
Building and improvements.....	20-50
Vehicles, machinery and equipment.....	3-10
Infrastructure.....	20-50

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.

I. Deferred Outflows/Inflows of Resources

Government-Wide Financial Statements (Net Position)

In addition to assets, the statement of financial position 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 that time. The Town has reported deferred outflows of resources related to pensions and deferred outflow of resources related to other postemployment benefits in this category.

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 has reported taxes paid in advance, deferred inflows of resources related to pensions and deferred inflows of resources related to other postemployment benefits in this category.

Governmental Fund Financial Statements

In addition to liabilities, the governmental 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 not 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 taxes paid in advance and unavailable revenue as deferred inflows of resources in the governmental funds balance sheet.

J. Unavailable Revenue

Fund Financial Statements

Unavailable revenue at the governmental fund financial statement level represents billed receivables that do not meet the available criterion in accordance with the current financial resources measurement focus and the modified accrual basis of accounting. Unavailable revenue is recognized as revenue in the conversion to the government-wide (full accrual) financial statements. Unavailable revenue consisted of taxes billed not yet received and grant awards related to expenditure driven grants in which the grant requirements have not been met.

K. 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.

Government-Wide Financial Statements

Transactions of a buyer/seller nature between and within governmental funds and internal service 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 net position as "internal balances".

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.

L. 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.

Government-Wide Financial Statements

Transfers between and within governmental funds and internal service 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".

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.

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

Net position is 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 allow 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.

"Gifts and grants" represents assets that have restrictions placed on them from outside parties.

"Community preservation" represents assets that are restricted for use in accordance with the Massachusetts Community Preservation Act.

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 are 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. A Town Meeting vote on a budget article (resolution) is the government’s highest level of decision-making authority. Once voted, the limitation imposed by the vote remains in place until the funds are used for their intended purpose or a Town Meeting 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 Accountant is authorized to assign fund balance. Funds are assigned when the Town has an obligation to purchase goods or services from the current years’ appropriation. 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. The general fund is the only fund that reports a positive unassigned fund balance amount.

Sometimes the Town will fund outlays for a particular purpose from different components of fund balance. In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. When different components of fund balance can be used for the same purpose, it is the Town’s policy to consider restricted fund balance to have been depleted first, followed by committed fund balance, and assigned fund balance. Unassigned fund balance is applied last.

N. 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 Plymouth County Retirement Association and the Massachusetts Teachers’ Retirement 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 Systems. 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.

O. 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.

P. 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).

Q. 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 upon maturity of the liability.

R. 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.

S. Individual Fund Deficits

At June 30, 2021, the Town Capital Projects Fund reported a deficit of \$1,182,699 related to the Senior Center Construction, and the Other Special Revenue funds reports a deficit of \$88,338. These deficits will be funded with available funds and bond proceeds.

T. Total Column*Government-Wide Financial Statements*

The total column presented on the government-wide financial statements represents consolidated financial information.

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.

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 investment in obligations of the U.S. Treasury, agencies, instrumentalities, certificates of deposit, repurchase agreements, money market accounts, bank deposits and the State Treasurer's Investment Pool (Pool). The Treasurer may also invest trust funds in securities, other than mortgages or collateral loans, which are legal for the investment of funds of savings banks under the laws of the Commonwealth.

The Pool meets the criteria of an external investment pool. The Pool is administered by the Massachusetts Municipal Depository Trust (MMDT), which was established by the Treasurer of the Commonwealth who serves as Trustee. The MMDT Cash Portfolio is not registered with the Securities and Exchange Commission (SEC) as an investment company but maintains a policy to operate in a manner as a qualifying external investment pool as defined by GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools." The Cash Portfolio also adheres to GASB Statement No. 79, "Certain External Investment Pools and Pool Participants," which amends GASB Statement No. 31 and establishes accounting and financial reporting standards for state and local governments that participate in a qualifying external investment pool that measures for financial reporting purposes all of its investments at amortized cost. The Cash Portfolio is managed to seek to maintain a stable \$1 unit price, although there is no guarantee that it will be able to do so. There are no limitations or restrictions on participant withdrawals, i.e. no redemption notice periods, maximum transaction amounts, ability of pool to impose liquidity fees or redemption gates.

Custodial Credit Risk – Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the Town of Scituate's deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk. At year-end, the carrying amount of deposits totaled \$50,755,859 and the bank balance totaled \$52,112,533. Of the bank balance, \$2,500,000 was covered by Federal Depository Insurance, \$38,830,565 was covered by the Depositors Insurance Fund, \$5,338,112 was collateralized, and \$5,443,856 was uninsured and uncollateralized.

The Town's investments consisted solely of MMDT investments totaling \$8,598,042. MMDT maintains a cash portfolio with combined average maturities of approximately 49 days.

Custodial Credit Risk – Investments

For an investment, this is the risk that, in the event of a failure by the counterparty, the Town will not be able to recover the value of its investments or collateral security that are in possession of an outside party. The Town's investment policy requires the Treasurer to review, on a quarterly basis, the Call Reports and/or the Uniform Bank Performance Report of any institution conducting business with the Town that receives a "Yellow" classification or less than three stars on the previous quarter's Veribanc report. As of June 30, 2021, the Town's investments in MMDT cash portfolio which totaled \$8,598,042 are not subject to custodial credit risk exposure because they are not evidenced by securities that exist in physical or book-entry form.

Interest Rate Risk

The Town's investment policy limits investment maturities to seven years maintaining an average maturity no greater than three years for the portfolio.

Credit Risk

The Town’s investment policy limits investing in corporate debt to a rating of “A” or better by either S&P or Moody’s rating services. During the year, the Town limited its deposits to certificates of deposits, money market accounts, MMDT Cash Portfolio and bank deposits. At year end, the Town’s investment in MMDT is unrated.

Concentration of Credit Risk

The Town’s investment policy allows the Treasurer to invest an unlimited amount in MMDT, U.S. Treasury Obligations, U.S. Agency Obligations or bank accounts and CD’s with final maturity no greater than one year from date of purchase and they are fully collateralized or covered by Federal Depository Insurance Coverage (FDIC) or Depositors Insurance Fund (DIF) insurance. The Treasurer may invest in uninsured or unsecured bank accounts or CD’s with a maturity of no greater than one year from the date of purchase, however the uninsured portion at any one institution cannot exceed 5% of the institution’s total deposits reflected on the bank’s last filed FDIC Call Report and no more than 35% of the Town’s funds may be held in uninsured accounts. The Town did not have any investments that were subject to concentration of credit risk.

Fair Value Measurement

The Town holds investments in the MMDT Cash Portfolio which are valued at amortized cost. The total value of the portfolio as of June 30, 2021, is \$8,598,042. Under the amortized cost valuation method, an investment is valued initially at its cost and thereafter adjusted for the amount of interest income accrued each day over the term of the investment to account for any difference between the initial cost of the investment and the amount payable at its maturity. If amortized cost is determined not to approximate fair value, the value of the portfolio securities will be determined under procedures established by MMDT’s adviser, Federated Hermes, Inc.

NOTE 3 – RECEIVABLES

At June 30, 2021, receivables for the individual major governmental funds and nonmajor governmental funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Gross Amount	Allowance for Uncollectibles	Net Amount
<u>Receivables:</u>	<u> </u>	<u> </u>	<u> </u>
Real estate and personal property taxes..... \$	964,524	\$ (47,628)	\$ 916,896
Tax liens.....	1,027,623	-	1,027,623
Community preservation fund surtax.....	13,772	-	13,772
Motor vehicle and other excise taxes.....	307,703	(53,043)	254,660
Departmental and other.....	800,224	(398,446)	401,778
Intergovernmental.....	3,298,223	-	3,298,223
Community preservation state share.....	742,423	-	742,423
Special assessments.....	234,525	-	234,525
Total..... \$	<u>7,389,017</u>	<u>\$ (499,117)</u>	<u>\$ 6,889,900</u>

At June 30, 2021, receivables for the enterprise funds consist of the following:

	Gross Amount	Allowance for Uncollectibles	Net Amount
<u>Receivables:</u>			
Water liens - user charges.....	\$ 67,565	\$ -	\$ 67,565
Water user charges.....	2,341,941	-	2,341,941
Water intergovernmental - other.....	960,377	-	960,377
Sewer liens - user charges.....	80,650	-	80,650
Sewer user charges.....	824,040	-	824,040
Sewer intergovernmental.....	53,316	-	53,316
Sewer special assessments.....	4,899,863	-	4,899,863
 Total.....	 \$ 9,227,752	 \$ -	 \$ 9,227,752

Governmental funds report *unavailable revenue* 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 year, the various components of *unavailable revenue* reported in the governmental funds were as follows:

	General Fund	Other Governmental Funds	Total
<u>Receivables and other asset types:</u>			
Real estate and personal property taxes.....	\$ 656,463	\$ -	\$ 656,463
Tax liens.....	1,000,164	27,459	1,027,623
Community preservation fund surtax.....	-	13,772	13,772
Motor vehicle and other excise taxes.....	254,660	-	254,660
Departmental and other.....	301,848	99,930	401,778
Intergovernmental - highway improvements.....	-	795,252	795,252
Special assessments.....	117,881	116,644	234,525
Tax foreclosures.....	605,179	-	605,179
 Total.....	 \$ 2,936,195	 \$ 1,053,057	 \$ 3,989,252

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021, was as follows:

Governmental Activities

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 21,493,654	\$ -	\$ -	\$ 21,493,654
Construction in progress.....	1,664,355	545,513	(1,664,355)	545,513
Total capital assets not being depreciated....	<u>23,158,009</u>	<u>545,513</u>	<u>(1,664,355)</u>	<u>22,039,167</u>
<u>Capital assets being depreciated:</u>				
Land improvements.....	6,433,078	1,727,667	-	8,160,745
Buildings and improvements.....	162,233,230	10,266,127	(495,000)	172,004,357
Machinery and equipment.....	14,541,469	2,285,348	(120,000)	16,706,817
Infrastructure.....	48,325,777	3,062,774	-	51,388,551
Vehicles.....	10,296,875	-	(130,504)	10,166,371
Total capital assets being depreciated.....	<u>241,830,429</u>	<u>17,341,916</u>	<u>(745,504)</u>	<u>258,426,841</u>
<u>Less accumulated depreciation for:</u>				
Land improvements.....	(1,801,098)	(317,897)	-	(2,118,995)
Buildings and improvements.....	(29,205,844)	(4,721,794)	495,000	(33,432,638)
Machinery and equipment.....	(11,322,417)	(1,288,846)	120,000	(12,491,263)
Infrastructure.....	(20,795,514)	(2,120,183)	-	(22,915,697)
Vehicles.....	(7,394,438)	(945,941)	130,504	(8,209,875)
Total accumulated depreciation.....	<u>(70,519,311)</u>	<u>(9,394,661)</u>	<u>745,504</u>	<u>(79,168,468)</u>
Total capital assets being depreciated, net.....	<u>171,311,118</u>	<u>7,947,255</u>	<u>-</u>	<u>179,258,373</u>
Total governmental activities capital assets, net.....	<u>\$ 194,469,127</u>	<u>\$ 8,492,768</u>	<u>\$ (1,664,355)</u>	<u>\$ 201,297,540</u>

Business-Type Activities

	Beginning Balance	Increases	Decreases	Ending Balance
Water:				
<u>Capital assets not being depreciated:</u>				
Construction in progress.....	\$ 324,174	\$ 6,213,088	\$ -	\$ 6,537,262
<u>Capital assets being depreciated:</u>				
Buildings and improvements.....	403,505	25,966	-	429,471
Machinery and equipment.....	1,124,562	391,385	-	1,515,947
Infrastructure.....	40,774,300	-	(210,111)	40,564,189
Vehicles.....	684,593	-	(36,709)	647,884
Total capital assets being depreciated.....	<u>42,986,960</u>	<u>417,351</u>	<u>(246,820)</u>	<u>43,157,491</u>
<u>Less accumulated depreciation for:</u>				
Buildings and improvements.....	(9,357)	(10,412)	-	(19,769)
Machinery and equipment.....	(598,894)	(95,692)	-	(694,586)
Infrastructure.....	(7,727,025)	(1,068,089)	210,111	(8,585,003)
Vehicles.....	(454,007)	(80,487)	36,709	(497,785)
Total accumulated depreciation.....	<u>(8,789,283)</u>	<u>(1,254,680)</u>	<u>246,820</u>	<u>(9,797,143)</u>
Total capital assets being depreciated, net.....	<u>34,197,677</u>	<u>(837,329)</u>	<u>-</u>	<u>33,360,348</u>
Total water activities capital assets, net.....	<u>\$ 34,521,851</u>	<u>\$ 5,375,759</u>	<u>\$ -</u>	<u>\$ 39,897,610</u>

	Beginning Balance	Increases	Decreases	Ending Balance
Sewer:				
<u>Capital assets not being depreciated:</u>				
Construction in progress.....	\$ -	\$ 7,118,100	\$ -	\$ 7,118,100
<u>Capital assets being depreciated:</u>				
Buildings and improvements.....	\$ 10,648,804	\$ 18,865	\$ -	\$ 10,667,669
Machinery and equipment.....	8,160,794	44,898	-	8,205,692
Infrastructure.....	33,133,250	514,809	-	33,648,059
Vehicles.....	230,241	-	-	230,241
Total capital assets being depreciated.....	52,173,089	578,572	-	52,751,661
<u>Less accumulated depreciation for:</u>				
Buildings and improvements.....	(6,321,429)	(215,068)	-	(6,536,497)
Machinery and equipment.....	(4,490,577)	(187,988)	-	(4,678,565)
Infrastructure.....	(9,084,262)	(685,053)	-	(9,769,315)
Vehicles.....	(219,247)	(2,198)	-	(221,445)
Total accumulated depreciation.....	(20,115,515)	(1,090,307)	-	(21,205,822)
Total capital assets being depreciated, net.....	32,057,574	(511,735)	-	31,545,839
Total sewer activities capital assets, net.....	\$ 32,057,574	\$ 6,606,365	\$ -	\$ 38,663,939
Transfer Station:				
<u>Capital assets being depreciated:</u>				
Buildings and improvements.....	\$ 2,221,043	\$ -	\$ -	\$ 2,221,043
Machinery and equipment.....	663,156	14,053	-	677,209
Vehicles.....	47,993	-	-	47,993
Total capital assets being depreciated.....	2,932,192	14,053	-	2,946,245
<u>Less accumulated depreciation for:</u>				
Buildings and improvements.....	(1,261,420)	(48,848)	-	(1,310,268)
Machinery and equipment.....	(527,851)	(23,949)	-	(551,800)
Vehicles.....	(43,467)	(4,527)	-	(47,994)
Total accumulated depreciation.....	(1,832,738)	(77,324)	-	(1,910,062)
Total transfer station activities capital assets, net... \$	1,099,454	(63,271)	-	1,036,183

	Beginning Balance	Increases	Decreases	Ending Balance
Widow's Walk golf course:				
<u>Capital assets not being depreciated:</u>				
Construction in progress.....	\$ -	\$ 499,403	\$ -	\$ 499,403
<u>Capital assets being depreciated:</u>				
Land improvements.....	\$ 3,870,500	\$ -	\$ -	\$ 3,870,500
Buildings and improvements.....	970,509	-	-	970,509
Machinery and equipment.....	1,671,411	-	(48,210)	1,623,201
Infrastructure.....	38,750	-	-	38,750
Total capital assets being depreciated.....	6,551,170	-	(48,210)	6,502,960
<u>Less accumulated depreciation for:</u>				
Land improvements.....	(3,094,645)	(105,957)	-	(3,200,602)
Buildings and improvements.....	(528,547)	(24,263)	-	(552,810)
Machinery and equipment.....	(1,494,010)	(58,801)	48,210	(1,504,601)
Infrastructure.....	(969)	(1,938)	-	(2,907)
Total accumulated depreciation.....	(5,118,171)	(190,959)	48,210	(5,260,920)
Total capital assets being depreciated, net.....	1,432,999	(190,959)	-	1,242,040
Total Widow's Walk golf course activities capital assets, net... \$	1,432,999	308,444	-	1,741,443

	Beginning Balance	Increases	Decreases	Ending Balance
Waterways:				
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 3,675,000	\$ -	\$ -	\$ 3,675,000
<u>Capital assets being depreciated:</u>				
Land improvements.....	5,230,477	850,054	-	6,080,531
Buildings and improvements.....	1,413,811	12,439	-	1,426,250
Machinery and equipment.....	1,958,797	305,968	-	2,264,765
Vehicles.....	150,000	-	-	150,000
Infrastructure.....	519,243	-	-	519,243
Total capital assets being depreciated.....	9,272,328	1,168,461	-	10,440,789
<u>Less accumulated depreciation for:</u>				
Land improvements.....	(4,171,565)	(176,004)	-	(4,347,569)
Buildings and improvements.....	(375,614)	(35,113)	-	(410,727)
Machinery and equipment.....	(1,384,540)	(76,650)	-	(1,461,190)
Vehicles.....	(15,150)	(21,798)	-	(36,948)
Infrastructure.....	(105,000)	(30,000)	-	(135,000)
Total accumulated depreciation.....	(6,051,869)	(339,565)	-	(6,391,434)
Total capital assets being depreciated, net.....	3,220,459	828,896	-	4,049,355
Total waterways activities capital assets, net..... \$	6,895,459	828,896	-	7,724,355

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

Governmental Activities:

General government.....	\$	361,447
Public safety.....		1,319,568
Education.....		3,503,871
Public works.....		2,840,065
Human services.....		196,667
Culture and recreation.....		679,012
Community preservation.....		494,031

Total depreciation expense - governmental activities..... \$ 9,394,661

Business-Type Activities:

Water.....	\$	1,254,680
Sewer.....		1,090,307
Transfer station.....		77,324
Widow's Walk golf course.....		190,959
Waterways.....		339,565

Total depreciation expense - business-type activities..... \$ 2,952,835

NOTE 5 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivables and payables totaled \$1,111,409 as of June 30, 2021, and consisted of funds due to the general fund from the Town grants fund. The outstanding balance resulted from the time lag between the dates that reimbursable expenditures are incurred, and reimbursements are received.

Interfund transfers for the year ended June 30, 2021, are summarized as follows:

Transfers Out:	Transfers In:					Total	
	General fund	Town Capital Projects	Nonmajor governmental funds	Sewer Enterprise fund			
General fund.....	\$ -	\$ 58,000	\$ 414,958	\$ 97,982	\$ 570,940	(1)	
Community Preservation.....	-	690,433	-	-	690,433	(2)	
Nonmajor governmental funds.....	591,688	-	31,112	-	622,800	(3)	
Total.....	\$ <u>591,688</u>	\$ <u>748,433</u>	\$ <u>446,070</u>	\$ <u>97,982</u>	\$ <u>1,884,173</u>		

- (1) Represents budgeted transfers from the general fund to the Town Capital Projects fund and nonmajor governmental funds and to the sewer enterprise fund for debt subsidies.
- (2) Represents budgeted transfers from the Community Preservation Fund to the Town Capital Projects funds.
- (3) Represents budgeted transfers into the general fund from nonmajor governmental funds. Also represents transfers within the nonmajor governmental funds.

