

# **TOWN OF SCITUATE, MASSACHUSETTS**

## **ANNUAL COMPREHENSIVE FINANCIAL REPORT**



**For the year ended  
June 30, 2022**

On the cover and this page: A \$2.2M rehabilitation project of the Widows Walk golf course clubhouse and parking area providing accessibility improvements, a new kitchen, expanded restaurant area and redesigned parking areas.



*The Town of  
Scituate, Massachusetts*



**Annual Comprehensive  
Financial Report**

**For the Year Ended  
June 30, 2022**

Prepared by the Finance Department

TOWN OF SCITUATE, MASSACHUSETTS  
ANNUAL COMPREHENSIVE FINANCIAL REPORT

JUNE 30, 2022

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# Introductory Section



After three years, the replacement of the Humarock Fire Station was completed in December 2021 at a cost of \$1.67M. The new station is updated to meet accessibility and flood guidelines.

# ***Introductory Section***

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**TOWN OF SCITUATE**  
**600 CHIEF JUSTICE CUSHING HIGHWAY**  
SCITUATE, MA 02066  
Tel: (781) 545-8700, Fax: (781) 545-8704

Letter of Transmittal

December 22, 2022

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, 2022, 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 citizens, 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, 2022, 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, 2022, 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 2022 lists the Town's population as 19,011.

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 such as the Mordecai Lincoln 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 in various stages of development and construction as well as mixed use projects. 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 and security 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, Aid to Firefighters Assistance, Municipal Vulnerability, 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 and a new water treatment plant that was approved in 2022. 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. The Town was accepted in the Massachusetts School Building Program for a feasibility study for the Hatherly Elementary School in 2021.

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. Three additional authorizations for water pipe replacement totaling \$8M have been authorized and that work started in early 2021 and is expected to be completed in fall of 2022 including replacing 2" galvanized pipes, adding additional valves and hydrants to eliminate dead ends in the system and support the flushing program. Design for replacement of the water mains in the Humarock area has been completed and \$6.3M for replacement has been authorized but the work has not yet been put out to bid due to pipe shortages. A \$6M 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 ongoing 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 which was approved in April 2022 at an estimated cost of \$50M. The Town voted to use over \$5M in available American Rescue Plan Act funds to offset the impact to taxpayers of the project.

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 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 and an additional \$4M in 2022 for additional work.

As a coastal community, the Town has dedicated significant resources to foreshore protection in supporting over \$31.5M 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 \$1.08M was reimbursed by FEMA. The Town completed

two more legacy projects in FY22 and is awaiting reimbursements in excess of \$600,000 from FEMA. In April 2022, town meeting approved \$5.6M to cover its 25% share of the remaining legacy projects. 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 seven 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, sidewalks and drainage improvements to roads throughout Town. In the last seven years, the Town has invested \$8.37M 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, fire trucks, traffic safety 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, Special Education Reserve Fund, Workers Compensation Reserve and Other Postemployment Liability Trust Fund.

The Other Postemployment 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. In FY21, town meeting approved the establishment of a Special Education Reserve Fund and \$100,000 was allocated to that fund in FY22. 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 seven years, \$3.17M has been added to the fund by this method. The Town maintains an annual reserve fund in its general fund operational budget and over the last several years has been adding emergency reserves into the enterprise fund operating budgets.

### **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.

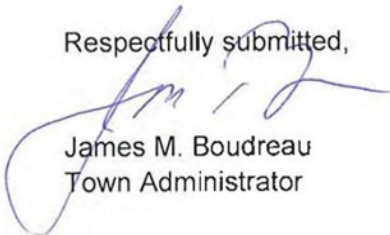
## Acknowledgements

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, 2021. This was the eighth 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

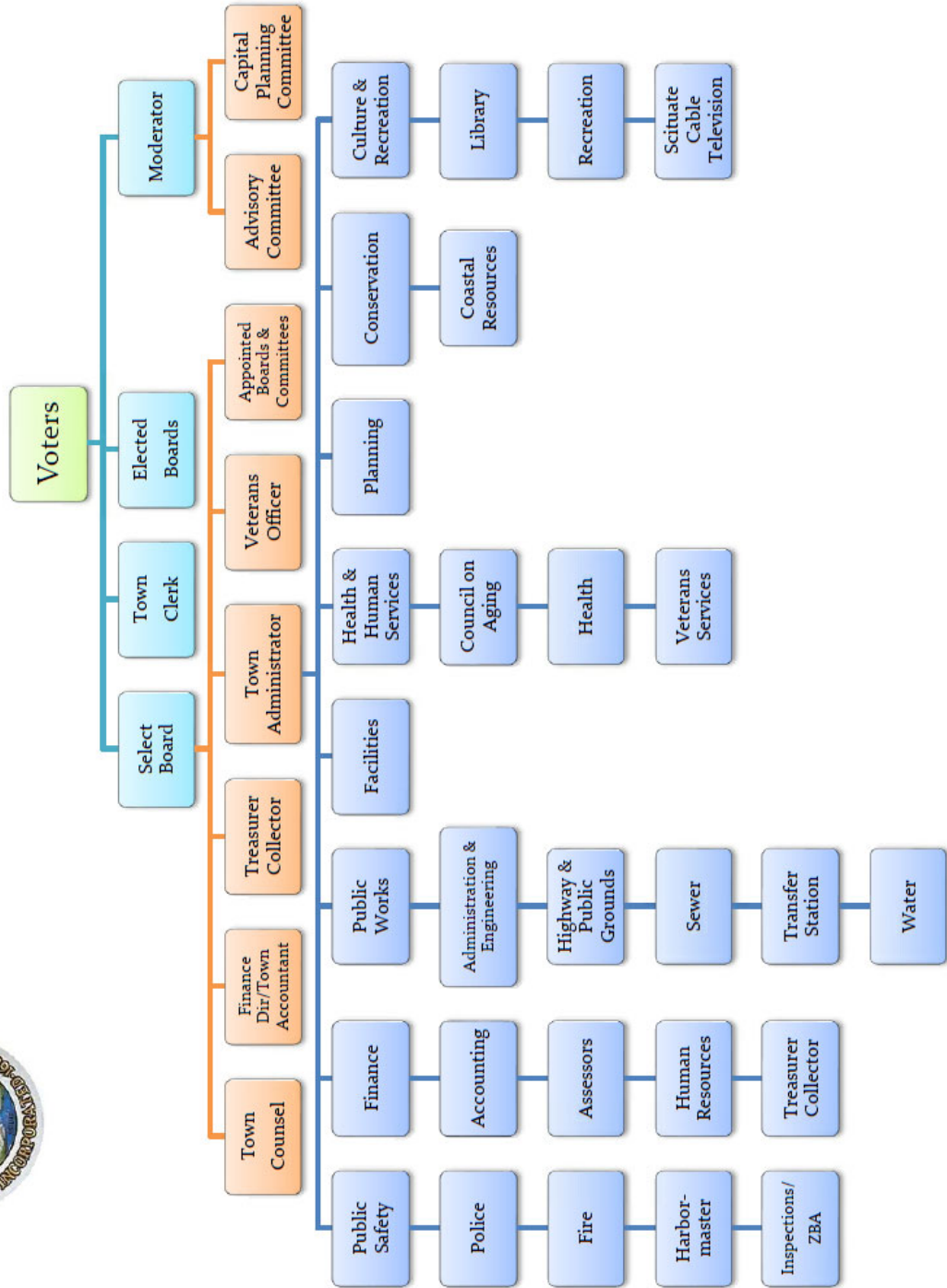
# Town of Scituate, Massachusetts

## Principal Executive Officers as of June 30, 2022

<u>Elected Officials</u>		<u>Term Expires</u>
Select Board	Anthony V. Vegnani, Chair	2023
	Andrew W. Goodrich, Vice Chair	2023
	Maura C. Curran, Clerk	2024
	Karen B. Canfield	2025
	Karen E. Connolly	2024
Moderator	James Toomey	2023
Town Clerk	Kathleen A. Gardner	2024
School Committee	Nicole Brandolini, Chair	2025
	Janice Lindblom, Vice Chair	2023
	Carey Borkoski, Secretary	2025
	Peter Gates	2023
	Michael Long	2024
 <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 Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Morrill*

Executive Director/CEO

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# Financial Section



Water Main Replacement

Phases 4A and 4B of the ongoing water main replacement work continued the aggressive upgrades to the water infrastructure at a cost of \$4.8M.

# ***Financial Section***

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## **Independent Auditor's Report**

To the Honorable Select Board  
Town of Scituate, Massachusetts

## **Report on the Audit of the Financial Statements**

### **Opinions**

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, 2022 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.

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, 2022, 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.

### **Basis for Opinions**

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Scituate, Massachusetts and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Scituate, Massachusetts' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Change in Accounting Principle**

As discussed in Note 6 to the financial statements, in the year ending June 30, 2022, the Town adopted new accounting guidance, Government Accounting Standards Board (GASB) Statement No. 87, Leases. Our opinions are not modified with respect to this matter.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Town of Scituate, Massachusetts' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Scituate, Massachusetts' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **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 is the responsibility of management and, 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.

### **Supplementary 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 accompanying combining statements, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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.

### **Other Information**

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2022, 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 solely 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 the effectiveness of the Town of Scituate, Massachusetts' 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 22, 2022



# ***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, 2022. 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 fund.

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

### **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 \$89.1 million at the close of 2022, which was an increase in the overall financial position of \$16.2 million from the prior year.

Net position of \$171.7 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, \$10.4 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 \$92.7 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 \$30.1 million at the close of 2022.

Governmental net position of \$124.0 million reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, vehicles, right-to-use 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, \$10.4 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 \$104.3 million. The deficit is the result of the Town recording its net pension liability of \$28.4 million along with the net other postemployment benefits (OPEB) liability of \$81.3 million. These are long term unfunded liabilities that will not require significant short-term resources. Unrestricted net position increased by \$6.5 million. This increase 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 2022 and 2021 is presented below.