NOTE 6 – LEASES

The Town has entered into lease agreements to finance the acquisition of vehicles for governmental activities and equipment and golf carts for the Widow’s Walk golf course, an enterprise fund of the Town. The lease agreements qualify as capital leases for accounting purposes and have been recorded at the present value of their future minimum lease payments as of the inception dates.

The assets acquired through capital leases are as follows:

	Governmental Activities	Business-Type Activities
<u>Asset:</u>		
Machinery and equipment.....	\$ -	\$ 374,090
Vehicles.....	1,593,669	-
Less: accumulated depreciation...	(433,544)	(196,185)
Total.....	\$ 1,160,125	\$ 177,905

Future minimum lease payments under capitalized leases consist of the following at June 30, 2021:

Years ending June 30:	Governmental Activities	Business-Type Activities
2022.....	\$ 843,300	\$ 64,695
2023.....	248,300	57,277
2024.....	-	27,065
2025.....	-	16,603
Total minimum lease payments.....	1,091,600	165,640
Less: amounts representing interest.....	(49,640)	(3,568)
Present value of minimum lease payments... \$	1,041,960	\$ 162,072

NOTE 7 – SHORT-TERM FINANCING

Short-term debt may be authorized and issued 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 and carry maturity dates that are limited by statute. Interest expenditures and expenses for short-term borrowings are accounted for in the general fund and enterprise funds.

Details related to the short-term debt activity for the year ended June 30, 2021, are as follows:

Type	Purpose	Rate (%)	Due Date	Balance at June 30, 2020	Renewed/ Issued	Retired/ Redeemed	Balance at June 30, 2021
Governmental Funds:							
BAN	MCWT Interim Loan Note.....	2.00	05/11/21	\$ 154,222	\$ 45,000	\$ (199,222)	\$ -
BAN	Bond Anticipation Note.....	1.50	12/11/20	1,160,433	-	(1,160,433)	-
BAN	MCWT Interim Loan Note.....	2.00	(1)	-	32,000	-	32,000
BAN	Bond Anticipation Note.....	1.50	03/04/22	-	2,200,000	-	2,200,000
Total Governmental Funds.....				\$ 1,314,655	\$ 2,277,000	\$ (1,359,655)	\$ 2,232,000
Water Enterprise Fund:							
BAN	Bond Anticipation Note.....	1.75	12/11/20	\$ 593,000	\$ -	\$ (593,000)	\$ -
BAN	MCWT Interim Loan Note.....	2.00	(2)	-	1,968,515	-	1,968,515
Total Water Enterprise Fund.....				593,000	1,968,515	(593,000)	1,968,515
Sewer Enterprise Fund:							
BAN	Bond Anticipation Note.....	1.50	03/04/22	-	1,830,000	-	1,830,000
Total Enterprise Funds.....				\$ 593,000	\$ 3,798,515	\$ (593,000)	\$ 3,798,515

- (1) The Town entered into an interim loan with the Massachusetts Clean Water Trust (MCWT) in 2021 totaling \$200,000 for Title V projects. As of June 30, 2021, the Town has incurred \$32,000 of eligible costs related to the project and has received the corresponding loan proceeds from MCWT. Once the Town procures permanent financing, the interim loan will be disclosed as long-term debt.
- (2) The Town entered into an interim loan with the MCWT in 2020 totaling \$6,769,393 for construction on the water treatment plant. As of June 30, 2021, the Town has incurred \$1,968,515 of eligible costs related to the project and has received the corresponding loan proceeds from MCWT. Once the Town procures permanent financing, the interim loan will be disclosed as long-term debt.

NOTE 8 – LONG-TERM DEBT

Under the provisions of Chapter 44, Section 10, Municipal Law authorizes indebtedness up to a limit of 5% of the equalized valuation. Debt issued in accordance with this section of the law is designated as being "inside the debt limit". In addition, however, debt may be authorized in excess of that limit for specific purposes. Such debt, when issued, is designated as being "outside the debt limit".

Details related to the outstanding indebtedness at June 30, 2021, and the debt service requirements are as follows:

Bonds and Notes Payable Schedule – Governmental Fund

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2021
General Obligation Bonds Payable:				
General Obligation Bonds of 2013.....	2033	\$ 4,697,021	2.00 - 2.75	\$ 2,500,000
General Obligation Refunding Bonds of 2015...	2025	4,205,000	4.00 - 5.00	1,860,000
General Obligation Bonds of 2015.....	2040	68,040,400	2.00 - 5.00	50,860,000
General Obligation Refunding Bonds of 2016...	2025	529,100	2.00 - 4.00	220,000
General Obligation Bonds of 2019.....	2039	5,441,000	3.00 - 5.00	4,720,000
General Obligation Bonds of 2020.....	2041	12,618,500	2.00 - 5.00	12,618,500
General Obligation Bonds of 2021.....	2031	2,611,000	2.00 - 5.00	2,611,000
Total Bonds Payable.....				75,389,500
Add: Unamortized premium on bonds.....				5,588,781
Subtotal governmental general obligation bonds payable, net.....				80,978,281
Direct Borrowings Payable:				
EOEEA Dam & Seawall Bonds of 2017.....	2037	\$ 3,500,000	2.00 - 4.00	2,829,264
EOEEA Seawall Repair Bonds of 2019.....	2038	500,000	2.00	447,828
MCWT Series 23 CWT-18-13.....	2041	199,222	2.00	199,222
Subtotal governmental direct borrowings payable.....				3,476,314
Total Bonds Payable.....				\$ 84,454,595

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

Year	General Obligation Bonds Payable		
	Principal	Interest	Total
2022.....	\$ 5,158,400	\$ 3,292,441	\$ 8,450,841
2023.....	5,139,100	2,827,068	7,966,168
2024.....	5,044,100	2,579,560	7,623,660
2025.....	4,967,500	2,336,679	7,304,179
2026.....	4,332,100	2,110,329	6,442,429
2027.....	4,185,900	1,899,646	6,085,546
2028.....	4,179,300	1,709,527	5,888,827
2029.....	4,175,100	1,534,406	5,709,506
2030.....	4,098,400	1,361,096	5,459,496
2031.....	4,029,600	1,194,988	5,224,588
2032.....	3,535,000	1,044,761	4,579,761
2033.....	3,515,000	913,275	4,428,275
2034.....	3,335,000	784,412	4,119,412
2035.....	3,330,000	662,512	3,992,512
2036.....	3,330,000	540,357	3,870,357
2037.....	3,215,000	418,200	3,633,200
2038.....	3,150,000	299,526	3,449,526
2039.....	3,150,000	182,762	3,332,762
2040.....	3,080,000	66,000	3,146,000
2041.....	440,000	4,401	444,401
Total.....	\$ 75,389,500	\$ 25,761,946	\$ 101,151,446

Year	Direct Borrowings Payable		
	Principal	Interest	Total
2022.....	\$ 187,053	\$ 67,352	\$ 254,405
2023.....	190,825	64,878	255,703
2024.....	194,674	61,041	255,715
2025.....	198,601	57,128	255,729
2026.....	202,606	53,139	255,745
2027.....	206,693	49,068	255,761
2028.....	210,863	44,914	255,777
2029.....	215,116	40,676	255,792
2030.....	219,455	36,352	255,807
2031.....	223,882	31,944	255,826
2032.....	228,398	27,444	255,842
2033.....	233,005	22,854	255,859
2034.....	237,705	18,173	255,878
2035.....	242,499	13,394	255,893
2036.....	247,391	8,522	255,913
2037.....	145,790	3,550	149,340
2038.....	56,151	1,842	57,993
2039.....	11,615	712	12,327
2040.....	11,867	480	12,347
2041.....	12,125	242	12,367
Total.....	\$ 3,476,314	\$ 603,705	\$ 4,080,019

Bonds and Notes Payable Schedule – Enterprise Funds

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2021
Water				
General Obligation Bonds Payable:				
General Obligation Bonds of 2013.....	2033	\$ 550,000	2.00 - 2.75	\$ 170,000
General Obligation Bonds of 2015.....	2040	14,400,000	2.00 - 2.75	10,890,000
General Obligation Bonds of 2016.....	2025	353,400	2.00 - 4.00	155,000
General Obligation Bonds of 2019.....	2039	997,500	3.00 - 5.00	685,000
General Obligation Bonds of 2020.....	2041	11,457,000	2.00 - 5.00	11,457,000
General Obligation Bonds of 2021.....	2031	2,216,700	2.00 - 5.00	2,216,700
Subtotal water general obligation bonds payable.....				25,573,700
Add: Unamortized premium on bonds.....				2,392,063
Total water general obligation bonds payable, net.....				27,965,763
Sewer				
General Obligation Bonds Payable:				
General Obligation Bonds of 2012.....	2033	\$ 483,341	2.00 - 2.75	280,000
General Obligation Bonds of 2016.....	2025	1,280,500	2.00 - 4.00	555,000
General Obligation Bonds of 2019.....	2039	1,087,250	3.00 - 5.00	875,000
General Obligation Bonds of 2020.....	2041	3,046,500	2.00 - 5.00	3,046,500
General Obligation Bonds of 2021.....	2031	648,900	3.00 - 5.00	648,900
Add: Unamortized premium on bonds.....				411,906
Subtotal sewer general obligation bonds payable.....				5,817,306
Direct Borrowings Payable:				
MCWT CW-02-22A.....	2024	\$ 1,288,256	2.00	260,736
MCWT CW-04-38.....	2026	3,554,137	2.00	1,118,742
MCWT CW-04-38-A.....	2026	929,694	2.00	305,887
MCWT CW-02-22.....	2024	4,557,209	2.00	1,023,750
MCWT Series 16 CWS-09-06.....	2033	348,667	2.00	226,868
MCWT CW-10-25.....	2033	5,389,000	2.00	3,506,491
Subtotal sewer direct borrowings payable.....				6,442,474
Total sewer bonds payable.....				12,259,780
Waterways				
General Obligation Bonds Payable:				
General Obligation Bonds of 2016.....	2024	\$ 1,642,000	2.00 - 4.00	610,000
General Obligation Bonds of 2019.....	2031	159,250	4.00 - 5.00	125,000
General Obligation Bonds of 2020.....	2030	471,000	5.00	471,000
General Obligation Bonds of 2021.....	2031	234,500	4.00 - 5.00	234,500
Subtotal waterways general obligation bonds payable.....				1,440,500
Add: Unamortized premium on bonds.....				116,638
Total waterways general obligation bonds payable, net.....				1,557,138
Transfer Station				
General Obligation Bonds:				
General Obligation Bonds of 2020.....	2031	\$ 103,900	3.00 - 5.00	103,900
Widow's Walk Golf Course				
General Obligation Bonds:				
General Obligation Bonds of 2020.....	2031	\$ 1,502,000	4.00 - 5.00	1,502,000
Add: Unamortized premium on bonds.....				315,000
Total Widow's Walk golf course general obligation bonds payable, net.....				1,817,000
Total Enterprise Bonds Payable, net.....				\$ 43,703,581

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

Year	General Obligation Bonds Payable		
	Principal	Interest	Total
2022.....	\$ 2,711,600	\$ 1,575,785	\$ 4,287,385
2023.....	2,640,900	1,186,526	3,827,426
2024.....	2,515,900	1,061,404	3,577,304
2025.....	2,252,500	949,286	3,201,786
2026.....	2,027,900	844,034	2,871,934
2027.....	1,934,100	745,165	2,679,265
2028.....	1,905,700	653,734	2,559,434
2029.....	1,879,900	568,865	2,448,765
2030.....	1,831,600	487,503	2,319,103
2031.....	1,765,400	411,900	2,177,300
2032.....	1,385,000	347,937	1,732,937
2033.....	1,380,000	297,905	1,677,905
2034.....	1,350,000	255,626	1,605,626
2035.....	1,350,000	217,124	1,567,124
2036.....	1,330,000	178,964	1,508,964
2037.....	1,285,000	141,650	1,426,650
2038.....	1,285,000	104,726	1,389,726
2039.....	1,285,000	67,736	1,352,736
2040.....	1,235,000	30,750	1,265,750
2041.....	675,000	6,548	681,548
Total.....	\$ <u>34,025,500</u>	\$ <u>10,133,168</u>	\$ <u>44,158,668</u>

Year	Direct Borrowings Payable		
	Principal	Interest	Total
2022.....	\$ 965,105	\$ 139,038	\$ 1,104,143
2023.....	990,295	109,140	1,099,435
2024.....	1,011,782	78,821	1,090,603
2025.....	584,587	66,421	651,008
2026.....	596,847	54,667	651,514
2027.....	306,941	45,690	352,631
2028.....	313,612	39,548	353,160
2029.....	320,428	33,272	353,700
2030.....	327,392	26,858	354,250
2031.....	334,507	20,306	354,813
2032.....	341,777	13,612	355,389
2033.....	349,201	6,770	355,971
Total.....	\$ <u>6,442,474</u>	\$ <u>634,143</u>	\$ <u>7,076,617</u>

The Town is scheduled to be subsidized by the Massachusetts Clean Water Trust (MCWT) on a periodic basis for principal in the amount of \$53,316 and interest costs for \$47,906 related to the MCWT Pool 10 loan and the MCWT CW-02-22 loan. Thus, net sewer enterprise loan repayments for these projects, including interest, are scheduled to be \$974,234. The principal subsidies are guaranteed and therefore a \$53,316 intergovernmental receivable has been recorded in the sewer enterprise fund at June 30, 2021. Since the Town is legally obligated for the total amount of the debt, such amounts have been reported in the accompanying basic financial statements. The 2021 principal and interest subsidies totaled \$44,203 and \$44,029, respectively.

The remaining MCWT loans are issued at a flat 2% interest rate through the Commonwealth's State Revolving Fund (SRF) loan program.

In order to take advantage of favorable interest rates, the Town issued \$3,576,800 of general obligation refunding bonds on March 4, 2021. The proceeds of the refunding bonds were used to complete a current refunding of existing debt. The refunded bonds totaled \$4,140,000 and became callable on April 15, 2021. As a result of the transaction, the refunded bonds were paid down on the call date and the liability has been removed from the statement of net position. The transaction resulted in an economic gain of \$571,704 and a reduction of \$593,709 in future debt service payments.

At June 30, 2021, the Town had the following authorized and unissued debt:

Purpose	Amount
Sewer Phase IV Planning.....	\$ 400,000
Oceanside Drive Seawall Replacement	2,000,000
Harbor/River Dredging.....	65,000
Widow's Walk Golf Course Irrigation System.....	2,200,000
Well Upgrade.....	810,510
Foreshore Structure Design, Engineering and Repairs.....	3,500,000
Water Plant & SCADA Engineering/Design.....	3,000,000
Humarock Water Mains Engineering.....	800,000
Green Sand Filter & SCADA Engineering/Construction.....	1,230,607
Senior Center Construction and Veterans Memorial Gym Renovation.....	2,232,450
Cedar Point Sewer Project.....	3,227,205
Oceanside Sewer Infiltration/Inflow.....	4,900,000
Dolan Field Well Construction.....	3,300,000
New Water Tank.....	2,720,000
Widow's Walk Golf Course Improvement.....	770,000
Sewer Facilities Plan.....	660,000
Front End Loader Replacement.....	174,170
Cushing Highway Land Acquisition.....	1,350,000
Total.....	\$ 33,339,942

Changes in Long-Term Liabilities

During the year ended June 30, 2021, the following changes occurred in long-term liabilities:

	Beginning Balance	Bonds and Notes Issued	Bonds and Notes Redeemed	Other Increases	Other Decreases	Ending Balance	Due Within One Year
Governmental Activities:							
Long-term general obligation bonds payable.....	\$ 77,206,567	\$ 3,817,933	\$ (5,635,000)	\$ -	\$ -	\$ 75,389,500	\$ 5,158,400
Long-term direct borrowing payable.....	3,441,184	199,222	(164,092)	-	-	3,476,314	187,053
Add: Unamortized premium on bonds.....	4,152,430	2,448,545	(1,012,194)	-	-	5,588,781	785,385
Total bonds payable.....	84,800,181	6,465,700	(6,811,286)	-	-	84,454,595	6,130,838
Capital lease obligations.....	1,238,310	-	-	-	(196,350)	1,041,960	801,960
Compensated absences.....	1,623,361	-	-	1,072,916	(1,133,060)	1,563,217	1,030,014
Net pension liability.....	40,955,551	-	-	3,206,256	(9,604,896)	34,556,911	-
Net other postemployment benefits.....	125,150,556	-	-	5,329,698	(19,477,025)	111,003,229	-
Total governmental activity long-term liabilities.....	\$ 253,767,959	\$ 6,465,700	\$ (6,811,286)	\$ 9,608,870	\$ (30,411,331)	\$ 232,619,912	\$ 7,962,812
Business-Type Activities:							
Long-term general obligation bonds payable.....	\$ 27,285,000	\$ 11,215,500	\$ (4,475,000)	\$ -	\$ -	\$ 34,025,500	\$ 2,711,600
Long-term direct borrowing payable.....	7,520,326	-	(1,077,852)	-	-	6,442,474	965,105
Add: Unamortized premium on bonds.....	818,010	2,641,206	(223,609)	-	-	3,235,607	566,047
Total bonds payable.....	35,623,336	13,856,706	(5,776,461)	-	-	43,703,581	4,242,752
Capital lease obligations.....	147,442	-	-	83,007	(68,377)	162,072	62,062
Landfill closure.....	790,000	-	-	33,000	(79,000)	744,000	83,000
Compensated absences.....	146,272	-	-	124,513	(112,519)	158,266	115,499
Net pension liability.....	4,116,516	-	-	331,432	(875,787)	3,572,161	-
Net other postemployment benefits.....	4,503,943	-	-	192,773	(2,710,556)	1,986,160	-
Total business-type activity long-term liabilities.....	\$ 45,327,509	\$ 13,856,706	\$ (5,776,461)	\$ 764,725	\$ (3,846,239)	\$ 50,326,240	\$ 4,503,313

The long-term liabilities will be liquidated in the future by the general fund and enterprise funds.

NOTE 9 – GOVERNMENTAL FUND BALANCE CLASSIFICATIONS

The Town utilizes a hierarchy for fund balance classifications based on the constraints imposed on the uses of those resources. The Town reports 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 that 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, the Town utilizes 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.

As of June 30, 2021, the governmental fund balances consisted of the following:

	General	Community Preservation	Town Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Fund Balances:					
Nonspendable:					
Permanent fund principal.....	\$ -	\$ -	\$ -	\$ 27,051	\$ 27,051
Restricted for:					
Workers compensation.....	516,622	-	-	-	516,622
Community preservation.....	-	6,324,416	-	-	6,324,416
Town capital projects.....	-	-	826,279	-	826,279
School lunch.....	-	-	-	376,318	376,318
School gifts and grants.....	-	-	-	1,140,601	1,140,601
School revolving.....	-	-	-	865,383	865,383
Town gifts.....	-	-	-	780,157	780,157
Town grants.....	-	-	-	41,648	41,648
Town revolving.....	-	-	-	6,089,248	6,089,248
Title V program.....	-	-	-	81,537	81,537
Affordable housing.....	-	-	-	618,706	618,706
Library renovation.....	-	-	-	474,020	474,020
Middle school construction.....	-	-	-	2,765,229	2,765,229
Town trust funds.....	-	-	-	328,536	328,536
Committed to:					
Town administrator.....	158,015	-	-	-	158,015
Advisory committee.....	38,561	-	-	-	38,561
Town accountant.....	29,261	-	-	-	29,261
Assessors.....	6,887	-	-	-	6,887
Information technology.....	310,233	-	-	-	310,233
Planning and community development.....	1,500	-	-	-	1,500
Police.....	1,128	-	-	-	1,128
Fire.....	693,833	-	-	-	693,833
Inspections.....	308,541	-	-	-	308,541
Education.....	1,237,543	-	-	-	1,237,543
Public works.....	2,091,127	-	-	-	2,091,127
Facilities.....	439,405	-	-	-	439,405
Assigned to:					
Town administrator.....	20,486	-	-	-	20,486
Assessors.....	25,600	-	-	-	25,600
Treasurer/Collector.....	1,000	-	-	-	1,000
Information technology.....	44,203	-	-	-	44,203
Planning and community development.....	21,050	-	-	-	21,050
Property/liability insurance.....	281	-	-	-	281
Police.....	6,099	-	-	-	6,099
Fire.....	24,956	-	-	-	24,956
Education.....	207,365	-	-	-	207,365
Public works.....	196,825	-	-	-	196,825
Facilities.....	39,339	-	-	-	39,339
Snow and ice.....	21,530	-	-	-	21,530
Street lights and beacons.....	168	-	-	-	168
Council on aging.....	534	-	-	-	534
Veterans' benefits/services.....	89	-	-	-	89
Commission on disabilities.....	961	-	-	-	961
Library.....	95	-	-	-	95
Debt service.....	6,500	-	-	-	6,500
Unassigned.....	12,082,365	-	(1,182,699)	(88,338)	10,811,328
Total Fund Balances.....	\$ 18,532,102	\$ 6,324,416	\$ (356,420)	\$ 13,500,096	\$ 38,000,194

Massachusetts General Law Ch.40 §5B allows for the establishment of Stabilization funds for one or more different purposes on an as needed basis. 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. The stabilization fund balance can be used for general and/or capital purposes upon approval of Town Meeting. Additions to and withdrawals from the funds can only be made upon Town Meeting approval. In accordance with Massachusetts General Law the Town has established a general stabilization fund, a capital stabilization fund and an economic development stabilization fund.

At year end, the balance of the general stabilization fund, capital stabilization fund and economic development stabilization fund totaled \$5,339,325, \$491,196, and \$34,409, respectively. These funds are reported as unassigned fund balance within the general fund.

The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in the governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to other purposes, it may be necessary to report a negative unassigned fund balance in that fund.

NOTE 10 – 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 amount of claim settlements has not exceeded insurance coverage in any of the previous three years.

The Town participates in a premium-based health care for its active employees. The Town is self-insured for workman's compensation and unemployment benefits. The amount of the claim settlements has not exceeded insurance coverage. The incurred but not reported liability related to workman's compensation and unemployment claims is immaterial and therefore not recorded.

NOTE 11 – PENSION PLAN

Plan Descriptions

The Town is a member of the Plymouth County Retirement Association (Association), a cost-sharing multiple-employer defined benefit pension plan covering eligible employees of the 52 member units. The Association 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 audited financial report may be obtained by visiting <http://www.pcr-ma.org>.

The Town is a member of the Massachusetts Teachers' Retirement System (MTRS), a cost-sharing multi-employer defined benefit plan. MTRS is managed by the Commonwealth of Massachusetts (Commonwealth) on behalf of municipal teachers and municipal teacher retirees. The Commonwealth is a nonemployer contributor and is responsible for 100% of the contributions and future benefit requirements of the MTRS. The MTRS covers certified teachers in cities (except Boston), towns, regional school districts, charter schools, educational collaboratives and Quincy College. The MTRS is part of the Commonwealth's reporting entity and the audited financial report may be obtained by visiting <http://www.mass.gov/osc/publications-and-reports/financial-reports/>.

Special Funding Situation

The Commonwealth is a nonemployer contributor and is required by statute to make 100% of all actuarially determined employer contributions on behalf of the Town to the MTRS. Therefore, the Town is considered to be in a special funding situation as defined by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and the Commonwealth is a nonemployer contributor in MTRS. Since the Town does not contribute directly to MTRS, there is no net pension liability to recognize. The total of the Commonwealth provided contributions have been allocated based on each employer's covered payroll to the total covered payroll of employers in MTRS as of the measurement date of June 30, 2020. The Town's portion of the collective pension expense, contributed by the Commonwealth, of \$13,159,250 is reported in the general fund as intergovernmental revenue and pension expense in the current fiscal year. The portion of the Commonwealth's collective net pension liability associated with the Town is \$106,540,276 as of the measurement date.

Benefits Provided

Both the Association and the System provide 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 Association 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 of benefit terms that affected the total pension liability at December 31, 2020.

Contributions

Chapter 32 of the MGL governs the contributions of plan members and member units. Active plan members are required to contribute to the Association 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 Association 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, 2020, and totaled \$5,228,790, 25.82% 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, 2021, the Town reported a liability of \$38,129,072 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2020. 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, actuarially determined. At December 31, 2020, the Town’s proportion was 6.505%, which decreased from its proportion of 6.606% measured at December 31, 2019.

Pension Expense

For the year ended June 30, 2021, the Town recognized a net pension expense of \$3,537,688. At June 30, 2021, the Town reported deferred outflows of resources related to pensions of \$3,807,895 and deferred inflows of resources related to pensions of \$4,221,835.

The balances of deferred outflows/(inflows) or resources related to pension at June 30, 2021, consist of the following:

<u>Deferred Category</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Total</u>
Differences between expected and actual experience.....	\$ 3,178,587	\$ -	\$ 3,178,587
Difference between projected and actual earnings, net.....	-	(3,783,579)	(3,783,579)
Changes in assumptions.....	398,719	-	398,719
Changes in proportion and proportionate share of contributions...	<u>230,589</u>	<u>(438,256)</u>	<u>(207,667)</u>
Total deferred outflows/(inflows) of resources.....	<u>\$ 3,807,895</u>	<u>\$ (4,221,835)</u>	<u>\$ (413,940)</u>

The Town’s net deferred outflows (inflows) of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30:</u>	
2022.....	\$ 925,686
2023.....	1,177,239
2024.....	(1,741,327)
2025.....	<u>(775,538)</u>
Total.....	<u>\$ (413,940)</u>

Actuarial Assumptions

The total pension liability in the January 1, 2020, actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified that was updated to December 31, 2020:

Valuation date.....	January 1, 2020
Actuarial cost method.....	Individual Entry Age Normal Cost Method.

Asset valuation method.....	Assets held by the fund are valued at fair value as reported by the Public Employees' Retirement Administration Commission (PERAC). The actuarial value of assets is determined using a five-year smoothing of asset returns greater than or less than the assumed rate of return, with a 20% corridor.
Investment rate of return/Discount rate.....	7.875% nominal rate, net of investment expense.
Projected salary increases.....	3.75% per year.
Cost of living adjustments.....	3.0% of the first \$16,000 of retirement income.
Rates of disability.....	For general employees, it was assumed that 45% of all disabilities are ordinary (55% are service connected). For police and fire employees, 10% of all disabilities are assumed to be ordinary (90% are service connected).
Mortality Rates.....	It is assumed that both pre-retirement mortality and beneficiary mortality is represented by the RP-2014 Blue Collar Mortality with Scale MP-2016, fully generational. Mortality for retired members for Group 1 and 2 is represented by the RP-2014 Blue Collar Mortality Table set forward five years for males and 3 years for females, fully generational. Mortality for retired members for Group 4 is represented by the RP-2014 Blue Collar Mortality Table set forward three years for males, and six years for females, fully generational. Mortality for disabled members for Group 1 and 2 is represented by the RP-2000 Mortality Table set forward six years. Mortality for disabled members for Group 4 is represented by the RP-2000 Mortality Table set forward two years. Generational adjusting is based on Scale MP-2016.

Investment Policy

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Board and pursuant to Massachusetts General Laws and Public Employee Retirement Administration guidelines. Plan 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 pension plan.

The investment objective is to fully fund the Plan by generating sufficient long-term inflation adjusted capital appreciation while providing sufficient liquidity to meet short-term withdrawal requirements. The Board desires to balance the goal of higher long-term returns with the goal of minimizing contribution volatility, recognizing these are often competing goals. This requires taking both assets and liabilities into account when setting investment strategy.

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) 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. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of January 1, 2020, are summarized in the table on the following page.

Asset Class	Long-Term Expected Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equity.....	27.00%	6.80%
International developed equity.....	4.00%	7.10%
Emerging markets equity.....	10.00%	8.10%
Global equity.....	11.00%	7.10%
Core bonds.....	9.00%	1.80%
Value-added fixed income.....	9.00%	4.00%
Hedge funds.....	6.00%	4.30%
Real estate.....	9.00%	6.90%
Private equity.....	8.00%	9.10%
Real assets.....	6.00%	8.10%
Cash and cash equivalents.....	1.00%	0.00%
Total.....	100.00%	

Rate of Return

For the year ended December 31, 2020, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 12.91%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate

The discount rate used to measure the total pension liability was 7.875%, which did not change from the prior measurement date. 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 Pension Liability to Changes in the Discount Rate

The following presents the net pension liability, calculated using the discount rate of 7.875%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.875%) or 1-percentage-point higher (8.875%) than the current rate:

	1% Decrease (6.875%)	Current Discount (7.875%)	1% Increase (8.875%)
The Town's proportionate share of the net pension liability.....	\$ 52,742,124	\$ 38,129,072	\$ 27,817,625

Changes in Assumptions and Plan Provisions

There were no changes in assumptions in the January 1, 2020, actuarial valuation.

There were no changes in plan provisions in the January 1, 2020, actuarial valuation.

NOTE 12 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description

The Town administers a single-employer defined benefit healthcare plan (Plan). The Plan provides lifetime healthcare 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 Massachusetts General Law 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 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 50 percent of the cost of current-year premiums for healthcare and life insurance for eligible retired plan members and their spouses. Plan members receiving benefits contribute the remaining 50 percent of their premium costs for healthcare and life insurance. For the year ended June 30, 2021, the Town’s average contribution rate was 6.27% of covered-employee payroll.

The Commonwealth of Massachusetts passed special legislation that has allowed the Town to establish a postemployment benefit trust fund and to enable the Town to begin pre-funding its other postemployment benefit (OPEB) liabilities. The Town has named the Board of Trustees to consist of five members including the Town Administrator, the Finance Director, Advisory Committee Chair who serves as ex officio, a member appointed by the Select Board, and a member who must be a registered voter is appointed by the Town Administrator with consent by the Select Board. The Town Treasurer serves as a non-voting member of the Board of Trustees. The Town has adopted a trust agreement detailing the duties and responsibilities of the Trustees which includes taking actions as necessary and appropriate to manage the assets of the trust fund.

During 2021, the Town pre-funded future OPEB liabilities totaling \$343,866 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, 2021, the balance of this fund totaled \$1,507,843. The Town has adopted a policy of pre-funding future OPEB liabilities which includes allocating 2% of the annual retirement assessment to the OPEB fund through the annual operating budget. This policy is adopted by and may be amended at any time by the Town’s Select Board.

Plan Membership

The following table represents the Plan’s membership at July 1, 2020:

Active members.....	733
Inactive employees or beneficiaries currently receiving benefits.....	<u>536</u>
Total.....	<u><u>1,269</u></u>

Components of OPEB Liability

The following table represents the components of the Plan’s OPEB liability as of June 30, 2021:

Total OPEB liability.....	\$	114,497,232
Less: OPEB plan’s fiduciary net position.....		<u>(1,507,843)</u>
Net OPEB liability.....	\$	<u>112,989,389</u>
The OPEB plan’s fiduciary net position as a percentage of the total OPEB liability.....		1.32%

Significant Actuarial Methods and Assumptions

The total OPEB liability in the July 1, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified, that was updated to June 30, 2021:

Valuation date.....	July 1, 2020
Actuarial cost method.....	Entry Age Normal as a Level Percentage of Payroll.
Asset valuation method.....	Fair Value of Assets as of the June 30, 2021.
Discount rate.....	2.09%
Salary increases.....	3.00% annually as of June 30, 2021, and for future periods.
Healthcare cost trend rate.....	7.0% as of July 1, 2022, decreasing .25% to an ultimate trend of 4.5% starting July 1, 2032.
Mortality.....	Society of Actuaries Pub-2010 Public Retirement Plans Healthy Male and Female Total Dataset Headcount-Weighted Mortality based on Employee and Health Annuitant Tables for both pre and post retirement projected with mortality improvements using the most current Society of Actuaries Improvement Scale MP-2019.

Rate of Return

For the year ended June 30, 2021, the annual money-weighted rate of return on investments, net of investment expense, was 0.19%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Investment Policy

The Town’s policy in regard to the allocation of invested assets is established and may be amended by the Select Board by a majority vote of its members. 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 Town’s OPEB investments were invested using the Town’s investment policy.

The Town invests their OPEB trust funds in the MMDT cash portfolio account which is a cash pool and is not invested to achieve a specific real rate of return. The MMDT cash portfolio is made up of commercial paper and notes, variable rate instruments, bank instruments, and repurchase agreements. MMDT invests no more than 5% of their securities in any single issuer except in U.S. government securities, its agencies, or repurchase agreements fully collateralized by such obligations or money market mutual funds.

Discount Rate

The discount rate used to measure the total OPEB liability was 2.09% as of June 30, 2021 and 2.44% as of June 30, 2020. The OPEB plan’s fiduciary net position was projected to be insufficient to make all projected benefit payments to current plan members. Therefore, the municipal bond rate was applied to all periods to determine the total OPEB liability. The Town’s net OPEB liability was determined based on an average of the Bond Buyer 20-year General Obligation Bond, the Standard & Poor’s Municipal Bond 20-year High Grade Rate Index, and the Fidelity GA AA 20-year Bond as of June 30, 2021, which resulted in the selected discount rate of 2.09%.

Sensitivity of the Net Other Postemployment 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 2.09%, 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 (1.09%) or 1-percentage-point higher (3.09%) than the current rate.

	1% Decrease (1.09%)	Current Discount Rate (2.09%)	1% Increase (3.09%)
Net OPEB liability.....	\$ 141,607,799	\$ 112,989,389	\$ 92,105,010

Sensitivity of the Net Other Postemployment 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 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 or 1-percentage-point higher.

	1% Decrease	Current Trend	1% Increase
Net OPEB liability.....	\$ 90,734,242	\$ 112,989,389	\$ 143,619,589

Changes in Assumptions

The discount rate decreased from 2.44% to 2.09%, healthcare cost trend rates were updated and the mortality assumptions were updated to a more current scale.

Changes in Plan Provisions – None.

Summary of Significant Accounting Policies

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts (repurchase agreements) that have a maturity at the time of purchase of one year or less, which are reported at cost.

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2020.....	\$ 130,815,983	\$ 1,161,484	\$ 129,654,499
Changes for the year:			
Service cost.....	2,817,329	-	2,817,329
Interest.....	2,705,142	-	2,705,142
Contributions - Employer.....	-	3,110,603	(3,110,603)
Net investment income.....	-	2,493	(2,493)
Changes in assumptions.....	(19,074,485)	-	(19,074,485)
Benefit payments.....	(2,766,737)	(2,766,737)	-
Net change.....	(16,318,751)	346,359	(16,665,110)
Balances at June 30, 2021.....	\$ <u>114,497,232</u>	\$ <u>1,507,843</u>	\$ <u>112,989,389</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2021, the Town recognized an OPEB expense of \$9,001,205. As of June 30, 2021, there were \$23,723,000 in deferred outflows and \$15,895,404 in deferred outflows related to OPEB for changes in assumptions.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ended June 30:</u>	
2022.....	\$ 3,481,227
2023.....	3,481,227
2024.....	3,481,229
2025.....	562,993
2026.....	(3,179,080)
Total.....	\$ <u>7,827,596</u>

NOTE 13 – LANDFILL CLOSURE COSTS

The Town's landfill is closed, and a final cover has been installed in accordance with Federal and State laws and regulations. Those laws and regulations also require the Town to perform certain maintenance and monitoring functions (post-closure care) at the site for thirty years after the landfill cover is installed. The Town presently expends approximately \$80,000 per year for post-closure care costs and has recorded a liability of \$744,000 in the business-type activities as a result of this activity. Actual costs may change due to inflation, deflation, changes in technology, or changes in laws and regulations.

NOTE 14 – COMMITMENTS

The Town has various commitments related to the construction projects which will be financed through long-term borrowing. These projects include \$3.5 million for foreshore protection, \$2.2 million for senior center construction and Veterans Memorial Gym renovations, \$3.2 million for Cedar Point project, \$3.0 million for Widow's Walk golf course irrigation system and clubhouse renovation, and \$4.1 million for well upgrades.

The Town has entered into a long-term contract with South Eastern Massachusetts Partnership (SEMASS) to provide solid waste disposal services. Total charges are based on a formula of tipping and transport fees with costs rising gradually through 2023 when the contract expires. Actual expenditures under this contract for 2021 were \$354,338.

The Town is working with the Federal Emergency Management Agency to close out several open claims for damages from 2012 through 2018 for the presidentially declared disasters of Hurricane Sandy (DR-4097), Storm Nemo (DR-4110), Storm Juno (DR-4214) and Storm Riley (DR-4372). The majority of these claims are related to repairs to foreshore structures.

The general fund has various commitments for goods and services related to articles and encumbrances totaling \$5,316,034 and \$617,081, respectively.

NOTE 15 – CONTINGENCIES

The Town participates in a number of federal award programs. Although the grant programs have been audited in accordance with the provisions of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* through June 30, 2021, these programs are still 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 it is expected such amounts, if any, to be immaterial.

Various legal actions and claims are pending. 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, 2021, cannot be ascertained, management believes any resulting liability should not materially affect the financial position at June 30, 2021.

NOTE 16 – COVID-19

On March 10, 2020, the Massachusetts Governor declared a state of emergency in response to the Coronavirus outbreak. The World Health Organization officially declared the novel Coronavirus (COVID-19) a pandemic the following day. In an attempt to slow the spread of COVID-19, governments issued various stay at home orders

that caused global economic shutdowns and substantial financial market impact. Starting in March 2020, the Governor continued to issue orders allowing governments to operate and carry out essential functions safely. These included modifying the state’s Open Meeting Law, issuing a stay-at-home order, and introducing a phased approach to reopening State businesses. The Town is considered an essential business and although it was closed to the public for a period of time, departments remained operational and most employees continued to perform their daily duties.