**Governmental Activities**

	2022	2021
<b>Assets:</b>		
Current assets.....	\$ 54,670,695	\$ 50,064,012
Noncurrent assets (excluding capital).....	1,468,212	-
Capital assets, nondepreciable.....	25,962,629	22,039,167
Capital assets, net of accumulated depreciation....	175,545,143	179,258,373
<b>Total assets.....</b>	<b>257,646,679</b>	<b>251,361,552</b>
<b>Deferred outflows of resources.....</b>	<b>20,578,676</b>	<b>26,753,773</b>
<b>Liabilities:</b>		
Current liabilities (excluding debt).....	7,145,633	7,714,515
Noncurrent liabilities (excluding debt).....	110,209,934	146,093,343
Current debt.....	6,477,940	9,164,798
Noncurrent debt.....	74,538,159	78,563,757
<b>Total liabilities.....</b>	<b>198,371,666</b>	<b>241,536,413</b>
<b>Deferred inflows of resources.....</b>	<b>49,751,938</b>	<b>19,680,853</b>
<b>Net position:</b>		
Net investment in capital assets.....	124,042,046	118,651,814
Restricted.....	10,375,880	9,059,958
Unrestricted.....	(104,316,175)	(110,813,713)
<b>Total net position.....</b>	<b>\$ 30,101,751</b>	<b>\$ 16,898,059</b>

Noncurrent liabilities decreased \$35.9 million mainly due to the net pension and net OPEB liabilities.

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

	2022	2021
<b>Program Revenues:</b>		
Charges for services.....	\$ 8,515,342	\$ 7,451,170
Operating grants and contributions.....	21,426,516	28,390,377
Capital grants and contributions.....	1,320,981	1,405,279
<b>General Revenues:</b>		
Real estate and personal property taxes, net of tax refunds payable.....	71,921,732	67,926,608
Tax and other liens.....	328,489	536,214
Motor vehicle and other excise taxes.....	3,533,487	3,524,209
Hotel/motel tax.....	180,519	135,953
Meals tax.....	355,022	257,378
Community preservation tax.....	1,797,981	1,669,008
Penalties and interest on taxes.....	448,913	422,789
Payments in lieu of taxes.....	28,563	49,109
Grants and contributions not restricted to specific programs.....	2,470,602	2,517,585
Unrestricted investment income.....	151,877	186,912
Gain on sale of capital assets.....	1,039,580	-
Miscellaneous.....	185,475	34,080
<b>Total revenues.....</b>	<b>113,705,079</b>	<b>114,506,671</b>
<b>Expenses:</b>		
General government.....	6,564,163	6,225,534
Public safety.....	15,561,327	14,949,553
Education.....	62,353,757	73,638,269
Public works.....	8,578,931	9,071,595
Human services.....	1,767,701	1,592,184
Culture and recreation.....	2,781,089	2,607,980
Community preservation.....	532,980	508,564
Interest.....	2,325,451	2,115,059
<b>Total expenses.....</b>	<b>100,465,399</b>	<b>110,708,738</b>
<b>Excess (Deficiency) before transfers.....</b>	<b>13,239,680</b>	<b>3,797,933</b>
<b>Transfers.....</b>	<b>(35,988)</b>	<b>(97,982)</b>
<b>Change in net position.....</b>	<b>13,203,692</b>	<b>3,699,951</b>
<b>Net position, beginning of year.....</b>	<b>16,898,059</b>	<b>13,198,108</b>
<b>Net position, end of year.....</b>	<b>\$ 30,101,751</b>	<b>\$ 16,898,059</b>

Operating grant revenue came in lower from the previous year due to decreased state financing for the Massachusetts Teachers' Retirement System (MTRS), which decreased revenue and the corresponding expense by \$6.5 million over the prior year. The Town also received less 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 63% of all governmental revenues.

Expenses decreased \$10.0 million from the prior year which was mainly related to the \$1.5 million change in the net pension and net OPEB liabilities and the related deferred inflows/outflows of resources and a \$6.5 million decrease in nonemployer contributions to the MTRS.

**Business-type Activities**

	2022	2021
<b>Assets:</b>		
Current assets.....	\$ 18,211,067	\$ 19,944,219
Noncurrent assets (excluding capital).....	4,105,369	4,329,013
Capital assets, nondepreciable.....	10,256,531	17,829,765
Capital assets, net of accumulated depreciation....	86,057,743	71,233,765
<b>Total assets.....</b>	<b>118,630,710</b>	<b>113,336,762</b>
<b>Deferred outflows of resources.....</b>	<b>704,130</b>	<b>777,122</b>
<b>Liabilities:</b>		
Current liabilities (excluding debt).....	1,593,674	3,240,826
Noncurrent liabilities (excluding debt).....	5,106,619	6,262,088
Current debt.....	4,859,915	8,103,329
Noncurrent debt.....	46,318,650	39,560,839
<b>Total liabilities.....</b>	<b>57,878,858</b>	<b>57,167,082</b>
<b>Deferred inflows of resources.....</b>	<b>2,184,765</b>	<b>677,196</b>
<b>Net position:</b>		
Net investment in capital assets.....	47,678,454	45,181,269
Unrestricted.....	11,592,763	11,088,337
<b>Total net position.....</b>	<b>\$ 59,271,217</b>	<b>\$ 56,269,606</b>

At the end of the current year, the Town reports \$59.3 million in net position for its combined business-type activities. Of this balance, \$47.7 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 \$1.2 million mainly due to the net pension and net OPEB liabilities.

	<u>2022</u>	<u>2021</u>
<b>Program Revenues:</b>		
Charges for services..... \$	15,448,979	\$ 14,149,103
Capital grants and contributions.....	246,797	3,575,144
<b>General Revenues:</b>		
Other excise taxes.....	41,875	43,691
Unrestricted investment income.....	36,312	50,993
<b>Total revenues.....</b>	<b><u>15,773,963</u></b>	<b><u>17,818,931</u></b>
<b>Expenses:</b>		
Water.....	5,183,382	4,069,886
Sewer.....	3,751,452	2,912,067
Transfer Station.....	1,399,147	1,344,058
Widow's Walk golf course.....	1,283,272	1,450,465
Waterways.....	1,191,087	703,181
<b>Total expenses.....</b>	<b><u>12,808,340</u></b>	<b><u>10,479,657</u></b>
<b>Excess before transfers.....</b>	<b>2,965,623</b>	<b>7,339,274</b>
<b>Transfers.....</b>	<b><u>35,988</u></b>	<b><u>97,982</u></b>
<b>Change in net position.....</b>	<b>3,001,611</b>	<b>7,437,256</b>
<b>Net position, beginning of year.....</b>	<b><u>56,269,606</u></b>	<b><u>48,832,350</u></b>
<b>Net position, end of year..... \$</b>	<b><u><u>59,271,217</u></u></b>	<b><u><u>56,269,606</u></u></b>

There was a net increase of \$3.0 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:

	<u>2022</u>	<u>2021</u>	<u>Change</u>
<b>Net Position:</b>			
Water..... \$	18,501,439	\$ 16,217,518	\$ 2,283,921
Sewer.....	31,403,124	31,433,317	(30,193)
Transfer Station.....	764,816	571,378	193,438
Widow's Walk golf course....	1,821,878	1,463,260	358,618
Waterways.....	6,779,960	6,584,133	195,827
<b>Total Net Position..... \$</b>	<b><u><u>59,271,217</u></u></b>	<b><u><u>56,269,606</u></u></b>	<b><u><u>3,001,611</u></u></b>

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 \$2.3 million compared to a \$3.6 million increase in fiscal year 2021. The increase is a result of user charges increasing offset with an increase in net pension and OPEB expenses.

The sewer enterprise fund reported a decrease in net position of \$30,000 compared to a \$2.0 million increase in fiscal year 2021. The decrease was mainly from the increase in net pension and OPEB expenses.

The transfer station fund reported an increase of \$193,000 in net position compared to a \$358,000 increase in fiscal year 2021. The decrease is mainly from the increase in net pension and OPEB expenses.

The Widow's Walk golf course fund reported a \$359,000 increase in net position compared to an increase of \$291,000 in fiscal year 2021. This was mainly from a decrease in net pension and OPEB expenses.

The waterways enterprise fund reported a \$196,000 increase in net position compared to an increase of \$1.2 million in fiscal year 2021. The decrease is primarily attributable to capital contributions decreasing by \$624,000, and an increase 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 \$44.7 million, which is comprised of \$22.1 million in the general fund, \$6.1 million in the community preservation fund, a deficit of \$85,000 in Town capital projects, and \$16.5 million in the nonmajor governmental funds. Cumulatively there was an increase of \$6.7 million in fund balances from the prior year, which is due to the activities of the Town's general fund, and the nonmajor governmental funds.

The *general fund* is the chief operating fund. At the end of the current year, unassigned fund balance of the general fund was \$12.3 million, restricted fund balance was \$808,000, committed fund balance was \$8.0 million, and assigned fund balance was \$993,000 while total fund balance was \$22.1 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 13.2% of total general fund budgetary expenditures, while total fund balance represents 23.8% of that same amount.

The fund balance of the general fund increased by \$3.6 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. Revenues for motor vehicle and other excise, licenses and permits and departmental and other, all came in over budget. The Town conservatively budgets these revenues. The Stabilization Funds and Workers' Compensation Fund, which are reported as components of the general fund for GAAP basis reporting totaled \$6.2 million and \$808,000, 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 \$6.1 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 decreased by \$188,000 in 2022. 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 \$2.7 million on various projects in 2022.

The *Town Capital Projects Fund* had a year-end fund deficit of \$85,000. Included in this fund is the construction of the Humarock Fire Station and the purchase of eight parcels of land totaling 15.3 acres of vacant land on the westerly side of Chief Justice Cushing Highway, more particularly described as follows; 443, 445, 447, 449, 451, 453, 455, 457 and 461 Chief Justice Cushing Highway, which the Town spent \$1.9 million in 2022. During 2022, the fund balance increased by \$271,000 which was due to the timing of expenditures and the permanent funding of the projects.

### ***General Fund Budgetary Highlights***

The original 2022 operating budget totaled \$93.6 million and consisted of \$87.7 million in appropriations and \$5.9 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 \$4.6 million for capital articles. Actual revenues came in over budget by approximately \$3.0 million, mainly due to an increase in licenses and permits and increase in departmental and other and conservative excise budgeting. Actual expenditures came in under budget by approximately \$10.3 million. Of this balance, the Town reserved \$9.0 million in articles and encumbrances for spending in subsequent years. The remaining balance turned back related to personal services, 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 2022 includes additions of \$1.5 million for Humarock fire station renovations, \$591,000 for the senior center project and energy savings project, \$1.9 million for machinery and equipment and vehicles, \$1.8 million for infrastructure, \$3.7 million for land, and \$440,000 for land improvements.