A number of businesses have been forced to stop or significantly reduce operations decreasing, the Town’s portion of certain revenue. The Town has also incurred unanticipated costs specifically related to the pandemic.

On March 27, 2020 the United States Federal Government established the Coronavirus Aid, Relief and Economic Security (CARES) Act in response to the economic downfall caused by the COVID-19 pandemic. This Act requires that the payment from these funds be used only to cover expenses that; are necessary expenditures incurred due to the public health emergency with respect COVID-19; were not accounted for in the budget most recently approved as of March 27, 2020; and were incurred during the period that begins on March 1, 2020, and ends on December 30, 2021. Plymouth County and its member communities were awarded a portion of this federal funding.

In addition to the CARES Act, on March 11, 2021, the United States Federal Government established the American Rescue Plan Act (ARPA) to enhance the United States’ recovery from the economic and health effects of the COVID-19 pandemic. This Act requires that the payment from these funds be used to cover costs related to; public health; negative economic impacts; services to disproportionately impacted communities; premium pay; infrastructure; revenue replacement; or administration. These funds can only be used to cover costs incurred between March 3, 2021, and December 31, 2024. The Commonwealth and communities throughout the Commonwealth were awarded a portion of this federal funding.

In addition to funding from the CARES Act and ARPA, there are several other federal and state grants available to Massachusetts communities to fund these unanticipated costs. However, the full extent of the financial impact from the pandemic cannot be determined as of the date of the financial statements.

NOTE 17 – REVISION OF PREVIOUSLY REPORTED NET POSITION AND FUND BALANCE

Previously reported net position and fund balance in the governmental activities and nonmajor funds, respectively, has been revised to reflect the implementation of GASB Statement #84, *Fiduciary Funds*. Net position and fund balance have been revised as follows:

	06/30/2020 Previously Reported Balances	Implementation of GASB #84	06/30/2020 Revised Balances
	<u> </u>	<u> </u>	<u> </u>
Government-Wide Financial Statements			
Governmental activities.....	\$ 12,959,503	\$ 238,605	\$ 13,198,108
	<u> </u>	<u> </u>	<u> </u>
Governmental Funds			
Nonmajor governmental funds.....	\$ 11,671,290	\$ 169,315	\$ 11,840,605
	<u> </u>	<u> </u>	<u> </u>

NOTE 18 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 20, 2021, which is the date the financial statements were available to be issued.

NOTE 19 – IMPLEMENTATION OF NEW GASB PRONOUNCEMENTS

During 2021, the following GASB pronouncements were implemented:

- GASB Statement #84, *Fiduciary Activities*. The annual comprehensive financial report and related notes were updated to be in compliance with this pronouncement.
- GASB Statement #90, *Majority Equity Interests – an amendment of GASB Statements #14 and #61*. This pronouncement did not impact the annual comprehensive financial report.
- GASB Statement #98, *The Annual Comprehensive Financial Report*. The annual comprehensive financial report 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 #87, *Leases*, which is required to be implemented in 2022.
- The GASB issued Statement #89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, which is required to be implemented in 2022.
- The GASB issued Statement #91, *Conduit Debt Obligations*, which is required to be implemented in 2023.
- The GASB issued Statement #92, *Omnibus 2020*, which is required to be implemented in 2022.
- The GASB issued Statement #93, *Replacement of Interbank Offered Rates*, which is required to be implemented in 2022.
- The GASB issued Statement #94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, which is required to be implemented in 2023.
- The GASB issued Statement #96, *Subscription-Based Information Technology Arrangements*, which is required to be implemented in 2023.
- The GASB issued Statement #97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*, which is required to be implemented in 2022.

Management is currently assessing the impact and the implementation of these pronouncements will have on the basic financial statements.

Required Supplementary Information

General Fund Budgetary Comparison Schedule

The General Fund is the general operating fund of the Town. It is used to account for all the financial resources, except those required to be accounted for in another fund.

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2021

	Budgeted Amounts				Actual Budgetary Amounts	Amounts Carried Forward to Next Year	Variance to Final Budget
	Amounts Carried Forward From Prior Year	Current Year		Final Budget			
		Initial Budget	Original Budget				
REVENUES:							
Real estate and personal property taxes, net of tax refunds.....	\$ -	\$ 67,943,149	\$ 67,943,149	\$ 68,339,094	\$ 68,290,615	\$ -	\$ (48,479)
Tax liens.....	-	-	-	-	378,650	-	378,650
Motor vehicle and other excise taxes.....	-	2,919,934	2,919,934	2,919,934	3,511,969	-	592,035
Hotel/motel tax.....	-	-	-	-	135,953	-	135,953
Meals tax.....	-	115,000	115,000	115,000	257,378	-	142,378
Penalties and interest on taxes.....	-	290,000	290,000	250,000	416,433	-	166,433
Fees and rentals.....	-	429,455	429,455	429,455	573,898	-	144,443
Payments in lieu of taxes.....	-	16,000	16,000	16,000	49,109	-	33,109
Licenses and permits.....	-	650,477	650,477	690,477	1,544,104	-	853,627
Fines and forfeitures.....	-	35,700	35,700	35,700	92,772	-	57,072
Intergovernmental - state aid.....	-	8,408,276	8,408,276	8,412,788	8,416,453	-	3,665
Intergovernmental - other.....	-	-	-	-	193,855	-	193,855
Departmental and other.....	-	971,500	971,500	971,500	1,105,741	-	134,241
Special assessments.....	-	10,000	10,000	10,000	19,773	-	9,773
Investment income.....	-	139,983	139,983	139,983	148,346	-	8,363
TOTAL REVENUES.....	-	81,929,474	81,929,474	82,329,931	85,135,049	-	2,805,118
EXPENDITURES:							
Current:							
General Government							
Town Administrator							
Personal services.....	-	343,496	343,496	343,496	331,610	-	11,886
Purchase of services.....	21,899	163,760	185,659	185,660	178,717	6,454	489
Town Counsel.....	4,012	125,000	129,012	129,012	84,118	4,012	40,882
Labor Counsel.....	-	49,821	49,821	49,821	47,086	20	2,715
Materials and supplies.....	-	7,400	7,400	7,400	5,107	-	2,293
Salary adjustments.....	30,000	10,000	40,000	40,000	-	10,000	30,000
Article - Ellis conservation.....	10,000	-	10,000	10,000	-	10,000	-
Article - Ellis surplus school land.....	10,000	-	10,000	10,000	-	10,000	-
Article - Ellis conservation.....	35,000	-	35,000	35,000	-	35,000	-
Article - Prior year bills.....	-	-	-	4,002	3,987	15	-
Article - COVID-19 deficit.....	-	-	-	103,000	-	103,000	-
Total.....	110,911	699,477	810,388	917,391	650,625	178,501	88,265
Advisory Committee							
Personal services.....	-	2,434	2,434	2,434	1,331	-	1,103
Purchase of services.....	-	250	250	250	245	-	5
Materials and supplies.....	-	4,300	4,300	4,300	2,171	-	2,129
Article - Prior year bills.....	-	-	-	258	258	-	-
Article - South Shore Community Action.....	-	-	-	5,000	-	5,000	-
Article - Athletic fields.....	-	-	-	300,000	266,439	33,561	-
Total.....	-	6,984	6,984	312,242	270,444	38,561	3,237
Reserve Fund.....							
	-	75,000	75,000	35,967	-	-	35,967
Town Accountant							
Personal services.....	-	345,549	345,549	345,549	339,961	-	5,588
Purchase of services.....	1,500	55,700	57,200	57,200	54,097	-	3,103
Materials and supplies.....	-	1,300	1,300	1,300	948	-	352
Article - Integrated financial system.....	29,261	-	29,261	29,261	-	29,261	-
Total.....	30,761	402,549	433,310	433,310	395,006	29,261	9,043
Assessors							
Personal services.....	-	204,200	204,200	204,200	202,589	-	1,611
Purchase of services.....	11,331	31,600	42,931	42,931	15,471	25,600	1,860
Materials and supplies.....	-	500	500	500	387	-	113
Assessor's revaluation.....	6,887	-	6,887	6,887	-	6,887	-
Total.....	18,218	236,300	254,518	254,518	218,447	32,487	3,584
Treasurer/Collector							
Personal services.....	-	311,880	311,880	311,880	310,618	-	1,262
Purchase of services.....	1,005	97,025	98,030	98,030	87,339	1,000	9,691
Materials and supplies.....	-	9,000	9,000	9,000	6,692	-	2,308
Total.....	1,005	417,905	418,910	418,910	404,649	1,000	13,261
Information Technology							
Personal services.....	-	196,501	196,501	196,501	196,501	-	-
Purchase of services.....	44,136	320,665	364,801	364,801	256,743	44,203	63,855
Materials and supplies.....	379	500	879	879	681	-	198
Capital outlay.....	7,320	20,000	27,320	27,320	18,451	-	8,869
Article - IT upgrades and licensing.....	73,480	-	73,480	73,480	30,540	42,940	-
Article - Data infrastructure.....	205,398	-	205,398	205,398	133,295	72,103	-
Article - Permitting system.....	-	-	-	141,940	1,750	140,190	-
Article - Phone system expansion.....	-	-	-	55,000	-	55,000	-
Total.....	330,713	537,666	868,379	1,066,319	637,961	354,436	72,922
Tax Foreclosures.....							
	-	39,000	39,000	39,000	21,567	-	17,433

(Continued)

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2021

	Budgeted Amounts				Actual Budgetary Amounts	Amounts Carried Forward to Next Year	Variance to Final Budget
	Amounts Carried Forward From Prior Year	Current Year Initial Budget	Original Budget	Final Budget			
	Cable TV						
Personal services.....	-	109,263	109,263	88,301	88,301	-	
Purchase of services.....	-	6,500	6,500	-	-	-	
Materials and supplies.....	-	2,000	2,000	-	-	-	
Capital outlay.....	-	150,000	150,000	14,504	14,504	-	
Total.....	-	267,763	267,763	102,805	102,805	-	
Town Clerk							
Personal services.....	-	206,316	206,316	206,316	186,206	20,110	
Purchase of services.....	-	42,842	42,842	42,842	28,186	14,656	
Materials and supplies.....	-	5,130	5,130	5,130	2,570	2,560	
Total.....	-	254,288	254,288	254,288	216,962	37,326	
Planning and Community Development							
Personal services.....	-	744,937	744,937	736,937	676,364	60,573	
Purchase of services.....	1,860	48,600	50,460	50,460	13,938	20,972	
Materials and supplies.....	-	3,450	3,450	3,450	2,077	78	
Article - Master plan update.....	28,992	-	28,992	28,992	27,492	1,500	
Total.....	30,852	796,987	827,839	819,839	719,871	77,418	
Property/Liability Insurance.....	2,500	780,204	782,704	782,704	763,050	19,373	
Total General Government.....	524,960	4,514,123	5,039,083	5,436,293	4,401,387	377,829	
Public Safety							
Police							
Personal services.....	-	3,732,091	3,732,091	3,682,558	3,457,149	225,409	
Purchase of services.....	-	118,249	118,249	127,782	127,062	720	
Materials and supplies.....	595	105,450	106,045	106,045	104,222	216	
Capital outlay.....	-	128,005	128,005	178,005	172,842	5,163	
Article - Radio equipment and infrastructure.....	974	-	974	973	973	-	
Article - Marine unit repowering.....	-	-	-	77,661	76,533	1,128	
Total.....	1,569	4,083,795	4,085,364	4,173,024	3,938,781	227,016	
Fire							
Personal services.....	-	5,035,736	5,035,736	4,997,725	4,862,566	135,159	
Purchase of services.....	713	57,187	57,900	57,900	55,033	811	
Materials and supplies.....	6,394	166,991	173,385	238,429	212,042	24,145	
Article - Renovate fire station.....	198,164	-	198,164	198,164	38,534	159,630	
Article - Station 4 phase II renovation.....	48,221	-	48,221	48,222	-	48,222	
Article - Communications equipment.....	26,138	-	26,138	26,139	25,000	1,139	
Article - Humarock fire station renovation.....	275,000	-	275,000	275,000	33,853	241,147	
Article - Replace admin vehicle.....	50,000	-	50,000	50,000	49,770	230	
Article - Replace ambulance.....	365,000	-	365,000	365,000	360,410	4,590	
Article - Humarock apparatus bay.....	98,875	-	98,875	98,875	-	98,875	
Article - Fire station overhead doors.....	-	-	-	70,000	-	70,000	
Article - Refurbish 2006 rescue pumper.....	-	-	-	70,000	-	70,000	
Total.....	1,068,505	5,259,914	6,328,419	6,495,454	5,637,208	718,789	
Inspections							
Article - Digitize department records.....	-	-	-	308,541	-	308,541	
Shellfish							
Personal services.....	-	8,000	8,000	8,000	8,000	-	
Purchase of services.....	-	200	200	200	-	200	
Materials and supplies.....	-	600	600	600	258	342	
Total.....	-	8,800	8,800	8,800	8,258	542	
Public Safety Communications Center							
Personal services.....	-	599,878	599,878	599,878	599,709	169	
Materials and supplies.....	-	200	200	200	198	2	
Total.....	-	600,078	600,078	600,078	599,907	171	
Total Public Safety.....	1,070,074	9,952,587	11,022,661	11,585,897	10,184,154	367,186	
Education							
School Committee.....	612,339	39,456,165	40,068,504	40,068,504	39,736,426	130,089	
South Shore Regional School Assessment.....	-	691,301	691,301	691,301	638,132	47,793	
Article - School painting.....	24,165	-	24,165	-	-	-	
Article - Jenkins outside stairs.....	50,000	-	50,000	50,000	-	50,000	
Article - Cushing and high school fields irrigation.....	45,077	-	45,077	10,000	-	10,000	
Article - Hatherly and Cushing modules.....	10,404	-	10,404	-	-	-	
Article - Ceiling tiles at Hatherly and Cushing.....	40,000	-	40,000	40,000	-	40,000	
Article - Design high school locker rooms.....	2,766	-	2,766	-	-	-	
Article - School technology.....	538	-	538	-	-	-	
Article - Wampatuck fire doors.....	9,540	-	9,540	-	-	-	
Article - School technology.....	150,000	-	150,000	150,000	81,298	68,702	
Article - School carpeting - High School.....	65,000	-	65,000	65,000	63,500	1,500	
Article - Replace special education vans.....	80,000	-	80,000	80,000	78,332	1,668	
Article - Wireless smoke detectors.....	50,000	-	50,000	50,000	-	50,000	
Article - Cushing Accessibility.....	50,000	-	50,000	50,000	-	50,000	
Article - Kindergarten 2020-21.....	-	-	-	450,000	-	450,000	
Article - Replace high school flooring.....	-	-	-	250,000	-	250,000	
Article - School technology.....	-	-	-	100,000	-	100,000	
Article - Wampatuck parking lot.....	-	-	-	165,673	-	165,673	
Total Education.....	1,189,829	40,147,466	41,337,295	42,220,478	40,597,688	1,444,908	

(Continued)

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2021

	Budgeted Amounts				Actual Budgetary Amounts	Amounts Carried Forward to Next Year	Variance to Final Budget
	Amounts Carried Forward From Prior Year	Current Year Initial Budget	Original Budget	Final Budget			
Public Works							
Public Works							
Personal services.....	-	1,779,797	1,779,797	1,649,797	1,578,250	-	71,547
Purchase of services.....	1,827	497,284	499,111	499,111	452,377	37,707	9,027
Materials and supplies.....	1,868	248,584	250,452	255,864	228,188	15,937	11,739
Capital outlay.....	58,359	248,770	307,129	511,362	368,181	143,181	-
Article - Stormwater compliance.....	24,781	-	24,781	24,782	-	-	-
Article - Roadway improvements.....	107,051	-	107,051	107,051	97,336	9,715	-
Article - Cudworth cemetery.....	8,259	-	8,259	8,259	-	8,259	-
Article - Foreshore protection.....	147,354	-	147,354	147,354	-	147,354	-
Article - Road and sidewalk improvements.....	35,076	-	35,076	35,076	4,475	30,601	-
Article - Road and sidewalk improvements.....	220,565	-	220,565	220,565	14,998	205,567	-
Article - Foreshore protection.....	4,844	-	4,844	4,844	-	4,844	-
Article - Cudworth cemetery.....	16,747	-	16,747	16,747	-	16,747	-
Article - Expand Cudworth cemetery.....	46,848	-	46,848	46,849	-	46,849	-
Article - Stormwater compliance.....	50,000	-	50,000	50,000	25,346	24,654	-
Article - Road and sidewalk improvements.....	300,000	-	300,000	300,000	28,059	271,941	-
Article - Cudworth cemetery.....	89,932	-	89,932	89,932	-	89,932	-
Article - Foreshore protection.....	200,000	-	200,000	200,000	10,219	189,781	-
Article - Replace vehicles.....	35,000	-	35,000	35,000	35,000	-	-
Article - MS4 Compliance.....	50,000	-	50,000	50,000	-	50,000	-
Article - Replace vehicles.....	35,000	-	35,000	35,000	35,000	-	-
Article - Roads & sidealks.....	200,000	-	200,000	200,000	-	200,000	-
Article - Tractor.....	42,000	-	42,000	42,000	40,662	1,338	-
Article - Truck replacement.....	3,000	-	3,000	97,000	94,985	2,015	-
Article - Log Chipper.....	10,000	-	10,000	55,000	55,000	-	-
Article - Foreshore protection.....	-	-	-	200,000	-	200,000	-
Article - MS4 Compliance.....	-	-	-	50,000	-	50,000	-
Article - Truck replacement.....	-	-	-	45,000	45,000	-	-
Article - Prior year bills.....	-	-	-	530	-	530	-
Article - Roads & sidealks.....	-	-	-	200,000	-	200,000	-
Article - Truck replacement.....	-	-	-	45,000	45,000	-	-
Article - Street sweeper.....	-	-	-	260,000	-	260,000	-
Article - Flail Mower.....	-	-	-	36,000	-	36,000	-
Article - Stump grinder.....	-	-	-	45,000	-	45,000	-
Total.....	1,688,511	2,774,435	4,462,946	5,563,123	3,182,858	2,287,952	92,313
Facilities							
Facilities							
Personal services.....	-	356,613	356,613	356,613	346,596	-	10,017
Purchase of services.....	9,130	438,968	448,098	448,098	437,470	3,220	7,408
Materials and supplies.....	26,274	228,955	255,229	256,721	185,826	35,689	35,206
Capital outlay.....	67,649	33,000	100,649	78,123	66,918	430	10,775
Article - Police station demolition.....	2,660	-	2,660	2,660	-	2,660	-
Article - Security upgrades.....	41,960	-	41,960	41,960	-	41,960	-
Article - Security upgrades Town buildings.....	193,360	-	193,360	193,360	127,517	65,843	-
Article - Facilities handyman vehicle.....	32,000	-	32,000	32,000	-	32,000	-
Article - Old gates sprinkler pump.....	-	-	-	80,400	-	80,400	-
Article - Town wide facilities plan.....	-	-	-	144,042	-	144,042	-
Article - HVAC improvements.....	-	-	-	40,000	-	40,000	-
Article - Facilities vehicle.....	-	-	-	32,500	-	32,500	-
Article - Prior year bills.....	-	-	-	231	231	-	-
Total.....	373,033	1,057,536	1,430,569	1,706,708	1,164,558	478,744	63,406
Snow and Ice							
Snow and Ice							
Personal services.....	-	107,906	107,906	107,906	93,042	-	14,864
Purchase of services.....	-	176,909	176,909	131,909	121,287	9,687	935
Materials and supplies.....	-	212,299	212,299	212,299	158,983	11,843	41,473
Total.....	-	497,114	497,114	452,114	373,312	21,530	57,272
Street Lights and Beacons							
Street Lights and Beacons							
Purchase of services.....	-	125,000	125,000	125,000	88,597	168	36,235
Total Public Works.....	2,061,544	4,454,085	6,515,629	7,846,945	4,809,325	2,788,394	249,226
Human Services							
Board of Health							
Personal services.....	-	264,071	264,071	272,071	271,503	-	568
Purchase of services.....	-	12,575	12,575	12,575	464	-	12,111
Materials and supplies.....	-	1,735	1,735	1,735	692	-	1,043
Capital outlay.....	-	125	125	125	-	-	125
Total.....	-	278,506	278,506	286,506	272,659	-	13,847
Council on Aging							
Personal services.....	-	188,215	188,215	188,215	147,016	-	41,199
Purchase of services.....	-	15,100	15,100	15,100	12,909	82	2,109
Materials and supplies.....	-	2,200	2,200	2,200	898	452	850
Capital outlay.....	-	500	500	500	389	-	111
Total.....	-	206,015	206,015	206,015	161,212	534	44,269
Veterans' Benefits/Services							
Personal services.....	-	86,337	86,337	86,337	82,144	-	4,193
Purchase of services.....	84	125,650	125,734	125,733	81,639	66	44,028
Materials and supplies.....	-	1,325	1,325	1,325	1,193	23	109
Total.....	84	213,312	213,396	213,395	164,976	89	48,330

(Continued)

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Actual Budgetary Amounts	Amounts Carried Forward to Next Year	Variance to Final Budget
	Amounts Carried Forward From Prior Year	Current Year Initial Budget	Original Budget			
Commission on Disabilities						
Purchase of services.....	-	5,000	5,000	5,000	2,737	961
Total Human Services.....	84	702,833	702,917	710,916	601,584	1,584
Culture and Recreation						
Library						
Personal services.....	-	815,797	815,797	815,797	742,686	-
Purchase of services.....	38	142,557	142,595	142,609	122,625	95
Materials and supplies.....	3,709	133,250	136,959	136,945	133,446	-
Capital outlay.....	-	2,000	2,000	2,000	2,000	-
Total.....	3,747	1,093,604	1,097,351	1,097,351	1,000,757	95
Recreation						
Personal services.....	-	154,108	154,108	154,108	154,108	-
Purchase of services.....	-	1,419	1,419	1,419	690	-
Materials and supplies.....	-	150	150	150	150	-
Article - Turf carpet replacement.....	243,000	-	243,000	243,000	243,000	-
Total.....	243,000	155,677	398,677	398,677	397,948	729
Beautification						
Materials and supplies.....	1,586	25,000	26,586	26,586	26,100	-
Historical Buildings						
Purchase of services.....	-	20,200	20,200	20,200	15,558	-
Total Culture and Recreation.....	248,333	1,294,481	1,542,814	1,542,814	1,440,363	95
Debt Service						
Principal.....	5,585	4,471,618	4,477,203	4,471,618	4,457,886	6,500
Interest.....	-	3,041,690	3,041,690	3,047,275	2,889,192	-
Total Debt Service.....	5,585	7,513,308	7,518,893	7,518,893	7,347,078	6,500
Plymouth County Retirement	-	5,221,978	5,221,978	5,228,790	5,228,790	-
Workers' Compensation	-	210,000	210,000	210,000	210,000	-
Unemployment Insurance	36,256	242,875	279,131	279,131	152,088	-
Contributory Group Insurance	-	6,265,804	6,265,804	5,933,245	5,933,245	-
Employee Benefits	-	885,077	885,077	1,107,062	1,056,765	-
State and county charges	-	736,766	736,766	736,766	648,239	-
TOTAL EXPENDITURES.....	5,136,665	82,141,383	87,278,048	90,357,230	82,610,706	5,933,115
EXCESS (DEFICIENCY) OF REVENUES						
OVER (UNDER) EXPENDITURES.....	(5,136,665)	(211,909)	(5,348,574)	(8,027,299)	2,524,343	(5,933,115)
OTHER FINANCING SOURCES (USES):						
Transfers in.....	-	1,518,537	1,518,537	1,984,483	2,035,849	-
Transfers out.....	-	(1,309,112)	(1,309,112)	(2,178,302)	(2,178,302)	-
TOTAL OTHER FINANCING						
SOURCES (USES).....	-	209,425	209,425	(193,819)	(142,453)	51,366
NET CHANGE IN FUND BALANCE.....	(5,136,665)	(2,484)	(5,139,149)	(8,221,118)	2,381,890	(5,933,115)
BUDGETARY FUND BALANCE, Beginning of year.....	-	9,508,228	9,508,228	9,508,228	9,508,228	-
BUDGETARY FUND BALANCE, End of year.....	\$ (5,136,665)	\$ 9,505,744	\$ 4,369,079	\$ 1,287,110	\$ 11,890,118	\$ (5,933,115)

(Concluded)

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 the Town's Contributions presents multi-year trend information on the Town's required and actual contributions to the pension plan and related ratios.

The Schedule of the Special Funding Amounts of the Net Pension Liability for the Massachusetts Teachers' Contributory Retirement System presents multi-year trend information on the liability and expense assumed by the Commonwealth of Massachusetts on behalf of the Town along with 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
PLYMOUTH COUNTY RETIREMENT ASSOCIATION**

Year	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered payroll	Net pension liability as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
December 31, 2020.....	6.505%	\$ 38,129,072	\$ 19,850,207	192.08%	67.90%
December 31, 2019.....	6.606%	45,072,067	19,410,942	232.20%	61.61%
December 31, 2018.....	6.507%	47,847,320	18,435,372	259.54%	56.11%
December 31, 2017.....	6.630%	35,785,407	18,325,397	195.28%	65.56%
December 31, 2016.....	6.559%	41,548,935	17,428,266	238.40%	58.32%
December 31, 2015.....	6.490%	41,160,818	17,153,284	239.96%	56.80%
December 31, 2014.....	6.490%	37,830,302	16,533,286	228.81%	58.88%

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 THE TOWN'S CONTRIBUTIONS
PLYMOUTH COUNTY RETIREMENT ASSOCIATION

Year	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered Payroll	Contributions as a percentage of covered payroll
June 30, 2021.....	\$ 5,228,790	\$ (5,228,790)	-	\$ 20,247,211	25.82%
June 30, 2020.....	4,875,453	(4,875,453)	-	19,799,161	24.62%
June 30, 2019.....	4,730,553	(4,730,553)	-	18,804,079	25.16%
June 30, 2018.....	4,530,275	(4,530,275)	-	18,691,905	24.24%
June 30, 2017.....	4,373,651	(4,373,651)	-	17,776,831	24.60%
June 30, 2016.....	4,141,767	(4,141,767)	-	17,496,350	23.67%
June 30, 2015.....	3,912,145	(3,912,145)	-	16,863,952	23.20%

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 THE SPECIAL FUNDING AMOUNTS
OF THE NET PENSION LIABILITY
MASSACHUSETTS TEACHERS' RETIREMENT SYSTEM**

The Commonwealth of Massachusetts is a nonemployer contributor and is required by statute to make all actuarially determined employer contributions on behalf of the member employers which creates a special funding situation. Therefore, there is no net pension liability to recognize. This schedule discloses the Commonwealth's 100% share of the associated collective net pension liability; the portion of the collective pension expense as both a revenue and pension expense recognized; and the Plan's fiduciary net position as a percentage of the total liability.

Year	Commonwealth's 100% Share of the Associated Net Pension Liability	Expense and Revenue Recognized for the Commonwealth's Support	Plan Fiduciary Net Position as a Percentage of the Total Liability
2021.....	\$ 106,540,276	\$ 13,159,250	50.67%
2020.....	93,677,876	11,360,068	53.95%
2019.....	90,431,128	9,163,885	54.84%
2018.....	88,176,599	9,203,248	54.25%
2017.....	84,962,764	8,666,759	52.73%
2016.....	78,329,833	6,353,247	55.38%
2015.....	60,029,569	4,170,542	61.64%

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 Benefits Plan Schedules

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.

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 Returns presents multi-year trend information on the money-weighted investment return on the Plan's other postemployment assets, net of investment expense.

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 CHANGES IN THE
TOWN'S NET OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFIT PLAN**

	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021
Total OPEB Liability					
Service Cost.....	\$ 1,957,066	\$ 2,015,778	\$ 1,694,878	\$ 2,463,965	\$ 2,817,329
Interest.....	2,256,740	2,905,100	2,643,829	2,552,102	2,705,142
Changes of benefit terms.....	-	-	-	-	-
Differences between expected and actual experience.....	-	-	-	-	-
Changes of assumptions.....	16,839,537	-	17,509,406	22,452,444	(19,074,485)
Benefit payments.....	<u>(2,363,041)</u>	<u>(2,694,490)</u>	<u>(2,583,400)</u>	<u>(2,493,739)</u>	<u>(2,766,737)</u>
Net change in total OPEB liability.....	18,690,302	2,226,388	19,264,713	24,974,772	(16,318,751)
Total OPEB liability - beginning.....	<u>65,659,808</u>	<u>84,350,110</u>	<u>86,576,498</u>	<u>105,841,211</u>	<u>130,815,983</u>
Total OPEB liability - ending (a).....	<u>\$ 84,350,110</u>	<u>\$ 86,576,498</u>	<u>\$ 105,841,211</u>	<u>\$ 130,815,983</u>	<u>\$ 114,497,232</u>
Plan fiduciary net position					
Employer contributions.....	\$ 137,473	\$ 90,605	\$ 94,611	\$ 97,509	\$ 343,866
Employer contributions for OPEB payments.....	2,363,041	2,694,490	2,583,400	2,493,739	2,766,737
Net investment income.....	6,740	14,097	25,325	19,202	2,493
Benefit payments.....	<u>(2,363,041)</u>	<u>(2,694,490)</u>	<u>(2,583,400)</u>	<u>(2,493,739)</u>	<u>(2,766,737)</u>
Net change in plan fiduciary net position.....	144,213	104,702	119,936	116,711	346,359
Plan fiduciary net position - beginning of year.....	<u>675,922</u>	<u>820,135</u>	<u>924,837</u>	<u>1,044,773</u>	<u>1,161,484</u>
Plan fiduciary net position - end of year (b).....	<u>\$ 820,135</u>	<u>\$ 924,837</u>	<u>\$ 1,044,773</u>	<u>\$ 1,161,484</u>	<u>\$ 1,507,843</u>
Net OPEB liability - ending (a)-(b).....	<u>\$ 83,529,975</u>	<u>\$ 85,651,661</u>	<u>\$ 104,796,438</u>	<u>\$ 129,654,499</u>	<u>\$ 112,989,389</u>
Plan fiduciary net position as a percentage of the total OPEB liability.....	0.97%	1.07%	0.99%	0.89%	1.32%
Covered-employee payroll.....	\$ 45,656,152	\$ 49,673,355	\$ 47,442,764	\$ 47,490,207	\$ 49,633,894
Net OPEB liability as a percentage of covered-employee payroll.....	182.95%	172.43%	220.89%	273.01%	227.65%

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 THE TOWN'S CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFIT PLAN**

Year	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered- employee payroll	Contributions as a percentage of covered- employee payroll
June 30, 2021.....	\$ 7,833,681	\$ (3,110,603)	\$ 4,723,078	\$ 49,633,894	6.27%
June 30, 2020.....	7,480,447	(2,591,248)	4,889,199	47,537,697	5.45%
June 30, 2019.....	6,999,138	(2,678,011)	4,321,127	47,490,207	5.64%
June 30, 2018 (1).....	2,785,095	(2,785,095)	-	49,723,028	5.60%
June 30, 2017 (1).....	2,500,514	(2,500,514)	-	46,569,275	5.37%

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.
 (1) Statutorily determined contribution.

See notes to required supplementary information.

SCHEDULE OF INVESTMENT RETURNS
OTHER POSTEMPLOYMENT BENEFIT PLAN

Year	Annual money-weighted rate of return, net of investment expense
June 30, 2021.....	0.19%
June 30, 2020.....	1.69%
June 30, 2019.....	2.50%
June 30, 2018.....	1.61%
June 30, 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.

NOTE A – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITYBudgetary Information

Municipal Law requires the adoption of a balanced budget that is approved by the Town's Advisory Committee (Committee) and the Select Board (Board). The Town Administrator submits a proposed operating budget to the Committee and the Board for the ensuing year. The Board and the Committee hold public hearings on the proposed budget and present the proposed budget to an open Town meeting. The proposed budget includes detailed estimates of revenues and anticipated expenditures and other financing sources and other financing uses. Town meeting has full authority to amend and/or reject the budget or any line item and adopts the expenditure budget by majority vote.

Increases or transfers between and within departments subsequent to the approval of the annual budget, requires a vote at a special Town meeting.

The majority of 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. This level is typically at the individual department salary and expense level. However, the payment of debt service is statutorily required, regardless of whether such amounts are appropriated. Additionally, expenditures for disasters, natural or otherwise, and final judgments may exceed the level of spending authorized with the approval of the Department of Revenue; and expenditures related to snow and ice removal may exceed the level of spending authorized with the approval of the Select Board.

The Town adopts an annual budget for the general fund in conformity with the guidelines described above. The original 2021 approved budget for the general fund includes \$83.5 million in current year appropriations and other amounts to be raised and \$5.1 million in encumbrances and appropriations carried over from previous years. During the year, additional appropriations were approved totaling \$3.9 million.

Along with the Town Administrator, the Finance Director has the responsibility to ensure that budgetary control is maintained. Budgetary control is exercised through the accounting system.

Budgetary – GAAP Reconciliation

For budgetary financial reporting purposes, the Uniform Municipal Accounting System basis of accounting (established by the 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, 2021, is presented below:

Net change in fund balance - budgetary basis.....	\$ 2,381,890
<u>Perspective differences:</u>	
Activity of the stabilization fund recorded in the general fund for GAAP.....	1,230,397
Workers' Compensation Fund.....	66,438
<u>Basis of accounting differences:</u>	
Net change in recording 60 day receipts.....	(145,134)
Recognition of revenue for on-behalf payments.....	13,159,250
Recognition of expenditures for on-behalf payments.....	<u>(13,159,250)</u>
Net change in fund balance - GAAP basis.....	<u>\$ 3,533,591</u>

NOTE B – PENSION PLAN

Pension Plan Schedules

Schedule of the Town’s Proportionate Share of the Net Pension Liability

The Schedule of the Town’s Proportionate Share of the Net Pension Liability details the allocated percentage of the net pension liability (asset), the proportionate share of the net pension liability, and the covered employee payroll. It also demonstrates the net position as a percentage of the pension liability and the net pension liability as a percentage of covered payroll.

Schedule of the Town’s Contributions

Governmental employers are required to pay an annual appropriation as established by PERAC. The appropriation includes the amounts to pay the pension portion of each member’s retirement allowance, an amount to amortize the actuarially determined unfunded liability to zero in accordance with the system’s funding schedule, and additional appropriations in accordance with adopted early retirement incentive programs. The appropriations are payable on July 1 and January 1. The Town may choose to pay the entire appropriation in July at a discounted rate. Accordingly, actual contributions may be less than the “total appropriation”. The pension fund appropriation is allocated to the Town based on covered payroll.

Schedule of the Special Funding Amounts of the Net Pension Liability

The Commonwealth of Massachusetts is a nonemployer contributor and is required by statute to make all actuarially determined employer contributions on behalf of the member employers which creates a special funding situation. Since the Town does not contribute directly to MTRS, there is no net pension liability to recognize. This schedule discloses the Commonwealth’s 100% share of the collective net pension liability that is associated with

the Town; the portion of the collective pension expense as both a revenue and pension expense recognized by the Town; and the Plan's fiduciary net position as a percentage of the total liability.

Changes in Assumptions

There were no changes in assumptions in the January 1, 2020, actuarial valuation.

Changes in Plan Provisions

There were no changes in plan provisions in the January 1, 2020, actuarial valuation.

NOTE C – OTHER POSTEMPLOYMENT BENEFITS

The Town administers a single-employer defined benefit healthcare plan (“the Other Post Employment Benefit Plan”). The plan provides lifetime healthcare and life insurance for eligible retirees and their spouses through the Town’s health insurance plan, which covers both active and retired members, including teachers.

The Other Postemployment Benefit Plan

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. Actuarially contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported. Methods and assumptions used to determine contribution rates are reported in the following table:

Valuation date.....	July 1, 2020
Actuarial cost method.....	Entry Age Normal as a Level Percentage of Payroll.
Asset valuation method.....	Fair Value of Assets as of the June 30, 2021.
Discount rate.....	2.09%
Salary increases.....	3.00% annually as of June 30, 2021, and for future periods.
Healthcare cost trend rate.....	7.0% as of July 1, 2022, decreasing .25% to an ultimate trend of 4.5% starting July 1, 2032.

Mortality..... Society of Actuaries Pub-2010 Public Retirement Plans Healthy Male and Female Total Dataset Headcount-Weighted Mortality based on Employee and Health Annuitant Tables for both pre and post retirement projected with mortality improvements using the most current Society of Actuaries Improvement Scale MP-2019.

Schedule of Investment Returns

The Schedule of Investment Returns includes the money-weighted investment return on the Plan’s other postemployment assets, net of investment expense.

Changes in Assumptions

The discount rate decreased from 2.44% to 2.09%, the healthcare cost trend rates were updated and the mortality assumptions were updated to a more current scale.

Changes in Plan Provisions – None.

Combining Statements

The combining statements provide a more detailed view of the “Basic Financial Statements” presented in the preceding subsection.

Combining statements are presented when there is more than one fund of a given type.

Nonmajor Governmental Funds

Special Revenue Funds:

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

School Lunch – To account for the operations of the public school lunch program.

School Gifts and Grants – To account for educational programs specifically financed by gifts, grants and other restricted revenues.

School Revolving – To account for self-supporting educational programs and activities.