The Town's 2022 business-type capital asset activity includes \$6.6 million in additions related to well projects, \$2.2 million related to Massworks infrastructure, \$4.6 million related to Cedar Point Infrastructure, \$2.5 million related to Widow's Walk clubhouse improvements, \$659,000 of various machinery, equipment and vehicle additions \$73,000 in land improvements, and \$1.4 million in other infrastructure.

Outstanding governmental long-term debt, as of June 30, 2022, totaled \$80.5 million, of which approximately \$38.9 million relates to various school construction projects, \$11.8 million relates to the public safety complex, \$3.7 million relates to the library, \$4.2 million relates to energy saving projects, \$3.1 million relates to seawall repair projects, \$8.4 million relates to the senior center, and \$5.6 million relates to other various projects and equipment.

The enterprise funds long-term debt totaled \$50.4 million at year end; comprised of \$26 million in water debt, \$13.0 million in sewer debt, \$250,000 in transfer station debt, \$1.7 million in golf course debt, and \$1.2 million in waterways debt. Approximately \$44,000 of the sewer debt is scheduled to be subsidized by the Massachusetts Clean Water Trust (MCWT). In 2022, the Town implemented GASB Statement #87, *Leases*. Therefore, the Town's several agreements to finance the acquisition of golf equipment previously reported as leases have been reclassified as capital financing long-term debt in the current year totaling \$124,000.

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 Town'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.

# ***Basic Financial Statements***

**STATEMENT OF NET POSITION**

JUNE 30, 2022

	<i>Primary Government</i>		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
<b>CURRENT:</b>			
Cash and cash equivalents.....	\$ 48,903,044	\$ 13,516,941	\$ 62,419,985
Receivables, net of allowance for uncollectibles:			
Real estate and personal property taxes.....	866,118	-	866,118
Tax liens.....	954,651	136,431	1,091,082
Community preservation fund surtax.....	13,558	-	13,558
Motor vehicle and other excise taxes.....	216,587	-	216,587
User charges.....	-	3,845,677	3,845,677
Departmental and other.....	360,250	-	360,250
Intergovernmental.....	1,731,555	18,393	1,749,948
Community preservation state share.....	642,700	-	642,700
Special assessments.....	245,859	594,110	839,969
Lease receivables.....	131,194	82,039	213,233
Tax foreclosures.....	605,179	-	605,179
Inventory.....	-	17,476	17,476
Total current assets.....	<u>54,670,695</u>	<u>18,211,067</u>	<u>72,881,762</u>
<b>NONCURRENT:</b>			
Receivables, net of allowance for uncollectibles:			
Intergovernmental.....	-	25,113	25,113
Special assessments.....	-	3,533,028	3,533,028
Lease receivables.....	1,468,212	547,228	2,015,440
Capital assets, nondepreciable.....	25,962,629	10,256,531	36,219,160
Capital assets, net of accumulated depreciation.....	<u>175,545,143</u>	<u>86,057,743</u>	<u>261,602,886</u>
Total noncurrent assets.....	<u>202,975,984</u>	<u>100,419,643</u>	<u>303,395,627</u>
<b>TOTAL ASSETS.....</b>	<b><u>257,646,679</u></b>	<b><u>118,630,710</u></b>	<b><u>376,277,389</u></b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to pensions.....	3,820,546	399,568	4,220,114
Deferred outflows related to other postemployment benefits.....	<u>16,758,130</u>	<u>304,562</u>	<u>17,062,692</u>
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES.....</b>	<b><u>20,578,676</u></b>	<b><u>704,130</u></b>	<b><u>21,282,806</u></b>
<b>LIABILITIES</b>			
<b>CURRENT:</b>			
Warrants payable.....	1,872,825	873,710	2,746,535
Accrued payroll.....	530,050	38,907	568,957
Accrued interest.....	899,414	401,716	1,301,130
Other liabilities.....	1,818,010	87,405	1,905,415
Unearned revenue.....	990,374	-	990,374
Landfill closure.....	-	77,000	77,000
Compensated absences.....	1,034,960	114,936	1,149,896
Notes payable.....	526,841	770,000	1,296,841
Long-term debt.....	<u>5,951,099</u>	<u>4,089,915</u>	<u>10,041,014</u>
Total current liabilities.....	<u>13,623,573</u>	<u>6,453,589</u>	<u>20,077,162</u>
<b>NONCURRENT:</b>			
Landfill closure.....	-	620,000	620,000
Compensated absences.....	534,223	53,609	587,832
Net pension liability.....	28,371,729	2,967,232	31,338,961
Net other postemployment benefits liability.....	81,303,982	1,465,778	82,769,760
Long-term debt.....	<u>74,538,159</u>	<u>46,318,650</u>	<u>120,856,809</u>
Total noncurrent liabilities.....	<u>184,748,093</u>	<u>51,425,269</u>	<u>236,173,362</u>
<b>TOTAL LIABILITIES.....</b>	<b><u>198,371,666</u></b>	<b><u>57,878,858</u></b>	<b><u>256,250,524</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Taxes paid in advance.....	548,193	-	548,193
Deferred inflows related to lease receivables.....	1,599,406	629,267	2,228,673
Deferred inflows related to pensions.....	7,989,050	835,527	8,824,577
Deferred inflows related to other postemployment benefits.....	<u>39,615,289</u>	<u>719,971</u>	<u>40,335,260</u>
<b>TOTAL DEFERRED INFLOWS OF RESOURCES.....</b>	<b><u>49,751,938</u></b>	<b><u>2,184,765</u></b>	<b><u>51,936,703</u></b>
<b>NET POSITION</b>			
Net investment in capital assets.....	124,042,046	47,678,454	171,720,500
Restricted for:			
Permanent funds:			
Expendable.....	311,440	-	311,440
Nonexpendable.....	27,051	-	27,051
Gifts and grants.....	3,862,426	-	3,862,426
Community preservation.....	6,174,963	-	6,174,963
Unrestricted.....	<u>(104,316,175)</u>	<u>11,592,763</u>	<u>(92,723,412)</u>
<b>TOTAL NET POSITION.....</b>	<b><u>\$ 30,101,751</u></b>	<b><u>\$ 59,271,217</u></b>	<b><u>\$ 89,372,968</u></b>

See notes to basic financial statements.

**STATEMENT OF ACTIVITIES**

YEAR ENDED JUNE 30, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Primary Government:</b>					
<i>Governmental Activities:</i>					
General government.....	\$ 6,564,163	\$ 3,277,459	\$ 936,439	\$ -	\$ (2,350,265)
Public safety.....	15,561,327	2,262,647	489,988	-	(12,808,692)
Education.....	62,353,757	1,378,904	18,253,069	35,098	(42,686,686)
Public works.....	8,578,931	720,790	1,252,748	558,500	(6,046,893)
Human services.....	1,767,701	232,544	407,658	-	(1,127,499)
Culture and recreation.....	2,781,089	642,998	86,614	-	(2,051,477)
Community preservation.....	532,980	-	-	727,383	194,403
Interest.....	2,325,451	-	-	-	(2,325,451)
<b>Total Governmental Activities.....</b>	<b>100,465,399</b>	<b>8,515,342</b>	<b>21,426,516</b>	<b>1,320,981</b>	<b>(69,202,560)</b>
<i>Business-Type Activities:</i>					
Water.....	5,183,382	7,443,362	-	-	2,259,980
Sewer.....	3,751,452	3,455,296	-	234,966	(61,190)
Transfer Station.....	1,399,147	1,586,157	-	-	187,010
Widow's Walk golf course.....	1,283,272	1,638,373	-	-	355,101
Waterways.....	1,191,087	1,325,791	-	11,831	146,535
<b>Total Business-Type Activities.....</b>	<b>12,808,340</b>	<b>15,448,979</b>	<b>-</b>	<b>246,797</b>	<b>2,887,436</b>
<b>Total Primary Government.....</b>	<b>\$ 113,273,739</b>	<b>\$ 23,964,321</b>	<b>\$ 21,426,516</b>	<b>\$ 1,567,778</b>	<b>\$ (66,315,124)</b>

See notes to basic financial statements.

(Continued)

**STATEMENT OF ACTIVITIES**

YEAR ENDED JUNE 30, 2022

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Changes in net position:</b>			
Net (expense) revenue from previous page..... \$	<b>(69,202,560)</b>	<b>\$ 2,887,436</b>	<b>\$ (66,315,124)</b>
<i>General revenues:</i>			
Real estate and personal property taxes, net of tax refunds payable.....	71,921,732	-	71,921,732
Tax and other liens.....	328,489	-	328,489
Motor vehicle and other excise taxes.....	3,533,487	41,875	3,575,362
Hotel/motel tax.....	180,519	-	180,519
Meals tax.....	355,022	-	355,022
Community preservation tax.....	1,797,981	-	1,797,981
Penalties and interest on taxes.....	448,913	-	448,913
Payments in lieu of taxes.....	28,563	-	28,563
Grants and contributions not restricted to specific programs.....	2,470,602	-	2,470,602
Unrestricted investment income.....	151,877	36,312	188,189
Gain on sale of capital assets.....	1,039,580	-	1,039,580
Miscellaneous.....	185,475	-	185,475
<i>Transfers, net</i> .....	(35,988)	35,988	-
Total general revenues and transfers.....	<u>82,406,252</u>	<u>114,175</u>	<u>82,520,427</u>
Change in net position.....	13,203,692	3,001,611	16,205,303
<i>Net position:</i>			
Beginning of year.....	<u>16,898,059</u>	<u>56,269,606</u>	<u>73,167,665</u>
End of year..... \$	<u><u>30,101,751</u></u>	<u><u>\$ 59,271,217</u></u>	<u><u>\$ 89,372,968</u></u>

See notes to basic financial statements.

(Concluded)

**GOVERNMENTAL FUNDS  
BALANCE SHEET**

JUNE 30, 2022

	General	Community Preservation	Town Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents.....	\$ 24,282,259	\$ 5,547,519	\$ 409,768	\$ 18,663,498	\$ 48,903,044
Receivables, net of uncollectibles:					
Real estate and personal property taxes.....	866,118	-	-	-	866,118
Tax liens.....	930,114	24,537	-	-	954,651
Community preservation fund surtax.....	-	13,558	-	-	13,558
Motor vehicle and other excise taxes.....	216,587	-	-	-	216,587
Departmental and other.....	255,015	-	-	105,235	360,250
Intergovernmental.....	-	-	-	1,731,555	1,731,555
Community preservation state share.....	-	642,700	-	-	642,700
Special assessments.....	105,123	-	-	140,736	245,859
Lease receivables.....	1,599,406	-	-	-	1,599,406
Tax foreclosures.....	605,179	-	-	-	605,179
<b>TOTAL ASSETS.....</b>	<b>\$ 28,859,801</b>	<b>\$ 6,228,314</b>	<b>\$ 409,768</b>	<b>\$ 20,641,024</b>	<b>\$ 56,138,907</b>
<b>LIABILITIES</b>					
Warrants payable.....	\$ 1,325,827	\$ 40,513	\$ -	\$ 506,485	\$ 1,872,825
Accrued payroll.....	480,326	-	-	49,724	530,050
Other liabilities.....	79,865	-	-	1,738,145	1,818,010
Unearned revenue.....	-	-	-	990,374	990,374
Notes payable.....	-	-	494,841	32,000	526,841
<b>TOTAL LIABILITIES.....</b>	<b>1,886,018</b>	<b>40,513</b>	<b>494,841</b>	<b>3,316,728</b>	<b>5,738,100</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Taxes paid in advance.....	535,355	12,838	-	-	548,193
Deferred inflows related to lease receivables.....	1,599,406	-	-	-	1,599,406
Unavailable revenue.....	2,730,137	38,095	-	807,262	3,575,494
<b>TOTAL DEFERRED INFLOWS OF RESOURCES.....</b>	<b>4,864,898</b>	<b>50,933</b>	<b>-</b>	<b>807,262</b>	<b>5,723,093</b>
<b>FUND BALANCES</b>					
Nonspendable.....	-	-	-	27,051	27,051
Restricted.....	808,246	6,136,868	10,823	16,629,421	23,585,358
Committed.....	8,044,347	-	-	-	8,044,347
Assigned.....	992,943	-	-	-	992,943
Unassigned.....	12,263,349	-	(95,896)	(139,438)	12,028,015
<b>TOTAL FUND BALANCES.....</b>	<b>22,108,885</b>	<b>6,136,868</b>	<b>(85,073)</b>	<b>16,517,034</b>	<b>44,677,714</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....</b>	<b>\$ 28,859,801</b>	<b>\$ 6,228,314</b>	<b>\$ 409,768</b>	<b>\$ 20,641,024</b>	<b>\$ 56,138,907</b>

See notes to basic financial statements.

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

JUNE 30, 2022

Total governmental fund balances.....		\$ 44,677,714
Capital assets (net) used in governmental activities are not financial resources and, therefore, are not reported in the funds.....		201,507,772
Accounts receivable are not available to pay for current-period expenditures and, therefore, are unavailable in the funds.....		3,575,494
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.....		(27,025,663)
In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.....		(899,414)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Long-term debt.....	(80,489,258)	
Net pension liability.....	(28,371,729)	
Net other postemployment benefits liability.....	(81,303,982)	
Compensated absences.....	<u>(1,569,183)</u>	
Net effect of reporting long-term liabilities.....		<u>(191,734,152)</u>
Net position of governmental activities.....		<u>\$ 30,101,751</u>

See notes to basic financial statements.



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

YEAR ENDED JUNE 30, 2022

	General	Community Preservation	Town Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>					
Real estate and personal property taxes, net of tax refunds.....	\$ 71,960,076	\$ -	\$ -	\$ -	\$ 71,960,076
Tax liens.....	389,031	9,508	-	-	398,539
Motor vehicle and other excise taxes.....	3,571,560	-	-	-	3,571,560
Hotel/motel tax.....	180,519	-	-	-	180,519
Meals tax.....	355,022	-	-	-	355,022
Penalties and interest on taxes.....	444,179	4,724	-	10	448,913
Fees and rentals.....	543,677	-	-	57,725	601,402
Payments in lieu of taxes.....	28,563	-	-	-	28,563
Licenses and permits.....	1,346,155	-	-	326,710	1,672,865
Fines and forfeitures.....	50,654	-	-	-	50,654
Intergovernmental - state aid.....	8,520,355	-	-	-	8,520,355
Intergovernmental - Teachers Retirement.....	6,631,157	-	-	-	6,631,157
Intergovernmental - other.....	87,996	727,383	-	8,571,642	9,387,021
Departmental and other.....	1,534,557	-	-	5,124,327	6,658,884
Community preservation taxes.....	-	1,801,117	-	-	1,801,117
Special assessments.....	18,493	-	-	14,212	32,705
Contributions and donations.....	-	-	13,181	614,847	628,028
Investment income.....	129,606	17,898	-	4,373	151,877
<b>TOTAL REVENUES.....</b>	<b>95,791,600</b>	<b>2,560,630</b>	<b>13,181</b>	<b>14,713,846</b>	<b>113,079,257</b>
<b>EXPENDITURES:</b>					
<b>Current:</b>					
General government.....	4,075,080	-	-	1,372,767	5,447,847
Public safety.....	10,908,931	-	598,027	1,694,108	13,201,066
Education.....	41,137,337	-	-	5,579,698	46,717,035
Public works.....	5,321,277	-	1,567,429	2,096,255	8,984,961
Human services.....	684,351	-	375,855	430,368	1,490,574
Culture and recreation.....	1,236,577	-	-	480,576	1,717,153
Community preservation.....	-	2,413,415	-	-	2,413,415
Pension benefits.....	5,422,657	-	-	-	5,422,657
Pension benefits - Teachers Retirement.....	6,631,157	-	-	-	6,631,157
Employee benefits.....	7,211,515	-	-	-	7,211,515
State and county charges.....	660,370	-	-	-	660,370
<b>Debt service:</b>					
Principal.....	5,143,452	202,000	-	-	5,345,452
Interest.....	3,270,751	132,763	-	-	3,403,514
Principal on right to use leases.....	1,041,960	-	-	-	1,041,960
Interest on right to use leases.....	41,340	-	-	-	41,340
<b>TOTAL EXPENDITURES.....</b>	<b>92,786,755</b>	<b>2,748,178</b>	<b>2,541,311</b>	<b>11,653,772</b>	<b>109,730,016</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>3,004,845</b>	<b>(187,548)</b>	<b>(2,528,130)</b>	<b>3,060,074</b>	<b>3,349,241</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Issuance of bonds.....	-	-	2,165,500	-	2,165,500
Premium from issuance of bonds.....	-	-	80,737	69,950	150,687
Proceeds from the sale of capital assets.....	-	-	553,240	494,840	1,048,080
Transfers in.....	571,938	-	-	-	571,938
Transfers out.....	-	-	-	(607,926)	(607,926)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>571,938</b>	<b>-</b>	<b>2,799,477</b>	<b>(43,136)</b>	<b>3,328,279</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>3,576,783</b>	<b>(187,548)</b>	<b>271,347</b>	<b>3,016,938</b>	<b>6,677,520</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>18,532,102</b>	<b>6,324,416</b>	<b>(356,420)</b>	<b>13,500,096</b>	<b>38,000,194</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 22,108,885</b>	<b>\$ 6,136,868</b>	<b>\$ (85,073)</b>	<b>\$ 16,517,034</b>	<b>\$ 44,677,714</b>

See notes to basic financial statements.

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

YEAR ENDED JUNE 30, 2022

Net change in fund balances - total governmental funds.....		\$ 6,677,520
<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.....	10,381,079	
Depreciation expense.....	<u>(10,162,347)</u>	
Net effect of reporting capital assets.....		218,732
<p>The Statement of Activities reports the <i>gain</i> on the sale of capital assets whereas the governmental funds report the entire proceeds of the sale.....</p>		
		(8,500)
<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>		
		(413,758)
<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 right to use leases.....	1,041,960	
Issuance of bonds.....	(2,165,500)	
Premium from issuance of bonds.....	(150,687)	
Net amortization of premium from issuance of bonds.....	936,072	
Long-term debt service principal payments.....	<u>5,345,452</u>	
Net effect of reporting long-term debt.....		5,007,297
<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.....	(5,966)	
Net change in accrued interest on long-term debt.....	183,331	
Net change in deferred outflow/(inflow) of resources related to pensions.....	(3,793,345)	
Net change in net pension liability.....	6,185,182	
Net change in deferred outflow/(inflow) of resources related to other postemployment benefits.....	(30,546,048)	
Net change in net other postemployment benefits liability.....	<u>29,699,247</u>	
Net effect of recording long-term liabilities.....		<u>1,722,401</u>
Change in net position of governmental activities.....		\$ <u><u>13,203,692</u></u>

See notes to basic financial statements.