Town Gifts – To account for various gifts administered by Town departments.

Town Grants – To account for various grants and legally restricted revenues for special programs administered by Town departments.

Town Revolving – To account for self-supporting programs and activities.

Highway Improvements – To account for construction, reconstruction and improvements of roadways, streets and sidewalks.

Title V Program – To account for the Massachusetts Title V assistance program to regulate septic systems.

Affordable Housing – To account for the activity related to the creation and preservation of affordable housing.

Other Special Revenue – To account for the activity of other special revenue funds that are not categorized within any of the other funds.

Capital Projects Funds:

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Library Renovation – To account for the renovation of Town library.

Middle School Construction – To account for the construction of the new middle school.

Permanent Fund:

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support governmental programs.

Town Trust Funds – To account for various gifts, bequests and contributions held for which only earnings may be expended for purposes specified by the donor in relation to other Town activities.

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET**

JUNE 30, 2021

	Special Revenue Funds						
	School Lunch	School Gifts and Grants	School Revolving	Town Gifts	Town Grants	Town Revolving	Highway Improvements
ASSETS							
Cash and cash equivalents.....	\$ 380,366	\$ 1,332,397	\$ 876,306	\$ 783,538	\$ -	\$ 6,182,004	\$ -
Receivables, net of uncollectibles:							
Departmental and other.....	-	-	-	-	-	-	-
Intergovernmental.....	-	102,914	-	-	2,400,057	-	795,252
Special assessments.....	-	-	-	-	-	3,229	-
TOTAL ASSETS.....	\$ 380,366	\$ 1,435,311	\$ 876,306	\$ 783,538	\$ 2,400,057	\$ 6,185,233	\$ 795,252
LIABILITIES							
Warrants payable.....	\$ -	\$ 286,686	\$ 3,538	\$ 3,381	\$ 175,798	\$ 81,040	\$ -
Accrued payroll.....	4,048	8,024	7,385	-	4,990	11,716	-
Due to other funds.....	-	-	-	-	1,111,409	-	-
Other liabilities.....	-	-	-	-	-	-	-
Unearned revenue.....	-	-	-	-	1,066,212	-	-
Notes payable.....	-	-	-	-	-	-	-
TOTAL LIABILITIES.....	4,048	294,710	10,923	3,381	2,358,409	92,756	-
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue.....	-	-	-	-	-	3,229	795,252
FUND BALANCES							
Nonspendable.....	-	-	-	-	-	-	-
Restricted.....	376,318	1,140,601	865,383	780,157	41,648	6,089,248	-
Unassigned.....	-	-	-	-	-	-	-
TOTAL FUND BALANCES.....	376,318	1,140,601	865,383	780,157	41,648	6,089,248	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....	\$ 380,366	\$ 1,435,311	\$ 876,306	\$ 783,538	\$ 2,400,057	\$ 6,185,233	\$ 795,252

(Continued)

Special Revenue Funds				Capital Project Funds			Permanent Funds	Total Nonmajor Governmental Funds
Title V Program	Affordable Housing	Other Special Revenue	Subtotal	Library Renovation	Middle School Construction	Subtotal	Town Trust Funds	
\$ 113,537	\$ 618,706	\$ 1,472,889	\$ 11,759,743	\$ 474,020	\$ 2,836,983	\$ 3,311,003	\$ 355,689	\$ 15,426,435
-	-	99,930	99,930	-	-	-	-	99,930
-	-	-	3,298,223	-	-	-	-	3,298,223
<u>113,415</u>	<u>-</u>	<u>-</u>	<u>116,644</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>116,644</u>
<u>\$ 226,952</u>	<u>\$ 618,706</u>	<u>\$ 1,572,819</u>	<u>\$ 15,274,540</u>	<u>\$ 474,020</u>	<u>\$ 2,836,983</u>	<u>\$ 3,311,003</u>	<u>\$ 355,689</u>	<u>\$ 18,941,232</u>
\$ -	\$ -	\$ 300,699	\$ 851,142	\$ -	\$ 71,754	\$ 71,754	\$ 102	\$ 922,998
-	-	-	36,163	-	-	-	-	36,163
-	-	-	1,111,409	-	-	-	-	1,111,409
-	-	1,260,528	1,260,528	-	-	-	-	1,260,528
-	-	-	1,066,212	-	-	-	-	1,066,212
<u>32,000</u>	<u>-</u>	<u>-</u>	<u>32,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,000</u>
<u>32,000</u>	<u>-</u>	<u>1,561,227</u>	<u>4,357,454</u>	<u>-</u>	<u>71,754</u>	<u>71,754</u>	<u>102</u>	<u>4,429,310</u>
<u>113,415</u>	<u>-</u>	<u>99,930</u>	<u>1,011,826</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,011,826</u>
-	-	-	-	-	-	-	27,051	27,051
81,537	618,706	-	9,993,598	474,020	2,765,229	3,239,249	328,536	13,561,383
-	-	(88,338)	(88,338)	-	-	-	-	(88,338)
<u>81,537</u>	<u>618,706</u>	<u>(88,338)</u>	<u>9,905,260</u>	<u>474,020</u>	<u>2,765,229</u>	<u>3,239,249</u>	<u>355,587</u>	<u>13,500,096</u>
<u>\$ 226,952</u>	<u>\$ 618,706</u>	<u>\$ 1,572,819</u>	<u>\$ 15,274,540</u>	<u>\$ 474,020</u>	<u>\$ 2,836,983</u>	<u>\$ 3,311,003</u>	<u>\$ 355,689</u>	<u>\$ 18,941,232</u>

(Concluded)

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

JUNE 30, 2021

	Special Revenue Funds						
	School Lunch	School Gifts and Grants	School Revolving	Town Gifts	Town Grants	Town Revolving	Highway Improvements
REVENUES:							
Penalties and interest on taxes.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fees and rentals.....	-	-	-	-	-	27,675	-
Licenses and permits.....	-	-	-	-	-	344,410	-
Intergovernmental.....	944,997	2,841,484	-	-	4,742,952	126,866	52,878
Departmental and other.....	3,877	-	730,157	-	-	1,931,100	-
Special assessments.....	-	-	-	-	-	3,202	-
Contributions and donations.....	-	-	58,610	48,903	1,000	2	-
Investment income.....	1	-	-	-	169	-	-
TOTAL REVENUES.....	948,875	2,841,484	788,767	48,903	4,744,121	2,433,255	52,878
EXPENDITURES:							
Current:							
General government.....	-	-	-	52,217	771,292	679,442	-
Public safety.....	-	-	-	21,007	203,808	39,789	-
Education.....	737,982	2,603,086	862,579	-	-	-	-
Public works.....	-	-	-	-	3,909,295	448,958	52,878
Human services.....	-	-	-	1,097	168,021	205,976	-
Culture and recreation.....	-	-	-	16,449	16,252	337,782	-
TOTAL EXPENDITURES.....	737,982	2,603,086	862,579	90,770	5,068,668	1,711,947	52,878
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	210,893	238,398	(73,812)	(41,867)	(324,547)	721,308	-
OTHER FINANCING SOURCES (USES):							
Issuance of bonds.....	-	-	-	-	-	-	-
Premium from issuance of bonds.....	-	-	-	-	-	106,531	-
Transfers in.....	-	-	-	-	31,112	164,958	-
Transfers out.....	-	-	-	-	(11,356)	(611,444)	-
TOTAL OTHER FINANCING SOURCES (USES).....	-	-	-	-	19,756	(339,955)	-
NET CHANGE IN FUND BALANCES.....	210,893	238,398	(73,812)	(41,867)	(304,791)	381,353	-
FUND BALANCES AT BEGINNING OF YEAR (AS REVISED) ..	165,425	902,203	939,195	822,024	346,439	5,707,895	-
FUND BALANCES AT END OF YEAR.....	\$ 376,318	\$ 1,140,601	\$ 865,383	\$ 780,157	\$ 41,648	\$ 6,089,248	\$ -

(Continued)

Special Revenue Funds				Capital Project Funds			Permanent Funds	Total Nonmajor Governmental Funds
Title V Program	Affordable Housing	Other Special Revenue	Subtotal	Library Renovation	Middle School Construction	Subtotal	Town Trust Funds	
\$ 1,137	\$ -	-	\$ 1,137	\$ -	\$ -	\$ -	\$ -	\$ 1,137
-	-	-	27,675	-	-	-	-	27,675
-	-	-	344,410	-	-	-	-	344,410
-	-	-	8,709,177	-	-	-	-	8,709,177
-	-	995,645	3,660,779	-	-	-	565	3,661,344
82,619	-	-	85,821	-	-	-	-	85,821
-	-	-	108,515	-	-	-	36,300	144,815
-	1,165	-	1,335	-	-	-	2,002	3,337
<u>83,756</u>	<u>1,165</u>	<u>995,645</u>	<u>12,938,849</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>38,867</u>	<u>12,977,716</u>
-	6,736	-	1,509,687	-	-	-	-	1,509,687
-	-	1,062,501	1,327,105	-	-	-	32,819	1,359,924
-	-	-	4,203,647	-	19,080	19,080	-	4,222,727
-	-	-	4,411,131	-	-	-	-	4,411,131
72,107	-	-	447,201	-	-	-	-	447,201
-	-	-	370,483	-	-	-	11,095	381,578
<u>72,107</u>	<u>6,736</u>	<u>1,062,501</u>	<u>12,269,254</u>	<u>-</u>	<u>19,080</u>	<u>19,080</u>	<u>43,914</u>	<u>12,332,248</u>
<u>11,649</u>	<u>(5,571)</u>	<u>(66,856)</u>	<u>669,595</u>	<u>-</u>	<u>(19,080)</u>	<u>(19,080)</u>	<u>(5,047)</u>	<u>645,468</u>
199,222	-	-	199,222	-	885,000	885,000	-	1,084,222
-	-	-	106,531	-	-	-	-	106,531
-	-	-	196,070	250,000	-	250,000	-	446,070
-	-	-	(622,800)	-	-	-	-	(622,800)
<u>199,222</u>	<u>-</u>	<u>-</u>	<u>(120,977)</u>	<u>250,000</u>	<u>885,000</u>	<u>1,135,000</u>	<u>-</u>	<u>1,014,023</u>
210,871	(5,571)	(66,856)	548,618	250,000	865,920	1,115,920	(5,047)	1,659,491
<u>(129,334)</u>	<u>624,277</u>	<u>(21,482)</u>	<u>9,356,642</u>	<u>224,020</u>	<u>1,899,309</u>	<u>2,123,329</u>	<u>360,634</u>	<u>11,840,605</u>
<u>\$ 81,537</u>	<u>\$ 618,706</u>	<u>\$ (88,338)</u>	<u>\$ 9,905,260</u>	<u>\$ 474,020</u>	<u>\$ 2,765,229</u>	<u>\$ 3,239,249</u>	<u>\$ 355,587</u>	<u>\$ 13,500,096</u>

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Statistical Section

Statistical Section

Statistical tables differ from financial statements since they usually cover more than one year and may present nonaccounting data. The following tables reflect social and economic data, financial trends, and fiscal capacity.



Identified as a major source of inflow and infiltration into the sewer system, the Cedar Point area sewer main was replaced. This project was supported by betterments, a \$2.3M MassWorks grant and debt supported by sewer enterprise receipts. Design and engineering to address the next highest source of inflow and infiltration in the Oceanside area is under way and funding for the construction has been approved. These improvements will assist the Town with the renewal of its NPDES permit and will hopefully support long awaited further expansion of the sewer system to other areas of town.

Statistical Section

This part of the Town of Scituate's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

Financial Trends

- These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.

Revenue Capacity

- These schedules contain information to help the reader assess the Town's most significant local revenue source, the property tax.

Debt Capacity

- These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.

Demographic and Economic Information

- These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.

Operating Information

- These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.

SOURCES: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

Net Position By Component

Last Ten Years

	<u>2012</u>	<u>2013</u>	<u>2014 (1)</u>	<u>2015</u>	<u>2016</u>	<u>2017 (2)</u>	<u>2018</u>	<u>2019</u>	<u>2020 (3)</u>	<u>2021</u>
Governmental activities										
Net investment in capital assets.....	\$ 55,977,544	\$ 56,560,454	\$ 57,977,964	\$ 58,009,621	\$ 74,483,888	\$ 93,697,063	\$ 104,186,614	\$ 107,165,990	\$ 115,163,737	\$ 118,651,814
Restricted.....	8,573,833	8,821,398	10,144,946	14,966,255	11,052,873	14,171,118	12,110,522	12,973,132	7,287,150	9,059,958
Unrestricted.....	<u>413,970</u>	<u>(2,073,085)</u>	<u>(37,686,872)</u>	<u>(39,543,990)</u>	<u>(41,330,572)</u>	<u>(94,512,877)</u>	<u>(95,111,346)</u>	<u>(97,350,067)</u>	<u>(109,252,780)</u>	<u>(110,813,713)</u>
Total governmental activities net position.....	\$ <u>64,965,347</u>	\$ <u>63,308,767</u>	\$ <u>30,436,038</u>	\$ <u>33,431,886</u>	\$ <u>44,206,189</u>	\$ <u>13,355,304</u>	\$ <u>21,185,790</u>	\$ <u>22,789,055</u>	\$ <u>13,198,107</u>	\$ <u>16,898,059</u>
Business-type activities										
Net investment in capital assets.....	\$ 26,572,988	\$ 27,524,735	\$ 28,948,580	\$ 30,168,211	\$ 33,793,072	\$ 37,113,868	\$ 37,620,238	\$ 39,174,972	\$ 40,941,659	\$ 45,181,269
Unrestricted.....	<u>14,228,936</u>	<u>13,527,535</u>	<u>15,231,833</u>	<u>15,476,554</u>	<u>12,603,082</u>	<u>8,026,012</u>	<u>7,816,611</u>	<u>8,443,495</u>	<u>7,890,691</u>	<u>11,088,337</u>
Total business-type activities net position.....	\$ <u>40,801,924</u>	\$ <u>41,052,270</u>	\$ <u>44,180,413</u>	\$ <u>45,644,765</u>	\$ <u>46,396,154</u>	\$ <u>45,139,880</u>	\$ <u>45,436,849</u>	\$ <u>47,618,467</u>	\$ <u>48,832,350</u>	\$ <u>56,269,606</u>
Primary government										
Net investment in capital assets.....	\$ 82,550,532	\$ 84,085,189	\$ 86,926,544	\$ 88,177,832	\$ 108,276,960	\$ 130,810,931	\$ 141,806,852	\$ 146,340,962	\$ 156,105,396	\$ 163,833,083
Restricted.....	8,573,833	8,821,398	10,144,946	14,966,255	11,052,873	14,171,118	12,110,522	12,973,132	7,287,150	9,059,958
Unrestricted.....	<u>14,642,906</u>	<u>11,454,450</u>	<u>(22,455,039)</u>	<u>(24,067,436)</u>	<u>(28,727,490)</u>	<u>(86,486,865)</u>	<u>(87,294,735)</u>	<u>(88,906,572)</u>	<u>(101,362,089)</u>	<u>(99,725,376)</u>
Total primary government net position.....	\$ <u>105,767,271</u>	\$ <u>104,361,037</u>	\$ <u>74,616,451</u>	\$ <u>79,076,651</u>	\$ <u>90,602,343</u>	\$ <u>58,495,184</u>	\$ <u>66,622,639</u>	\$ <u>70,407,522</u>	\$ <u>62,030,457</u>	\$ <u>73,167,665</u>

(1) Reflects the implementation of GASB Statement #68 and #71.

(2) Reflects the implementation of GASB Statement #75.

(3) Reflects the implementation of GASB Statement #84.