**PROPRIETARY FUNDS**  
**STATEMENT OF NET POSITION**

JUNE 30, 2022

	Business-type Activities - Enterprise Funds					
	Water	Sewer	Transfer Station	Widow's Walk Golf Course	Waterways	Total
<b>ASSETS</b>						
<b>CURRENT:</b>						
Cash and cash equivalents.....	\$ 7,624,934	\$ 2,231,842	\$ 1,073,108	\$ 1,238,013	\$ 1,349,044	\$ 13,516,941
Receivables, net of allowance for uncollectibles:						
Liens - user charges.....	60,993	75,438	-	-	-	136,431
User charges.....	2,833,850	1,011,827	-	-	-	3,845,677
Intergovernmental.....	-	18,393	-	-	-	18,393
Special assessments.....	-	594,110	-	-	-	594,110
Lease receivables.....	-	-	-	-	82,039	82,039
Inventory.....	-	-	-	17,476	-	17,476
Total current assets.....	<u>10,519,777</u>	<u>3,931,610</u>	<u>1,073,108</u>	<u>1,255,489</u>	<u>1,431,083</u>	<u>18,211,067</u>
<b>NONCURRENT:</b>						
Receivables, net of allowance for uncollectibles:						
Intergovernmental.....	-	25,113	-	-	-	25,113
Special assessments.....	-	3,533,028	-	-	-	3,533,028
Lease receivables.....	-	-	-	-	547,228	547,228
Capital assets, nondepreciable.....	6,371,965	209,566	-	-	3,675,000	10,256,531
Capital assets, net of accumulated depreciation.....	<u>38,985,012</u>	<u>38,318,959</u>	<u>1,405,888</u>	<u>3,591,866</u>	<u>3,756,018</u>	<u>86,057,743</u>
Total noncurrent assets.....	<u>45,356,977</u>	<u>42,086,666</u>	<u>1,405,888</u>	<u>3,591,866</u>	<u>7,978,246</u>	<u>100,419,643</u>
<b>TOTAL ASSETS.....</b>	<u><b>55,876,754</b></u>	<u><b>46,018,276</b></u>	<u><b>2,478,996</b></u>	<u><b>4,847,355</b></u>	<u><b>9,409,329</b></u>	<u><b>118,630,710</b></u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferred outflows related to pensions.....	159,539	88,864	39,934	37,823	73,408	399,568
Deferred outflows related to other postemployment benefits.....	<u>131,287</u>	<u>93,600</u>	<u>36,799</u>	<u>16,170</u>	<u>26,706</u>	<u>304,562</u>
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES.....</b>	<u><b>290,826</b></u>	<u><b>182,464</b></u>	<u><b>76,733</b></u>	<u><b>53,993</b></u>	<u><b>100,114</b></u>	<u><b>704,130</b></u>
<b>LIABILITIES</b>						
<b>CURRENT:</b>						
Warrants payable.....	532,616	147,915	179,784	9,611	3,784	873,710
Accrued payroll.....	15,734	9,418	3,150	4,059	6,546	38,907
Accrued interest.....	264,268	107,003	-	16,500	13,945	401,716
Other liabilities.....	-	-	-	87,405	-	87,405
Landfill closure.....	-	-	77,000	-	-	77,000
Compensated absences.....	48,973	31,171	11,755	5,456	17,581	114,936
Notes payable.....	-	-	-	770,000	-	770,000
Long-term debt.....	<u>1,880,478</u>	<u>1,552,353</u>	<u>15,000</u>	<u>264,309</u>	<u>377,775</u>	<u>4,089,915</u>
Total current liabilities.....	<u>2,742,069</u>	<u>1,847,860</u>	<u>286,689</u>	<u>1,157,340</u>	<u>419,631</u>	<u>6,453,589</u>
<b>NONCURRENT:</b>						
Landfill closure.....	-	-	620,000	-	-	620,000
Compensated absences.....	23,108	13,412	5,064	-	12,025	53,609
Net pension liability.....	1,184,748	659,915	296,557	280,876	545,136	2,967,232
Net other postemployment benefits liability.....	628,312	454,936	177,605	79,396	125,529	1,465,778
Long-term debt.....	<u>32,443,941</u>	<u>11,414,405</u>	<u>234,500</u>	<u>1,444,542</u>	<u>781,262</u>	<u>46,318,650</u>
Total noncurrent liabilities.....	<u>34,280,109</u>	<u>12,542,668</u>	<u>1,333,726</u>	<u>1,804,814</u>	<u>1,463,952</u>	<u>51,425,269</u>
<b>TOTAL LIABILITIES.....</b>	<u><b>37,022,178</b></u>	<u><b>14,390,528</b></u>	<u><b>1,620,415</b></u>	<u><b>2,962,154</b></u>	<u><b>1,883,583</b></u>	<u><b>57,878,858</b></u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred inflows related to leases.....	-	-	-	-	629,267	629,267
Deferred inflows related to pensions.....	333,607	185,822	83,506	79,090	153,502	835,527
Deferred inflows related to other postemployment benefits.....	<u>310,356</u>	<u>221,266</u>	<u>86,992</u>	<u>38,226</u>	<u>63,131</u>	<u>719,971</u>
<b>TOTAL DEFERRED INFLOWS OF RESOURCES.....</b>	<u><b>643,963</b></u>	<u><b>407,088</b></u>	<u><b>170,498</b></u>	<u><b>117,316</b></u>	<u><b>845,900</b></u>	<u><b>2,184,765</b></u>
<b>NET POSITION</b>						
Net investment in capital assets.....	13,367,385	25,605,273	1,156,388	1,113,015	6,436,393	47,678,454
Unrestricted.....	<u>5,134,054</u>	<u>5,797,851</u>	<u>(391,572)</u>	<u>708,863</u>	<u>343,567</u>	<u>11,592,763</u>
<b>TOTAL NET POSITION.....</b>	<u><b>\$ 18,501,439</b></u>	<u><b>\$ 31,403,124</b></u>	<u><b>\$ 764,816</b></u>	<u><b>\$ 1,821,878</b></u>	<u><b>\$ 6,779,960</b></u>	<u><b>\$ 59,271,217</b></u>

See notes to basic financial statements.

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

YEAR ENDED JUNE 30, 2022

Business-type Activities - Enterprise Funds						
	Water	Sewer	Transfer Station	Widow's Walk Golf Course	Waterways	Total
<b>OPERATING REVENUES:</b>						
Charges for services.....	\$ 7,411,771	\$ 3,245,655	\$ 1,586,157	\$ 1,638,373	\$ 1,109,081	\$ 14,991,037
Other operating revenues.....	-	-	-	-	216,710	216,710
<b>TOTAL OPERATING REVENUES .....</b>	<b>7,411,771</b>	<b>3,245,655</b>	<b>1,586,157</b>	<b>1,638,373</b>	<b>1,325,791</b>	<b>15,207,747</b>
<b>OPERATING EXPENSES:</b>						
Cost of services and administration.....	2,181,266	1,419,523	1,037,073	876,792	365,443	5,880,097
Salaries and wages.....	1,056,586	569,619	272,642	216,637	441,116	2,556,600
Pension and other postemployment benefits expense.....	(90,781)	(22,846)	(11,328)	(29,241)	(19,821)	(174,017)
Depreciation.....	1,452,937	1,518,334	95,767	216,733	383,285	3,667,056
<b>TOTAL OPERATING EXPENSES.....</b>	<b>4,600,008</b>	<b>3,484,630</b>	<b>1,394,154</b>	<b>1,280,921</b>	<b>1,170,023</b>	<b>11,929,736</b>
<b>OPERATING INCOME (LOSS).....</b>	<b>2,811,763</b>	<b>(238,975)</b>	<b>192,003</b>	<b>357,452</b>	<b>155,768</b>	<b>3,278,011</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>						
Investment income.....	22,040	4,627	3,188	3,227	3,230	36,312
Interest expense.....	(583,374)	(266,822)	(4,993)	(2,351)	(21,064)	(878,604)
Penalties and interest.....	31,591	209,641	-	-	-	241,232
Boat excise taxes.....	-	-	-	-	41,875	41,875
<b>TOTAL NONOPERATING REVENUES (EXPENSES), NET.....</b>	<b>(529,743)</b>	<b>(52,554)</b>	<b>(1,805)</b>	<b>876</b>	<b>24,041</b>	<b>(559,185)</b>
<b>INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS.....</b>	<b>2,282,020</b>	<b>(291,529)</b>	<b>190,198</b>	<b>358,328</b>	<b>179,809</b>	<b>2,718,826</b>
<b>CAPITAL CONTRIBUTIONS.....</b>	<b>-</b>	<b>234,966</b>	<b>-</b>	<b>-</b>	<b>11,831</b>	<b>246,797</b>
<b>TRANSFERS:</b>						
Transfers in.....	1,901	26,370	3,240	290	4,187	35,988
<b>CHANGE IN NET POSITION.....</b>	<b>2,283,921</b>	<b>(30,193)</b>	<b>193,438</b>	<b>358,618</b>	<b>195,827</b>	<b>3,001,611</b>
<b>NET POSITION AT BEGINNING OF YEAR.....</b>	<b>16,217,518</b>	<b>31,433,317</b>	<b>571,378</b>	<b>1,463,260</b>	<b>6,584,133</b>	<b>56,269,606</b>
<b>NET POSITION AT END OF YEAR.....</b>	<b>\$ 18,501,439</b>	<b>\$ 31,403,124</b>	<b>\$ 764,816</b>	<b>\$ 1,821,878</b>	<b>\$ 6,779,960</b>	<b>\$ 59,271,217</b>

See notes to basic financial statements.

**PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS**

YEAR ENDED JUNE 30, 2022

Business-type Activities - Enterprise Funds						
	Water	Sewer	Transfer Station	Widow's Walk Golf Course	Waterways	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>						
Receipts from customers and users.....	\$ 6,958,025	\$ 3,272,721	\$ 1,586,157	\$ 1,638,373	\$ 1,367,666	\$ 14,822,942
Payments to vendors.....	(1,993,226)	(1,813,091)	(987,058)	(1,125,518)	(391,418)	(6,310,311)
Payments to employees.....	(1,093,237)	(580,928)	(282,213)	(227,278)	(457,148)	(2,640,804)
<b>NET CASH FROM OPERATING ACTIVITIES.....</b>	<b>3,871,562</b>	<b>878,702</b>	<b>316,886</b>	<b>285,577</b>	<b>519,100</b>	<b>5,871,827</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>						
Transfers in.....	1,901	26,370	3,240	290	4,187	35,988
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>						
Proceeds from the issuance of bonds and notes.....	14,881,079	4,589,810	338,670	770,000	-	20,579,559
Premium from the issuance of bonds.....	113,000	-	9,670	-	-	122,670
Capital contributions.....	960,377	1,007,691	-	-	11,831	1,979,899
Acquisition and construction of capital assets.....	(7,757,750)	(1,517,974)	(465,472)	(2,033,919)	(89,948)	(11,865,063)
Principal payments on long-term debt and notes.....	(10,117,997)	(5,630,505)	(193,070)	(222,371)	(358,600)	(16,522,543)
Interest expense.....	(1,173,552)	(386,293)	(14,663)	(100,876)	(70,727)	(1,746,111)
<b>NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES.....</b>	<b>(3,094,843)</b>	<b>(1,937,271)</b>	<b>(324,865)</b>	<b>(1,587,166)</b>	<b>(507,444)</b>	<b>(7,451,589)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>						
Investment income.....	22,040	4,627	3,188	3,227	3,230	36,312
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS.....</b>	<b>800,660</b>	<b>(1,027,572)</b>	<b>(1,551)</b>	<b>(1,298,072)</b>	<b>19,073</b>	<b>(1,507,462)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR.....</b>	<b>6,824,274</b>	<b>3,259,414</b>	<b>1,074,659</b>	<b>2,536,085</b>	<b>1,329,971</b>	<b>15,024,403</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR.....</b>	<b>\$ 7,624,934</b>	<b>\$ 2,231,842</b>	<b>\$ 1,073,108</b>	<b>\$ 1,238,013</b>	<b>\$ 1,349,044</b>	<b>\$ 13,516,941</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES:</b>						
Operating income (loss).....	\$ 2,811,763	\$ (238,975)	\$ 192,003	\$ 357,452	\$ 155,768	\$ 3,278,011
Adjustments to reconcile operating income to net cash from operating activities:						
Depreciation.....	1,452,937	1,518,334	95,767	216,733	383,285	3,667,056
Deferred (outflows)/inflows related to pensions.....	158,319	88,516	39,626	37,718	72,999	397,178
Deferred (outflows)/inflows related to other postemployment benefits.....	238,699	170,598	66,085	31,096	47,638	554,116
Receipts from users penalties and interest.....	31,591	209,641	-	-	-	241,232
Boat excise taxes.....	-	-	-	-	41,875	41,875
Changes in assets and liabilities:						
Liens - user charges.....	6,572	5,212	-	-	-	11,784
User charges.....	(491,909)	(187,787)	-	-	-	(679,696)
Inventory.....	-	-	-	3,601	-	3,601
Warrants payable.....	188,040	(393,568)	97,015	(276,511)	(25,975)	(410,999)
Accrued payroll.....	(35,198)	(18,056)	(9,636)	(10,925)	(20,668)	(94,483)
Other liabilities.....	-	-	-	24,184	-	24,184
Landfill closure.....	-	-	(47,000)	-	-	(47,000)
Compensated absences.....	(1,453)	6,747	65	284	4,636	10,279
Net pension liability.....	(265,901)	(117,719)	(66,898)	(46,008)	(108,403)	(604,929)
Net other postemployment benefits.....	(221,898)	(164,241)	(50,141)	(52,047)	(32,055)	(520,382)
<b>Total adjustments.....</b>	<b>1,059,799</b>	<b>1,117,677</b>	<b>124,883</b>	<b>(71,875)</b>	<b>363,332</b>	<b>2,593,816</b>
<b>NET CASH FROM OPERATING ACTIVITIES.....</b>	<b>\$ 3,871,562</b>	<b>\$ 878,702</b>	<b>\$ 316,886</b>	<b>\$ 285,577</b>	<b>\$ 519,100</b>	<b>\$ 5,871,827</b>
<b>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:</b>						
Capital purchase financing.....	\$ -	\$ -	\$ -	\$ 33,237	\$ -	\$ 33,237
Intergovernmental subsidy of debt service.....	-	53,839	-	-	-	53,839
Acquisition of capital assets on account.....	-	-	-	(33,237)	-	(33,237)

See notes to basic financial statements.

**FIDUCIARY FUNDS**  
STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2022

	Other Postemployment Benefit Trust Fund	Private Purpose Trust Fund
<b>ASSETS</b>		
Cash and cash equivalents.....	\$ 1,907,394	\$ 252,439
<b>NET POSITION</b>		
Restricted for other postemployment benefits.....	1,907,394	-
Held in trust for other purposes.....	-	252,439
<b>TOTAL NET POSITION.....</b>	<b>\$ 1,907,394</b>	<b>\$ 252,439</b>

See notes to basic financial statements.

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

YEAR ENDED JUNE 30, 2022

	Other Postemployment Benefit Trust Fund	Private Purpose Trust Fund
<u>ADDITIONS:</u>		
Contributions:		
Employer contributions.....	\$ 393,541	\$ -
Employer contributions for other postemployment benefit payments...	2,735,317	-
Private donations.....	-	1,016
 Total contributions.....	 3,128,858	 1,016
Investment income.....	6,010	201
 TOTAL ADDITIONS.....	 3,134,868	 1,217
<u>DEDUCTIONS:</u>		
Other postemployment benefit payments.....	2,735,317	-
Educational scholarships.....	-	1,500
 TOTAL DEDUCTIONS.....	 2,735,317	 1,500
 NET INCREASE (DECREASE) IN NET POSITION.....	 399,551	 (283)
NET POSITION AT BEGINNING OF YEAR.....	1,507,843	252,722
NET POSITION AT END OF YEAR.....	\$ 1,907,394	\$ 252,439

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 2022 assessment was \$634,970. 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 1<sup>st</sup> of every year. Assessed values are established by the Board of Assessors for 100% of the estimated fair market value. Taxes are due on August 1<sup>st</sup>, November 1<sup>st</sup>, February 1<sup>st</sup> and May 1<sup>st</sup> and are subject to penalties and interest if they are not paid by the respective due date. Real estate and personal property taxes levied are recorded as receivables in the year of the levy.

Real estate tax liens are processed 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.

**Right to Use Lease Receivable**

The Town is the lessor for leases of various Town assets. The receivable is recorded at the present value of noncancellable future lease payments and is offset by a corresponding deferred inflow of resources. Revenue is recognized when earned.

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 held for resale 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, vehicles, right-to-use vehicles 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. Intangible right to use leased assets are recorded at the net present value of non-cancellable lease payments at inception. 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.

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*, represent a consumption of net assets that applies to future periods 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*, represent an acquisition of net assets that applies to future periods 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 related to leases, 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, deferred inflows related to leases, 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 reported as “net investment in capital assets” included capital assets, net of accumulated depreciation, less the principal balance of outstanding debt used to acquire capital assets. Unspent proceeds of capital related debt are not considered to be capital assets.

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 Town's highest level of decision-making authority. A Town Meeting vote on a budget article (resolution) is the Town'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 Finance Director/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. Long-term debt is 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. Intangible Right to Use Lease Liability*Government-Wide and Proprietary Fund Financial Statements*

Intangible right to use lease liabilities are reported at the present value of their future minimum lease payments. Lease payments are reported as reductions of the lease liability and as interest expense during the lease term.

*Governmental Fund Financial Statements*

The present value of the future minimum lease payments are reported within the governmental funds as other financing sources and a capital expenditure. Lease payments are reported as debt service expenditures.

Q. Investment Income

Excluding the permanent funds, CPA fund and enterprise 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).

R. 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.

### S. 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.

### T. Individual Fund Deficits

At June 30, 2022, the Town's other special revenue funds reported a deficit of \$139,438, which is due to the timing of police and fire detail costs and receipts. The Town's capital projects fund reported a deficit of \$85,073. These deficits will be funded with available funds and bond proceeds in the subsequent year.

### U. 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 \$53,951,006 and the bank balance totaled \$54,802,115. Of the bank balance, \$2,500,000 was covered by Federal Depository Insurance, \$31,987,039 was covered by the Depositors Insurance Fund, \$14,856,052 was collateralized, and \$5,459,024 was uninsured and uncollateralized.

The Town's investments consisted solely of MMDT investments totaling \$10,628,812. MMDT maintains a cash portfolio with combined average maturities of approximately 27 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, 2022, the Town's investments in MMDT cash portfolio which totaled \$10,628,812 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, 2022, is \$10,628,812. 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, 2022, 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>			
Real estate and personal property taxes..... \$	927,005	\$ (60,887)	\$ 866,118
Tax liens.....	954,651	-	954,651
Community preservation fund surtax.....	13,558	-	13,558
Motor vehicle and other excise taxes.....	248,811	(32,224)	216,587
Departmental and other.....	810,835	(450,585)	360,250
Intergovernmental.....	1,731,555	-	1,731,555
Community preservation state share.....	642,700	-	642,700
Special assessments.....	245,859	-	245,859
Lease receivables.....	1,599,406	-	1,599,406
 Total.....	 <u>\$ 7,174,380</u>	 <u>\$ (543,696)</u>	 <u>\$ 6,630,684</u>

At June 30, 2022, receivables for the enterprise funds consist of the following:

	Gross Amount	Allowance for Uncollectibles	Net Amount
<u>Receivables:</u>			
Water liens - user charges..... \$	60,993	\$ -	\$ 60,993
Water user charges.....	2,833,850	-	2,833,850
Sewer liens - user charges.....	75,438	-	75,438
Sewer user charges.....	1,011,827	-	1,011,827
Sewer intergovernmental.....	43,506	-	43,506
Sewer special assessments.....	4,127,138	-	4,127,138
Waterways lease receivables.....	629,267	-	629,267
 Total.....	 <u>\$ 8,782,019</u>	 <u>\$ -</u>	 <u>\$ 8,782,019</u>

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..... \$	618,119	\$ -	\$ 618,119
Tax liens.....	930,114	24,537	954,651
Community preservation fund surtax.....	-	13,558	13,558
Motor vehicle and other excise taxes.....	216,587	-	216,587
Departmental and other.....	255,015	105,235	360,250
Intergovernmental.....	-	561,291	561,291
Special assessments.....	105,123	140,736	245,859
Tax foreclosures.....	605,179	-	605,179
 Total.....	 <u>\$ 2,730,137</u>	 <u>\$ 845,357</u>	 <u>\$ 3,575,494</u>

In addition the entire lease receivable is offset by a deferred inflow of resources until the revenue is earned.