Source: Audited Financial Statements

Changes in Net Position

Last Ten Years

	2012	2013	2014	2015	2016	2017	2018 (1)	2019	2020 (2)	2021
Expenses										
Governmental activities:										
General government.....	\$ 4,028,115	\$ 3,547,721	\$ 3,980,838	\$ 4,637,844	\$ 5,725,030	\$ 6,914,696	\$ 5,019,630	\$ 5,643,145	\$ 6,893,037	\$ 5,904,608
Public safety.....	11,419,469	11,836,261	12,110,134	13,035,851	12,021,614	13,961,543	12,795,431	14,130,874	15,051,075	15,270,479
Education.....	50,335,558	51,504,431	54,373,306	49,681,533	53,391,065	58,266,053	60,797,560	62,671,600	76,548,657	73,633,769
Public works.....	4,075,881	6,041,795	5,345,710	6,644,331	6,661,476	6,772,113	7,642,737	8,123,398	8,147,241	9,071,595
Human services.....	944,959	1,121,401	1,208,709	1,109,054	1,168,070	1,278,792	1,224,449	1,335,260	1,495,159	1,596,684
Culture and recreation.....	1,946,222	2,007,788	2,096,100	2,122,181	2,286,926	2,138,607	2,342,960	2,695,966	2,734,028	2,607,980
Community Preservation.....	59,513	2,480	721,633	155,246	130,760	224,085	669,199	554,272	2,335,939	508,564
Interest.....	415,187	651,163	566,494	994,681	2,879,164	2,734,823	2,504,115	2,669,249	2,426,884	2,115,059
Total government activities expenses.....	73,224,904	76,713,040	80,402,924	78,380,721	84,264,105	92,290,712	92,996,081	97,823,764	115,632,020	110,708,738
Business-type activities:										
Water.....	2,783,605	2,878,148	2,388,501	2,921,574	4,054,625	3,868,646	3,810,808	4,360,612	4,930,684	4,069,886
Sewer.....	3,151,632	2,932,695	2,848,214	3,375,871	3,128,287	2,974,792	2,883,573	2,912,077	3,379,048	2,912,067
Transfer Station.....	1,135,450	1,086,630	1,187,936	1,086,167	1,375,061	1,207,292	1,234,424	1,314,007	1,449,897	1,344,058
Widow's Walk Golf Course.....	1,093,077	1,133,478	966,552	1,064,074	1,156,122	1,086,376	1,034,992	1,113,660	1,215,838	1,450,465
Waterways.....	1,022,866	952,822	920,502	952,933	1,459,517	1,168,291	855,452	962,302	1,338,580	703,181
Total business-type activities expenses.....	9,186,630	8,983,673	8,311,705	9,400,619	11,173,612	10,305,397	9,819,249	10,662,658	12,314,047	10,479,657
Total primary government expenses.....	\$ 82,411,534	\$ 85,696,713	\$ 88,714,629	\$ 87,781,340	\$ 95,437,717	\$ 102,596,109	\$ 102,815,330	\$ 108,486,422	\$ 127,946,067	\$ 121,188,395
Program Revenues										
Governmental activities:										
Education charges for services.....	\$ 2,068,233	\$ 1,989,005	\$ 1,969,243	\$ 1,953,724	\$ 2,110,824	\$ 2,251,687	\$ 2,470,152	\$ 2,472,917	\$ 1,784,273	\$ 741,208
Public works charges for services.....	132,668	497,826	590,965	654,143	660,659	670,351	733,935	491,996	503,001	799,643
Culture and recreation charges for services.....	429,036	408,533	401,894	435,018	434,336	447,629	501,107	521,642	258,905	395,676
Other charges for services.....	2,097,650	2,205,136	2,130,181	3,032,230	3,387,990	3,152,396	3,573,853	3,707,787	4,458,547	5,514,643
Operating grants and contributions.....	16,542,324	15,220,665	16,949,683	13,015,067	16,097,906	24,218,440	19,742,143	18,840,563	23,125,330	28,390,377
Capital grant and contributions.....	1,612,713	958,424	1,344,565	4,496,678	7,304,433	13,532,885	3,745,605	1,256,738	1,239,266	1,405,279
Total government activities program revenues.....	22,882,624	21,279,589	23,386,531	23,586,860	29,996,148	44,273,388	30,766,795	27,291,643	31,369,322	37,246,826
Business-type activities:										
Charges for services - water.....	2,618,625	3,031,977	2,421,697	4,173,754	4,696,834	4,149,827	3,629,529	5,045,558	5,899,132	6,675,381
Charges for services - sewer.....	1,682,559	1,778,510	1,732,988	1,415,916	2,137,487	2,109,666	2,045,042	3,008,321	2,975,065	2,845,095
Charges for services - transfer station.....	1,373,639	1,228,419	1,201,259	1,202,974	1,168,672	1,105,277	1,259,774	1,380,824	1,460,063	1,688,076
Charges for services - Widow's Walk golf course.....	1,262,340	1,244,651	1,209,170	1,255,771	1,350,468	1,111,370	1,098,286	1,188,747	1,206,964	1,735,244
Charges for services - waterways.....	993,395	977,575	1,036,067	1,043,816	1,119,575	1,182,537	1,165,960	1,208,633	1,177,996	1,207,307
Operating grants and contributions.....	16,237	1,725	238,088	213,160	184,361	137,679	69,760	-	208,490	-
Capital grant and contributions.....	692,556	188,126	6,430,626	688,590	480,722	-	-	-	255,653	3,575,144
Total business-type activities program revenues.....	8,639,351	8,450,983	14,269,895	9,993,981	11,138,119	9,796,356	9,268,351	11,832,083	13,184,363	17,724,247
Total primary government program revenues.....	\$ 31,521,975	\$ 29,730,572	\$ 37,656,426	\$ 33,580,841	\$ 41,134,267	\$ 54,069,744	\$ 40,035,146	\$ 39,123,726	\$ 44,553,685	\$ 54,971,073
Net (Expense)/Revenue										
Governmental activities.....	\$ (50,342,280)	\$ (55,433,451)	\$ (57,016,393)	\$ (54,793,861)	\$ (54,267,957)	\$ (48,017,324)	\$ (62,229,286)	\$ (70,532,121)	\$ (84,262,698)	\$ (73,461,912)
Business-type activities.....	(547,279)	(532,690)	5,958,190	593,362	(35,493)	(509,041)	(550,898)	1,169,425	870,316	7,244,590
Total primary government net expense.....	\$ (50,889,559)	\$ (55,966,141)	\$ (51,058,203)	\$ (54,200,499)	\$ (54,303,450)	\$ (48,526,365)	\$ (62,780,184)	\$ (69,362,696)	\$ (83,392,382)	\$ (66,217,322)
General Revenues and other										
Changes in Net Position										
Governmental activities:										
Real estate and personal property taxes, net of tax refunds payable.....	\$ 46,614,390	\$ 48,002,624	\$ 50,035,148	\$ 51,463,244	\$ 57,633,851	\$ 60,149,945	\$ 61,860,468	\$ 63,772,350	\$ 65,656,279	\$ 68,462,822
Motor vehicle and other excise taxes.....	2,328,915	2,530,107	2,818,956	3,026,616	3,198,586	3,357,113	3,499,736	3,596,786	3,528,661	3,781,587
Community preservation taxes.....	1,070,846	1,105,543	1,158,916	1,201,728	1,355,633	1,428,997	1,488,590	1,548,124	1,587,578	1,669,008
Hotel/motel tax.....	-	-	-	-	-	-	-	-	104,145	135,953
Penalties and interest on taxes.....	535,272	447,439	640,163	446,774	487,036	523,966	408,710	335,999	311,089	422,789
Payments in lieu of taxes.....	-	-	-	19,601	20,370	19,907	16,798	18,914	17,437	49,109
Grants and contributions not restricted to specific programs.....	1,799,495	1,806,527	1,933,158	1,938,534	2,305,361	2,279,401	2,419,774	2,346,541	2,757,334	2,517,585
Unrestricted investment income.....	74,257	55,527	88,567	186,336	611,498	542,053	526,030	810,987	559,717	186,912
Gain on sale of capital assets.....	32,690	-	-	-	-	-	206,432	161,792	-	-
Miscellaneous.....	284,355	576,098	679,700	311,551	71,543	119,997	324,069	342,682	91,185	34,080
Transfers.....	(730,948)	(746,994)	(768,508)	(804,675)	(679,618)	(660,771)	(690,835)	(798,789)	(180,079)	(97,982)
Total governmental activities.....	52,009,272	53,776,871	56,586,100	57,789,709	65,004,260	67,760,608	70,059,772	72,135,386	74,433,146	77,161,863
Business-type activities:										
Boat excise taxes.....	41,136	36,042	39,821	40,363	40,695	39,761	40,378	43,108	42,535	43,691
Unrestricted investment income.....	-	-	-	25,952	66,569	89,895	116,654	170,296	120,953	50,993
Transfers.....	730,948	746,994	768,508	804,675	679,618	660,771	690,835	798,789	180,079	97,982
Total business-type activities.....	772,084	783,036	808,329	870,990	786,882	790,427	847,867	1,012,193	343,567	192,666
Total primary government.....	\$ 52,781,356	\$ 54,559,907	\$ 57,394,429	\$ 58,660,699	\$ 65,791,142	\$ 68,551,035	\$ 70,907,639	\$ 73,147,579	\$ 74,776,713	\$ 77,354,529
Changes in Net Position										
Governmental activities.....	\$ 1,666,992	\$ (1,656,580)	\$ (430,293)	\$ 2,995,848	\$ 10,736,303	\$ 19,743,284	\$ 7,830,486	\$ 1,603,265	\$ (9,829,552)	\$ 3,699,951
Business-type activities.....	224,805	250,346	6,766,519	1,464,352	751,389	281,386	296,969	2,181,618	1,213,883	7,437,256
Total primary government.....	\$ 1,891,797	\$ (1,406,234)	\$ 6,336,226	\$ 4,460,200	\$ 11,487,692	\$ 20,024,670	\$ 8,127,455	\$ 3,784,883	\$ (8,615,669)	\$ 11,137,207

Source: Audited Financial Statements

(1) Reflects the implementation of GASB Statement #75.

(2) Reflects the implementation of GASB Statement #84.

Fund Balances, Governmental Funds

Last Ten Years

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020 (A)</u>	<u>2021</u>
General Fund										
Restricted.....	\$ 86,767	\$ 454,518	\$ 530,298	\$ 5,649,548	\$ 501,782	\$ 510,884	\$ 510,884	\$ 456,219	\$ 450,184	\$ 516,622
Committed.....	327,128	959,038	1,936,899	2,083,919	2,547,389	3,255,428	5,501,817	4,180,351	4,178,317	5,316,034
Assigned.....	1,255,617	1,308,703	1,025,883	1,662,421	949,163	1,360,521	912,493	595,925	958,348	617,081
Unassigned.....	<u>6,863,867</u>	<u>6,645,152</u>	<u>6,966,806</u>	<u>6,646,114</u>	<u>7,701,937</u>	<u>8,486,498</u>	<u>6,427,932</u>	<u>7,694,737</u>	<u>9,411,662</u>	<u>12,082,365</u>
Total general fund.....	\$ <u>8,533,379</u>	\$ <u>9,367,411</u>	\$ <u>10,459,886</u>	\$ <u>16,042,002</u>	\$ <u>11,700,271</u>	\$ <u>13,613,331</u>	\$ <u>13,353,126</u>	\$ <u>12,927,232</u>	\$ <u>14,998,511</u>	\$ <u>18,532,102</u>
All Other Governmental Funds										
Nonspendable.....	\$ 27,051	\$ 27,051	\$ 27,051	\$ 27,051	\$ 27,051	\$ 27,051	\$ 27,051	\$ 27,051	\$ 27,051	\$ 27,051
Restricted.....	14,708,235	17,065,311	15,336,177	81,168,008	67,934,831	27,684,536	21,872,899	24,283,818	27,476,954	20,712,078
Unassigned.....	<u>(851,672)</u>	<u>(177,208)</u>	<u>(144,534)</u>	<u>(3,418)</u>	<u>-</u>	<u>(4,749,946)</u>	<u>(4,772,426)</u>	<u>(212,144)</u>	<u>(6,257,955)</u>	<u>(1,271,037)</u>
Total all other governmental funds.	\$ <u>13,883,614</u>	\$ <u>16,915,154</u>	\$ <u>15,218,694</u>	\$ <u>81,191,641</u>	\$ <u>67,961,882</u>	\$ <u>22,961,641</u>	\$ <u>17,127,524</u>	\$ <u>24,098,725</u>	\$ <u>21,246,050</u>	\$ <u>19,468,092</u>

(A) The Town implemented GASB Statement #84, Fiduciary Activities in 2021 which required the 2020 governmental net position to be revised.

Changes in Fund Balances, Governmental Funds

Last Ten Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues:										
Real estate and personal property taxes, net of tax refunds.....	\$ 46,526,693	\$ 47,666,579	\$ 49,925,979	\$ 51,176,629	\$ 57,169,767	\$ 59,718,484	\$ 61,421,377	\$ 63,312,152	\$ 65,246,226	\$ 68,145,481
Tax liens.....	-	-	-	415,491	472,610	488,116	314,720	308,466	270,720	385,598
Motor vehicle and other excise taxes.....	2,329,038	2,449,218	2,837,763	3,025,388	3,188,658	3,350,152	3,190,904	3,420,299	3,188,551	3,511,969
Hotel/motel tax.....	-	-	-	-	-	-	-	-	104,145	135,953
Meals tax.....	-	-	-	-	-	-	261,318	264,699	265,281	257,378
Penalties and interest.....	498,556	351,965	403,063	422,000	451,408	483,632	436,937	335,999	311,089	422,789
Fees.....	204,034	1,338,592	419,408	504,848	547,967	526,908	353,052	479,535	539,478	601,573
Licenses and permits.....	715,175	880,443	812,414	812,387	932,531	937,395	982,280	1,058,858	1,457,425	1,888,514
Fines and forfeitures.....	80,716	95,779	99,660	68,513	76,842	100,863	44,011	40,619	57,496	92,772
Intergovernmental.....	20,153,547	17,685,685	19,680,358	18,044,124	25,491,847	40,191,793	24,962,762	21,189,673	27,038,947	31,317,152
Departmental and other.....	4,248,297	3,742,481	4,650,874	5,066,629	5,221,152	5,184,107	6,121,907	5,927,777	5,088,950	4,816,194
Community Preservation surtax.....	1,084,819	1,108,110	1,166,312	1,203,127	1,355,659	1,431,186	1,487,827	1,565,051	1,609,641	1,782,345
Contributions.....	122,159	197,296	170,014	696,070	540,353	423,760	458,024	1,182,551	684,841	387,315
Investment income.....	91,962	76,516	110,983	186,336	611,498	542,053	526,030	810,987	559,717	186,912
Total Revenues.....	76,054,996	75,592,664	80,276,828	81,621,542	96,060,292	113,378,449	100,561,149	99,896,666	106,422,507	113,931,945
Expenditures:										
General government.....	3,107,961	2,545,387	2,937,204	3,476,258	4,382,143	5,286,726	3,812,998	4,096,545	5,243,526	4,321,506
Public safety.....	7,828,098	8,041,331	7,994,485	9,040,139	8,470,823	8,993,964	9,275,776	9,848,368	10,134,656	10,913,921
Education.....	34,919,094	35,331,405	37,517,551	38,165,191	39,023,838	40,319,297	41,818,256	42,173,191	43,673,377	44,575,114
Public works.....	2,314,451	4,090,780	3,302,530	4,380,677	4,164,282	4,017,645	4,742,981	4,882,104	4,492,302	5,417,801
Human services.....	499,515	618,433	712,977	800,743	836,664	892,884	943,859	992,888	2,630,212	1,048,785
Culture and recreation.....	1,425,568	1,494,656	1,533,887	1,535,932	1,711,110	1,413,092	966,689	1,557,245	1,78,713	1,521,034
Community preservation.....	59,513	2,480	721,633	126,257	81,681	130,627	523,953	601,566	1,996,390	14,533
Pension benefits.....	9,972,581	10,751,535	10,965,723	7,824,380	10,295,660	12,827,599	13,481,397	13,632,959	15,920,568	18,050,701
Employee benefits.....	5,728,968	5,637,665	5,512,439	5,602,474	5,912,537	6,341,097	6,780,470	6,760,949	6,860,929	7,079,630
State and county charges.....	472,015	445,762	476,139	499,806	561,038	690,039	698,143	746,604	652,629	648,239
Capital outlay.....	4,979,559	3,521,008	6,325,715	9,252,829	31,225,154	70,717,211	16,289,170	7,973,352	19,156,988	16,223,074
Debt service:										
Principal.....	1,474,328	1,413,858	1,767,879	1,581,856	4,459,856	4,423,512	4,302,159	4,180,638	4,448,174	4,399,092
Interest.....	579,727	488,798	584,080	533,531	2,835,437	3,285,814	3,237,379	3,139,312	3,028,668	2,930,600
Total Expenditures.....	73,361,378	74,383,098	80,352,242	82,820,073	113,960,223	159,339,507	106,873,230	100,585,721	118,417,132	117,144,030
Excess (deficiency) of revenues over (under) expenditures.....	2,693,618	1,209,566	(75,414)	(1,198,531)	(17,899,931)	(45,961,058)	(6,312,081)	(689,055)	(11,994,625)	(3,212,085)
Other Financing Sources (Uses):										
Issuance from bonds and notes.....	1,859,021	3,403,000	-	68,258,000	-	3,500,000	500,000	6,133,000	10,719,567	2,803,055
Issuance from refunding bonds.....	-	-	-	4,205,000	529,100	-	-	-	-	1,214,100
Premium from issuance of bonds and notes.....	18,480	-	-	5,300,269	-	34,648	202,153	590,268	58,857	2,247,698
Premium from issuance of refunding bonds.....	-	-	-	613,188	35,414	-	-	-	-	200,847
Payments to refunded bond escrow agent.....	-	-	-	(4,818,188)	(564,514)	-	-	-	-	(1,400,000)
Capital lease financing.....	-	-	239,937	-	1,008,059	-	-	1,148,100	445,569	-
Proceeds from the sale of capital assets.....	-	-	-	-	-	-	206,432	161,792	-	-
Transfers in.....	271,053	234,649	1,103,283	1,438,009	6,741,065	645,070	942,636	1,017,610	1,429,012	1,786,191
Transfers out.....	(1,002,001)	(981,643)	(1,871,791)	(2,242,684)	(7,420,683)	(1,305,841)	(1,633,471)	(1,816,399)	(1,609,091)	(1,884,173)
Total other financing sources (uses).....	1,146,553	2,656,006	(528,571)	72,753,594	328,441	2,873,877	217,750	7,234,371	11,043,914	4,967,718
Net change in fund balance.....	\$ 3,840,171	\$ 3,865,572	\$ (603,985)	\$ 71,555,063	\$ (17,571,490)	\$ (43,087,181)	\$ (6,094,331)	\$ 6,545,316	\$ (950,711)	\$ 1,755,633
Debt service as a percentage of noncapital expenditures.....	3.00%	2.69%	3.18%	2.88%	8.82%	8.70%	8.32%	7.90%	7.53%	7.26%

Notes:

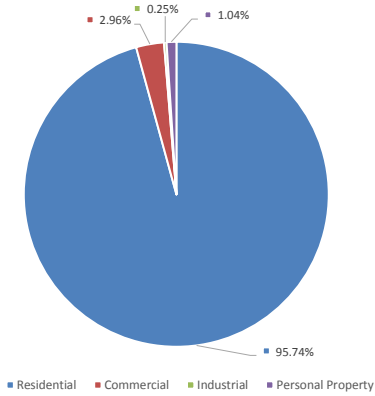
Prior to 2015, the Town reported tax liens with real estate and personal property taxes, net of tax refunds.

Assessed Value and Actual Value of Taxable Property by Classification and Tax Rates

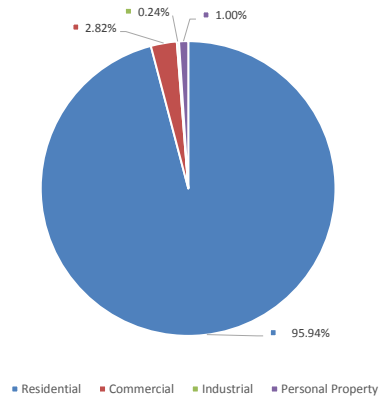
Last Ten Years

Year	Assessed and Actual Values and Tax Rates									
	Residential Value	Residential Tax Rate	Commercial Value	Industrial Value	Personal Property	Total Commercial Value	Commercial Tax Rate	Commercial % of Total Value	Total Direct Rate	Total Town Value
2012	\$3,610,700,846	\$12.34	\$127,007,544	\$5,181,100	\$39,308,800	\$171,497,444	\$12.34	4.53%	\$12.34	\$3,782,198,290
2013	\$3,608,700,390	\$12.72	\$126,075,000	\$5,181,100	\$40,087,220	\$171,343,320	\$12.72	4.53%	\$12.72	\$3,780,043,710
2014	\$3,654,706,380	\$13.05	\$125,105,420	\$9,112,700	\$37,686,890	\$171,905,010	\$13.05	4.49%	\$13.05	\$3,826,611,390
2015	\$3,763,130,865	\$13.10	\$125,426,835	\$12,415,000	\$41,124,550	\$178,966,385	\$13.10	4.54%	\$13.10	\$3,942,097,250
2016	\$3,901,948,229	\$14.14	\$126,200,871	\$12,415,000	\$41,692,030	\$180,307,901	\$14.14	4.42%	\$14.14	\$4,082,256,130
2017	\$4,091,047,873	\$14.09	\$126,931,317	\$12,397,200	\$44,743,570	\$184,072,087	\$14.09	4.31%	\$14.09	\$4,275,119,960
2018	\$4,258,651,412	\$13.95	\$127,874,848	\$12,738,600	\$44,453,220	\$185,066,668	\$13.95	4.16%	\$13.95	\$4,443,718,080
2019	\$4,450,617,970	\$13.74	\$140,706,810	\$12,877,900	\$46,501,060	\$200,085,770	\$13.74	4.30%	\$13.74	\$4,650,703,740
2020	\$4,667,591,742	\$13.50	\$144,427,298	\$12,411,000	\$50,621,640	\$207,459,938	\$13.50	4.26%	\$13.50	\$4,875,051,680
2021	\$4,937,276,419	\$13.33	\$145,311,611	\$12,457,100	\$51,283,890	\$209,052,601	\$13.33	4.06%	\$13.33	\$5,146,329,020

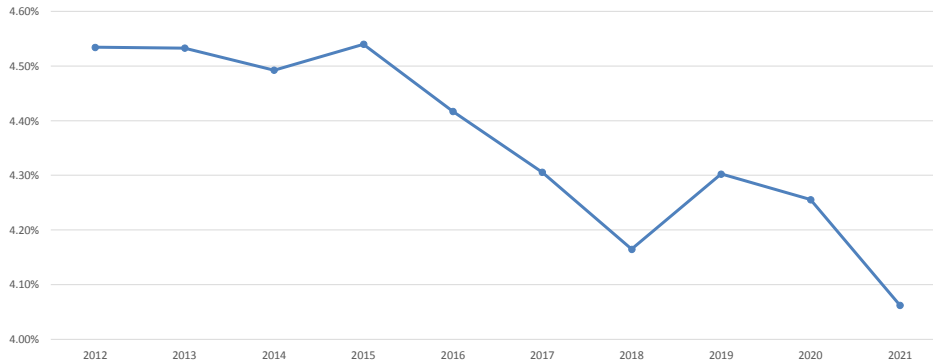
Total Assessed Value by Classification
Year Ended June 30, 2020



Total Assessed Value by Classification
Year Ended June 30, 2021



Commercial Value as % of Total Value



Source: Assessor's Department, Town of Scituate, Department of Revenue records and Official Statements. All property in the Commonwealth of Massachusetts is assessed at 100% of fair cash value.