**NOTE 4 – CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2022, was as follows:

**Governmental Activities**

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 21,493,654	\$ 3,709,786	\$ (8,500)	\$ 25,194,940
Construction in progress.....	545,513	503,723	(281,547)	767,689
Total capital assets not being depreciated....	<u>22,039,167</u>	<u>4,213,509</u>	<u>(290,047)</u>	<u>25,962,629</u>
<u>Capital assets being depreciated:</u>				
Land improvements.....	8,160,745	439,696	-	8,600,441
Buildings and improvements.....	172,004,357	2,352,091	-	174,356,448
Machinery and equipment.....	16,706,817	1,871,640	(43,700)	18,534,757
Infrastructure.....	51,388,551	1,785,690	-	53,174,241
Vehicles.....	10,166,371	-	(235,109)	9,931,262
Total capital assets being depreciated.....	<u>258,426,841</u>	<u>6,449,117</u>	<u>(278,809)</u>	<u>264,597,149</u>
<u>Less accumulated depreciation for:</u>				
Land improvements.....	(2,118,995)	(372,081)	-	(2,491,076)
Buildings and improvements.....	(33,432,638)	(4,898,386)	-	(38,331,024)
Machinery and equipment.....	(12,491,263)	(1,704,544)	43,700	(14,152,107)
Infrastructure.....	(22,915,697)	(2,241,395)	-	(25,157,092)
Vehicles.....	(8,209,875)	(945,941)	235,109	(8,920,707)
Total accumulated depreciation.....	<u>(79,168,468)</u>	<u>(10,162,347)</u>	<u>278,809</u>	<u>(89,052,006)</u>
Total capital assets being depreciated, net.....	<u>179,258,373</u>	<u>(3,713,230)</u>	<u>-</u>	<u>175,545,143</u>
Total governmental activities capital assets, net.....	<u>\$ 201,297,540</u>	<u>\$ 500,279</u>	<u>\$ (290,047)</u>	<u>\$ 201,507,772</u>

**Business-Type Activities**

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Water:</b>				
<u>Capital assets not being depreciated:</u>				
Construction in progress.....	\$ 6,537,262	\$ 5,771,658	\$ (5,936,955)	\$ 6,371,965
<u>Capital assets being depreciated:</u>				
Buildings and improvements.....	429,471	83,619	-	513,090
Machinery and equipment.....	1,515,947	112,013	-	1,627,960
Infrastructure.....	40,564,189	6,881,969	(210,111)	47,236,047
Vehicles.....	647,884	-	-	647,884
Total capital assets being depreciated.....	<u>43,157,491</u>	<u>7,077,601</u>	<u>(210,111)</u>	<u>50,024,981</u>
<u>Less accumulated depreciation for:</u>				
Buildings and improvements.....	(19,769)	(11,782)	-	(31,551)
Machinery and equipment.....	(694,586)	(120,862)	-	(815,448)
Infrastructure.....	(8,585,003)	(1,239,806)	210,111	(9,614,698)
Vehicles.....	(497,785)	(80,487)	-	(578,272)
Total accumulated depreciation.....	<u>(9,797,143)</u>	<u>(1,452,937)</u>	<u>210,111</u>	<u>(11,039,969)</u>
Total capital assets being depreciated, net.....	<u>33,360,348</u>	<u>5,624,664</u>	<u>-</u>	<u>38,985,012</u>
Total water activities capital assets, net.....	<u>\$ 39,897,610</u>	<u>\$ 11,396,322</u>	<u>\$ (5,936,955)</u>	<u>\$ 45,356,977</u>

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Sewer:</b>				
<u>Capital assets not being depreciated:</u>				
Construction in progress.....	\$ 7,118,100	\$ 209,566	\$ (7,118,100)	\$ 209,566
<u>Capital assets being depreciated:</u>				
Buildings and improvements.....	10,667,669	336,410	-	11,004,079
Machinery and equipment.....	8,205,692	94,454	-	8,300,146
Infrastructure.....	33,648,059	7,860,590	-	41,508,649
Vehicles.....	230,241	-	-	230,241
Total capital assets being depreciated.....	52,751,661	8,291,454	-	61,043,115
<u>Less accumulated depreciation for:</u>				
Buildings and improvements.....	(6,536,497)	(552,373)	-	(7,088,870)
Machinery and equipment.....	(4,678,565)	(194,956)	-	(4,873,521)
Infrastructure.....	(9,769,315)	(768,807)	-	(10,538,122)
Vehicles.....	(221,445)	(2,198)	-	(223,643)
Total accumulated depreciation.....	(21,205,822)	(1,518,334)	-	(22,724,156)
Total capital assets being depreciated, net.....	31,545,839	6,773,120	-	38,318,959
Total sewer activities capital assets, net.....	\$ 38,663,939	\$ 6,982,686	\$ (7,118,100)	\$ 38,528,525
<b>Transfer Station:</b>				
<u>Capital assets being depreciated:</u>				
Buildings and improvements.....	\$ 2,221,043	\$ -	\$ -	\$ 2,221,043
Machinery and equipment.....	677,209	440,322	-	1,117,531
Infrastructure.....	-	25,150	-	25,150
Vehicles.....	47,993	-	-	47,993
Total capital assets being depreciated.....	2,946,245	465,472	-	3,411,717
<u>Less accumulated depreciation for:</u>				
Buildings and improvements.....	(1,310,268)	(48,847)	-	(1,359,115)
Machinery and equipment.....	(551,801)	(46,668)	-	(598,469)
Infrastructure.....	-	(252)	-	(252)
Vehicles.....	(47,993)	-	-	(47,993)
Total accumulated depreciation.....	(1,910,062)	(95,767)	-	(2,005,829)
Total transfer station activities capital assets, net... \$	1,036,183	\$ 369,705	\$ -	\$ 1,405,888

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Widow's Walk golf course:</b>				
<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	2,554,207	-	3,524,716
Machinery and equipment.....	1,623,201	12,352	-	1,635,553
Infrastructure.....	38,750	-	-	38,750
Total capital assets being depreciated.....	6,502,960	2,566,559	-	9,069,519
<u>Less accumulated depreciation for:</u>				
Land improvements.....	(3,200,602)	(105,958)	-	(3,306,560)
Buildings and improvements.....	(552,810)	(56,190)	-	(609,000)
Machinery and equipment.....	(1,504,601)	(52,647)	-	(1,557,248)
Infrastructure.....	(2,907)	(1,938)	-	(4,845)
Total accumulated depreciation.....	(5,260,920)	(216,733)	-	(5,477,653)
Total capital assets being depreciated, net.....	1,242,040	2,349,826	-	3,591,866
Total Widow's Walk golf course activities capital assets, net... \$	1,741,443	\$ 2,349,826	\$ (499,403)	\$ 3,591,866

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Waterways:</b>				
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 3,675,000	\$ -	\$ -	\$ 3,675,000
<u>Capital assets being depreciated:</u>				
Land improvements.....	6,080,531	73,275	-	6,153,806
Buildings and improvements.....	1,426,250	16,673	-	1,442,923
Machinery and equipment.....	2,264,765	-	-	2,264,765
Vehicles.....	150,000	-	-	150,000
Infrastructure.....	519,243	-	-	519,243
Total capital assets being depreciated.....	10,440,789	89,948	-	10,530,737
<u>Less accumulated depreciation for:</u>				
Land improvements.....	(4,347,569)	(219,061)	-	(4,566,630)
Buildings and improvements.....	(410,727)	(35,477)	-	(446,204)
Machinery and equipment.....	(1,461,190)	(91,949)	-	(1,553,139)
Vehicles.....	(36,948)	(21,798)	-	(58,746)
Infrastructure.....	(135,000)	(15,000)	-	(150,000)
Total accumulated depreciation.....	(6,391,434)	(383,285)	-	(6,774,719)
Total capital assets being depreciated, net.....	4,049,355	(293,337)	-	3,756,018
Total waterways activities capital assets, net..... \$	7,724,355	\$ (293,337)	\$ -	\$ 7,431,018



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

<b>Governmental Activities:</b>	
General government.....	\$ 410,955
Public safety.....	1,503,809
Education.....	3,582,194
Public works.....	3,126,645
Human services.....	318,253
Culture and recreation.....	713,697
Community preservation.....	<u>506,794</u>
 Total depreciation expense - governmental activities.....	 \$ <u>10,162,347</u>
 <b>Business-Type Activities:</b>	
Water.....	\$ 1,452,937
Sewer.....	1,518,334
Transfer station.....	95,767
Widow's Walk golf course.....	216,733
Waterways.....	<u>383,285</u>
 Total depreciation expense - business-type activities.....	 \$ <u>3,667,056</u>

**NOTE 5 – INTERFUND TRANSFERS**

Interfund transfers for the year ended June 30, 2022, are summarized as follows:

Transfers Out:	Transfers In:						Total
	General fund	Water Enterprise fund	Sewer Enterprise fund	Transfer Station Enterprise fund	Waterways Enterprise fund	Golf Enterprise fund	
Nonmajor governmental funds.....	\$ <u>571,938</u>	\$ <u>1,901</u>	\$ <u>26,370</u>	\$ <u>3,240</u>	\$ <u>4,187</u>	\$ <u>290</u>	\$ <u>607,926</u> (1)

(1) Represents budgeted transfers into the general fund and enterprise funds from nonmajor governmental funds.

**NOTE 6 – LEASES**

Change in Accounting Principle

During the year 2022, the Town adopted Governmental Accounting Standards Board (GASB) Statement No. 87, Leases. This statement redefines a lease as a right to use another entity’s asset over a definitive period of time and required the Town to record leases that were previously classified as operating leases where only footnote disclosure was required. No restatement of beginning net position was required.

Lease Receivables

The Town has several right to use lease agreements. The Town leases space for winter boat storage, Town land and space on water towers. Under the current lease agreements, the Town is scheduled to receive lease payments through 2034. In 2022, the Town received \$272,209 of lease revenue.

The future scheduled lease revenues as of June 30, 2022, are as follows:

Years ending June 30:	Governmental Activities			Business-Type Activities		
	Lease Revenues	Interest	Total	Lease Revenues	Interest	Total
2023.....	\$ 131,194	\$ 46,190	\$ 177,384	\$ 82,039	\$ 17,961	\$ 100,000
2024.....	140,576	42,124	182,700	84,528	15,472	100,000
2025.....	150,400	37,772	188,172	87,093	12,907	100,000
2026.....	160,690	33,122	193,812	89,735	10,265	100,000
2027.....	171,484	28,148	199,632	92,457	7,543	100,000
2028.....	182,766	22,854	205,620	95,262	4,738	100,000
2029.....	194,592	17,201	211,793	98,153	1,847	100,000
2030.....	82,244	12,904	95,148	-	-	-
2031.....	87,637	10,367	98,004	-	-	-
2032.....	93,285	7,659	100,944	-	-	-
2033.....	99,188	4,780	103,968	-	-	-
2034.....	105,350	1,729	107,079	-	-	-
Total future lease revenues....	\$ <u>1,599,406</u>	\$ <u>264,850</u>	\$ <u>1,864,256</u>	\$ <u>629,267</u>	\$ <u>70,733</u>	\$ <u>700,000</u>

Right to Use Lease Liabilities

The Town has entered into right-to-use lease agreements of vehicles for governmental activities. The lease agreements qualify as leases for accounting purposes and have been recorded at the present value of their future minimum lease payments as of the inception dates. The final lease payments were made during fiscal year 2022 and accordingly, the Town had no outstanding right to use lease liabilities as of June 30, 2022.