The Town is not subject to any overlapping revenue rates.

Note: Chapter 59, Section 21C of the Massachusetts General Laws, known as "Proposition 2 1/2", imposes 2 separate limits on the annual tax levy of the Town. The primary limitation is that the tax levy cannot exceed 2 1/2 percent of the full and fair cash value. The secondary limitation is that the tax levy cannot exceed the maximum levy limit for the preceding year as determined by the State Commissioner of Revenue by more than 2 1/2 percent, subject to an exception for property added to the tax rolls and for certain substantial valuation increases other than as part of a general revaluation. The secondary limit may be exceeded in any year by a majority vote of the voters, however it cannot exceed the primary limitation.

Principal Taxpayers

Current Year and Nine Years Ago

Name	Nature of Business	2021			2012		
		Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value	Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value
Eversource	Utility	\$ 17,745,320	1	0.34%	\$ 8,947,930	1	0.24%
Toll MA Lans III LP	Housing	12,398,100	2	0.24%			
Massachusetts Electric Company	Utility	11,903,300	3	0.23%			
Abbott P M/Chamberlain Management	Real Estate	9,095,670	4	0.18%	7,921,400	4	0.21%
Kent Village Associates	Housing	7,047,500	5	0.14%	5,778,800	5	0.15%
Greenbush Station, LLC	Housing	6,775,200	6	0.13%			
Comcast of Massachusetts	Utility	5,344,930	7	0.10%			
Scituate Solar, LLC	Real Estate	5,173,500	8	0.10%			
South Shore Real Estate	Real Estate	4,683,700	9	0.09%			
Hatherly Country Club	Country Club	4,085,730	10	0.08%	3,822,880	7	0.10%
National Grid	Utility				8,656,640	2	0.23%
Verizon New England Inc.	Utility				8,220,800	3	0.22%
HCRI Massachusetts Property Inc., Trust	Nursing Home				4,283,000	6	0.11%
Suburban Realty Trust	Real Estate				3,764,300	8	0.10%
Herring Brook LTD Partnership	Real Estate				3,412,800	9	0.09%
Diftway Medical LLC	Medical Building				2,796,900	10	0.07%
	Totals	\$ 84,252,950		1.64%	\$ 57,605,450		1.52%

Source: Official Statements, Town of Scituate

Property Tax Levies and Collections

Last Ten Years

Year	Total Tax Levy	Less Abatements & Exemptions	Net Tax Levy	Net as % of Total	First Year Current Tax Collections	Percent of Net Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Net Tax Levy
2012	\$46,672,324	\$249,523	\$46,422,801	99.47%	\$45,433,883	97.87%	\$434,613	\$45,868,496	98.81%
2013	\$48,082,156	\$144,913	\$47,937,243	99.70%	\$46,882,580	97.80%	\$543,692	\$47,426,272	98.93%
2014	\$49,937,279	\$114,882	\$49,822,397	99.77%	\$49,062,343	98.47%	\$466,423	\$49,528,766	99.41%
2015	\$51,671,474	\$112,627	\$51,558,847	99.78%	\$50,540,571	98.03%	\$449,771	\$50,990,342	98.90%
2016	\$57,723,102	\$275,943	\$57,447,159	99.52%	\$56,591,303	98.51%	\$593,285	\$57,184,588	99.54%
2017	\$60,236,440	\$250,001	\$59,986,439	99.58%	\$59,115,718	98.55%	\$588,786	\$59,704,504	99.53%
2018	\$61,989,867	\$249,617	\$61,740,250	99.60%	\$60,833,576	98.53%	\$599,949	\$61,433,525	99.50%
2019	\$63,900,669	\$250,000	\$63,650,669	99.61%	\$62,883,787	98.80%	\$485,203	\$63,368,990	99.56%
2020	\$65,813,198	\$231,767	\$65,581,431	99.65%	\$64,404,855	98.21%	\$706,025	\$65,110,880	99.28%
2021	\$68,600,566	\$261,477	\$68,339,089	99.62%	\$67,903,898	99.36%	-	\$67,903,898	99.36%

Real Estate Tax Levies vs. First Year Collections
Last Ten Years



Source: Assessor's Department and Official Statements, Town of Scituate

Ratios of Outstanding Debt by Type

Last Ten Years

Year	Governmental Activities			Business-type Activities			Total Debt Outstanding	Percentage of Personal Income (2)	U. S. Census Population	Debt Per Capita
	General Obligation Bonds (1)	Direct Borrowings	Capital Leases	General Obligation Bonds (1)	Direct Borrowings	Capital Leases				
2012	\$ 15,263,015	\$ -	\$ -	\$ 15,849,003	\$ 14,594,771	\$ 65,028	\$ 45,771,817	5.66%	18,234	\$ 2,510
2013	17,252,157	-	-	14,784,488	18,962,786	70,717	51,070,148	6.50%	18,648	2,739
2014	15,484,278	-	206,248	13,199,266	17,358,642	91,624	46,340,058	5.44%	18,847	2,459
2015	87,553,879	-	176,890	27,239,688	15,706,500	127,924	130,804,881	14.51%	18,847	6,940
2016	82,697,642	-	1,036,495	24,743,484	14,006,691	156,270	122,640,582	12.92%	18,535	6,617
2017	81,273,722	-	789,204	22,612,058	12,255,877	140,265	117,071,126	11.95%	18,515	6,323
2018	76,996,618	-	686,572	20,918,840	10,453,245	93,995	109,149,270	10.08%	18,760	5,818
2019	79,015,481	-	983,913	28,956,831	8,604,928	177,187	117,738,340	10.37%	18,495	6,366
2020	84,800,181	-	1,238,310	28,103,010	7,520,326	147,442	121,809,269	10.24%	18,746	6,498
2021	80,978,281	3,476,314	1,041,960	37,261,107	6,442,474	162,072	129,362,208	10.28%	18,865	6,857

(1) Presented net of original issuance premiums.

(2) Personal income is disclosed on the Schedule of Demographic and Economic Statistics.

Source: Audited Financial Statements, U. S. Census

Ratios of General Bonded Debt Outstanding
Last Ten Years

Year	General Obligation Bonds (1)	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property (2)	Per Capita (3)
2012	\$ 31,112,018	\$ -	\$ 31,112,018	0.82%	\$ 1,706
2013	32,036,645	-	32,036,645	0.85%	1,718
2014	28,683,544	-	28,683,544	0.75%	1,522
2015	114,793,567	-	114,793,567	2.91%	6,091
2016	107,441,126	-	107,441,126	2.63%	5,797
2017	103,885,780	-	103,885,780	2.43%	5,611
2018	97,915,458	-	97,915,458	2.20%	5,219
2019	107,972,312	-	107,972,312	2.32%	5,838
2020	112,903,191	-	112,903,191	2.32%	6,023
2021	118,239,388	-	118,239,388	2.30%	6,268

(1) This is the general bonded debt of both governmental and business-type activities, net of original issuance premiums.

(2) Property value data is disclosed on the Schedule of Assessed Value of Taxable Property by Classification and Tax Rates.

(3) Population data is disclosed on the Schedule of Demographic and Economic Statistics.

Source: Audited Financial Statements, U. S. Census

Direct and Overlapping Governmental Activities Debt

As of June 30, 2021

<u>Town of Scituate, Massachusetts</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Overlapping Debt</u>	<u>Current Year Assessment for Operations and Debt Service</u>
Debt repaid with property taxes:				
Plymouth County.....	\$ 1,100,000	5.90%	\$ 48,675	\$ 97,737
Massachusetts Bay Transportation Authority.....	5,348,582,000	0.076%	4,064,922	-
South Shore Regional Vocational Technical School District (SSRSD).....	-	7.58%	<u>-</u>	590,813
Estimated share of overlapping debt.....			4,113,597	
Town direct debt.....			<u>87,728,555</u>	
Total direct and overlapping debt.....			<u>\$ 91,842,152</u>	

Note: Overlapping governments are those that coincide, at least in part, with geographic boundaries of the Town. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the taxpayers of Town. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Source: Plymouth County Treasurer, SSRSD & Official statements

(1) County expenses, including debt service, are assessed upon the Towns within the County in proportion to their taxable valuation.

Computation of Legal Debt Margin

Last Ten Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Equalized Valuation.....	\$ <u>4,137,906,200</u>	\$ <u>4,137,906,200</u>	\$ <u>4,103,767,600</u>	\$ <u>4,103,767,600</u>	\$ <u>4,433,619,600</u>	\$ <u>4,433,619,600</u>	\$ <u>4,819,519,000</u>	\$ <u>4,819,519,000</u>	\$ <u>5,194,149,500</u>	\$ <u>5,194,149,500</u>
Debt Limit - 5% of Equalized Valuation.....	\$ 206,895,310	\$ 206,895,310	\$ 205,188,380	\$ 205,188,380	\$ 221,680,980	\$ 221,680,980	\$ 240,975,950	\$ 240,975,950	\$ 259,707,475	\$ 259,707,475
Less:										
Outstanding debt applicable to limit.....	42,612,765	50,875,921	34,685,631	52,276,219	47,277,578	46,005,123	41,854,755	43,708,387	39,482,455	54,411,192
Authorized and unissued debt.....	<u>18,198,557</u>	<u>6,072,096</u>	<u>11,247,288</u>	<u>71,060,704</u>	<u>44,925,917</u>	<u>31,849,339</u>	<u>33,569,914</u>	<u>47,372,958</u>	<u>51,957,347</u>	<u>33,339,942</u>
Legal debt margin.....	\$ <u><u>146,083,988</u></u>	\$ <u><u>149,947,293</u></u>	\$ <u><u>159,255,461</u></u>	\$ <u><u>81,851,457</u></u>	\$ <u><u>129,477,485</u></u>	\$ <u><u>143,826,518</u></u>	\$ <u><u>165,551,281</u></u>	\$ <u><u>149,894,605</u></u>	\$ <u><u>168,267,673</u></u>	\$ <u><u>171,956,341</u></u>
Total debt applicable to the limit as a percentage of the limit.....	29.39%	27.53%	22.39%	60.11%	41.59%	35.12%	31.30%	37.80%	35.21%	33.79%

Source: Town Accountant's Office, Town of Scituate

Demographic and Economic Statistics

Last Ten Years

Year	Population Estimates	Personal Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2012	18,234	\$ 809,024,346	\$ 44,369	45	3,276	5.30%
2013	18,648	785,099,448	42,101	45	3,286	5.70%
2014	18,847	851,432,072	45,176	45	3,122	5.20%
2015	18,847	901,376,622	47,826	45	3,097	4.50%
2016	18,535	949,177,350	51,210	48	3,094	2.50%
2017	18,515	979,387,955	52,897	55	3,005	4.10%
2018	18,760	1,082,376,960	57,696	57	2,988	3.50%
2019	18,495	1,135,352,565	61,387	59	3,005	2.60%
2020	18,746	1,189,096,272	63,432	59	2,994	13.40%
2021	18,865	1,257,823,875	66,675	52	2,851	4.40%

Source: U. S. Census, Division of Local Services & Official Statements
 Median age is based on most recent census data.

Principal Employers

Current Year and Nine Years Ago

Employer	Nature of Business	2021			2012		
		Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Town of Scituate	Municipal Government	1,183	1	12.80%	1,185	1	12.35%
Life Care Center	Nursing Home	185	2	2.00%	185	2	1.93%
Scituate Marketplace	Supermarket	100	3	1.08%	100	3	1.04%
Total		<u>1,468</u>		<u>15.89%</u>	<u>1,470</u>		<u>15.32%</u>

The Town is reporting all employers with more than 100 employees.

Employees for the Town of Scituate includes all classes of employees, not just FTE's.

Source: Massachusetts Workplace Development Agency, Official Statements & the Town's personnel and department records.

Full-time Equivalent Town Employees by Function
Last Ten Years

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Function										
General government.....	28	28	30	31	32	34	36	36	36	37
Police.....	33	33	33	34	35	35	35	35	35	35
Fire.....	53	53	53	53	55	55	55	55	55	55
Education.....	376	379	396	466	455	450	447	484	511	497
Water.....	12	12	12	13	14	14	14	15	15	15
Sewer.....	8	8	8	8	8	8	8	8	8	8
Solid waste.....	4	4	4	4	4	4	4	4	4	4
Public works.....	25	25	23	27	27	27	28	28	28	28
Human services.....	8	8	8	9	10	10	10	10	10	10
Culture and recreation.....	23	22	22	22	22	22	22	22	22	22
Total.....	<u>568</u>	<u>572</u>	<u>589</u>	<u>667</u>	<u>662</u>	<u>659</u>	<u>659</u>	<u>697</u>	<u>724</u>	<u>711</u>

Source: Town personnel records and various Town departments.

Operating Indicators by Function/Program
Last Ten Years

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government										
Population.....	18,234	18,648	18,847	18,847	18,535	18,515	18,760	18,495	18,746	18,865
Registered voters, annual town election.....	13,827	13,941	13,961	14,170	14,117	14,629	14,517	14,623	14,985	15,498
Town Clerk										
Births.....	167	161	152	172	118	193	168	107	107	175
Marriages.....	74	78	70	56	63	72	69	31	29	60
Deaths.....	176	167	174	207	130	205	197	121	139	213
Police										
MV Accidents investigated by an officer.....	251	232	252	287	266	259	220	226	208	257
Citations issued.....	712	808	904	199	182	266	69	246	155	143
Arrests.....	285	290	314	241	248	265	197	292	289	118
Total Incidents.....	14,268	16,480	17,850	16,074	20,548	21,337	22,735	24,565	27,598	26,332
Fire										
Permits/certificate issued.....	942	1,289	1,228	1,270	1,080	958	888	1,264	1,285	1,063
False alarm.....	292	342	325	346	448	336	315	344	374	382
Fires.....	118	82	88	79	66	81	75	94	92	105
Rescue/EMS incidents.....	1,823	1,981	1,925	1,880	1,841	1,896	1,996	1,948	1,811	1,825
Total Incidents.....	2,928	3,256	2,963	3,017	3,140	3,075	3,564	3,192	3,181	2,974
Building Department										
Building permits issued.....	789	869	822	926	947	920	812	960	833	1,279
Gas & Plumbing permits issued.....	785	1,098	1,046	892	884	821	843	915	984	1,223
Electrical permits issued.....	606	814	844	648	762	669	726	462	522	984
Education										
Public school enrollment.....	3,276	3,286	3,122	3,097	3,094	3,005	2,988	3,005	2,994	2,851
High school graduates.....	208	206	185	205	215	236	227	209	229	252
Public Works										
Water										
Service connections.....	7,641	7,636	7,659	7,721	7,728	7,753	7,644	7,892	7,952	8,463
Consumption in millions of gallons.....	516	545	552	452	455	458	444	514	576	537
Daily consumption in millions of gallons.....	1.41	1.49	1.51	1.24	1.25	1.35	1.34	1.40	1.46	1.37
Highway										
Miles of public road.....	101	101	101	103	103	103	103	103	103	103
Human Services										
Board of Health										
Inspections.....	549	549	590	577	724	877	980	566	425	421
Sewage Permits.....	85	85	69	91	228	195	187	126	95	109
Council on Aging										
Total Rides.....	6,860	6,845	6,542	6,976	6,839	6,731	7,195	6,481	6,045	6,020
Library										
Circulation.....	262,136	250,194	236,357	243,490	219,942	216,767	252,705	290,582	208,173	242,991
Visitors.....	153,247	138,640	140,109	155,000	n/a	88,610	200,000	120,205	92,778	48,988
Volunteer hours of service.....	1,369	1,178	770	570	281	350	2,850	8,986	7,000	5,500

Source: Various Town Departments & annual reports

Capital Asset Statistics by Function/Program

Last Ten Years

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government										
Number of buildings.....	1	1	1	1	1	1	1	1	1	1
Police *										
Number of stations.....	1	1	1	1	1	1	-	-	-	-
Fire *										
Number of stations.....	3	3	3	3	3	3	2	2	2	2
Public Safety Complex & Emerg Ops Ctr.....	-	-	-	-	-	-	1	1	1	1
Education										
Number of elementary schools.....	4	4	4	4	4	4	4	4	4	4
Number of middle schools.....	1	1	1	1	1	1	1	1	1	1
Number of high schools.....	1	1	1	1	1	1	1	1	1	1
Public Works										
Number of wells.....	6	6	6	6	6	6	6	6	6	6
Number of water storage tanks.....	2	2	2	2	2	2	2	2	2	2
Number of pump stations.....	2	2	2	2	2	2	2	2	2	3
Human Services										
Senior center.....	1	1	1	1	1	1	1	1	1	1
Culture and Recreation										
Maritime Center.....	1	1	1	1	1	1	1	1	1	1
Library.....	1	1	1	1	1	1	1	1	1	1
Scituate Harbor Community Bldg.....	1	1	1	1	1	1	1	1	1	1

Source: Various Town Departments

* Fire Station #3 and the police station were combined in a public safety complex which opened March 2017.

On April 6, 2021, the Select Board accepted K-9 officer, Tango's retirement and thanked him for his valuable service over the years. They wished him enjoyment during his retirement with his handler, Sergeant Brian McLaughlin.



Sergeant Brian McLaughlin and K-9 officer Tango.