**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, 2022, are as follows:

Type	Purpose	Rate (%)	Due Date	Balance at June 30, 2021	Renewed/ Issued	Retired/ Redeemed	Balance at June 30, 2022
<b>Governmental Funds:</b>							
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)	-
BAN	Bond Anticipation Note.....	2.00	01/26/23	-	2,741,078	(2,246,237)	494,841 (3)
Total Governmental Funds.....				\$ 2,232,000	\$ 2,741,078	\$ (4,446,237)	\$ 526,841
<b>Water Enterprise Fund:</b>							
BAN	MCWT Interim Loan Note.....	2.00	(2)	\$ 1,968,515	\$ 4,062,782	\$ (6,031,297)	\$ -
BAN	Bond Anticipation Note.....	2.00	01/26/23	-	2,405,000	(2,405,000)	- (3)
BAN	Bond Anticipation Note.....	1.75	01/26/23	-	45,000	(45,000)	- (3)
Total Water Enterprise Fund.....				1,968,515	6,512,782	(8,481,297)	-
<b>Sewer Enterprise Fund:</b>							
BAN	Bond Anticipation Note.....	1.50	03/04/22	1,830,000	-	(1,830,000)	-
BAN	Bond Anticipation Note.....	2.00	01/26/23	-	2,170,000	(2,170,000)	- (3)
BAN	Bond Anticipation Note.....	1.75	01/26/23	-	120,000	(120,000)	- (3)
Total Sewer Enterprise Fund.....				1,830,000	2,290,000	(4,120,000)	-
<b>Transfer Station Enterprise Fund:</b>							
BAN	Bond Anticipation Note.....	2.00	01/26/23	-	174,170	(174,170)	- (3)
<b>Widow's Walk Golf Course Enterprise Fund:</b>							
BAN	Bond Anticipation Note.....	2.00	01/26/23	-	770,000	-	770,000 (3)
Total Enterprise Funds.....				\$ 3,798,515	\$ 9,746,952	\$ (12,775,467)	\$ 770,000

- (1) The Town entered into an interim loan with the Massachusetts Clean Water Trust (MCWT) in 2022 totaling \$200,000 for Title V projects. As of June 30, 2022, 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, 2022, the Town has incurred \$6,031,297 of eligible costs related to the project and has received the corresponding loan proceeds from MCWT. On December 14, 2022, the Town procured permanent financing, and the loan has been disclosed as long-term debt.

(3) On November 17, 2022, the Town issued \$8,240,000 of long-term bonds. The proceeds and premiums of these bonds were used to permanently finance \$7,160,407 of bond anticipation notes (BANs) issued during fiscal year 2022 all due on January 26, 2023. Accordingly, these BANs have been presented as long-term debt in the financial statements. The remaining portion of \$1,264,841 of BANs will be paid down with available funds on their call date.

**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, 2022, and the debt service requirements are as follows:

**Long-term Debt Schedule – Governmental Fund**

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2022
<b>General Obligation Bonds Payable:</b>				
General Obligation Bonds of 2013.....	2033	\$ 4,539,021	2.00 - 2.75	\$ 2,240,000
General Obligation Refunding Bonds of 2015...	2025	4,205,000	4.00 - 5.00	1,395,000
General Obligation Bonds of 2015.....	2040	68,040,400	2.00 - 5.00	48,010,000
General Obligation Refunding Bonds of 2016...	2025	529,100	2.00 - 4.00	165,000
General Obligation Bonds of 2019.....	2039	5,441,000	3.00 - 5.00	4,370,000
General Obligation Bonds of 2020.....	2041	12,618,500	2.00 - 5.00	11,790,000
General Obligation Bonds of 2021.....	2031	2,611,000	2.00 - 5.00	2,261,100
General Obligation Bonds of 2022.....	2043	2,165,500	4.00 - 5.00	<u>2,165,500</u>
Subtotal bonds payable.....				<u>72,396,600</u>
Add: Unamortized premium on bonds.....				<u>4,803,396</u>
Subtotal governmental general obligation bonds payable, net.....				<u>77,199,996</u>
<b>Direct Borrowings Payable:</b>				
EOEEA Dam & Seawall Bonds of 2017.....	2037	\$ 3,500,000	2.00 - 4.00	2,671,878
EOEEA Seawall Repair Bonds of 2019.....	2038	500,000	2.00	426,221
MCWT Series 23 CWT-18-13.....	2041	199,222	2.00	<u>191,163</u>
Subtotal governmental direct borrowings payable.....				<u>3,289,262</u>
Total long-term debt, net.....				<u>\$ 80,489,258</u>

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
2023.....	\$ 5,139,100	\$ 2,882,224	\$ 8,021,324
2024.....	5,169,600	2,678,772	7,848,372
2025.....	5,082,500	2,429,880	7,512,380
2026.....	4,447,100	2,197,778	6,644,878
2027.....	4,300,900	1,981,346	6,282,246
2028.....	4,294,300	1,785,477	6,079,777
2029.....	4,290,100	1,604,606	5,894,706
2030.....	4,213,400	1,425,546	5,638,946
2031.....	4,144,600	1,253,688	5,398,288
2032.....	3,650,000	1,097,711	4,747,711
2033.....	3,625,000	960,600	4,585,600
2034.....	3,445,000	826,237	4,271,237
2035.....	3,440,000	698,837	4,138,837
2036.....	3,440,000	571,182	4,011,182
2037.....	3,325,000	444,075	3,769,075
2038.....	3,260,000	321,001	3,581,001
2039.....	3,260,000	199,767	3,459,767
2040.....	3,190,000	78,468	3,268,468
2041.....	550,000	12,264	562,264
2042.....	65,000	4,144	69,144
2043.....	65,000	1,381	66,381
<b>Total.....</b>	<b>\$ 72,396,600</b>	<b>\$ 23,454,984</b>	<b>\$ 95,851,584</b>

Year	Direct Borrowings Payable		
	Principal	Interest	Total
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.....	145,791	3,550	149,341
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
<b>Total.....</b>	<b>\$ 3,289,262</b>	<b>\$ 536,353</b>	<b>\$ 3,825,615</b>

**Long-term Debt Schedule – Enterprise Funds**

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2022
<b>Water</b>				
<b>General Obligation Bonds Payable:</b>				
General Obligation Bonds of 2013.....	2033	\$ 550,000	2.00 - 2.75	\$ 125,000
General Obligation Bonds of 2015.....	2040	14,400,000	2.00 - 2.75	10,305,000
General Obligation Bonds of 2016.....	2025	353,400	2.00 - 4.00	115,000
General Obligation Bonds of 2019.....	2039	913,000	3.00 - 5.00	580,000
General Obligation Bonds of 2020.....	2041	11,457,000	2.00 - 5.00	10,870,000
General Obligation Bonds of 2021.....	2031	2,216,700	2.00 - 5.00	1,942,000
General Obligation Bonds of 2022.....	2043	2,337,000	4.00 - 5.00	<u>2,337,000</u>
Subtotal water general obligation bonds payable.....				26,274,000
Add: Unamortized premium on bonds.....				<u>2,019,122</u>
Total water general obligation bonds payable, net.....				<u>28,293,122</u>
<b>Direct Borrowings Payable:</b>				
MCWT DW-19-18.....	2043	\$ 6,031,297	2.00	<u>6,031,297</u>
Total water long-term debt, net.....				<u>34,324,419</u>
<b>Sewer</b>				
<b>General Obligation Bonds Payable:</b>				
General Obligation Bonds of 2012.....	2033	\$ 483,341	2.00 - 2.75	255,000
General Obligation Bonds of 2016.....	2025	1,280,500	2.00 - 4.00	410,000
General Obligation Bonds of 2019.....	2039	1,087,250	3.00 - 5.00	775,000
General Obligation Bonds of 2020.....	2041	3,046,500	2.00 - 5.00	2,870,000
General Obligation Bonds of 2021.....	2031	648,900	3.00 - 5.00	550,000
General Obligation Bonds of 2022.....	2043	2,290,000	4.00 - 5.00	<u>2,290,000</u>
Subtotal sewer general obligation bonds payable.....				7,150,000
Add: Unamortized premium on bonds.....				<u>339,389</u>
Subtotal sewer general obligation bonds payable.....				<u>7,489,389</u>
<b>Direct Borrowings Payable:</b>				
MCWT CW-02-22A.....	2024	\$ 1,288,256	2.00	175,553
MCWT CW-04-38.....	2026	3,554,137	2.00	903,853
MCWT CW-04-38-A.....	2026	929,694	2.00	247,132
MCWT CW-02-22.....	2024	4,557,209	2.00	693,123
MCWT Series 16 CWS-09-06.....	2033	348,667	2.00	210,117
MCWT CW-10-25.....	2033	5,389,000	2.00	<u>3,247,591</u>
Subtotal sewer direct borrowings payable.....				<u>5,477,369</u>
Total sewer long-term debt, net.....				<u>12,966,758</u>

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2022
<b>Waterways</b>				
<b>General Obligation Bonds Payable:</b>				
General Obligation Bonds of 2016.....	2024	\$ 1,642,000	2.00 - 4.00	405,000
General Obligation Bonds of 2019.....	2031	159,250	4.00 - 5.00	110,000
General Obligation Bonds of 2020.....	2030	471,000	5.00	415,000
General Obligation Bonds of 2021.....	2031	234,500	4.00 - 5.00	151,900
Subtotal waterways general obligation bonds payable.....				1,081,900
Add: Unamortized premium on bonds.....				77,137
Total waterways long-term debt, net.....				1,159,037
<b>Transfer Station</b>				
<b>General Obligation Bonds Payable:</b>				
General Obligation Bonds of 2020.....	2031	\$ 103,900	3.00 - 5.00	85,000
General Obligation Bonds of 2022.....	2031	164,500	5.00	164,500
Total transfer station long-term debt, net.....				249,500
<b>Widow's Walk Golf Course</b>				
<b>Capital Financing:</b>				
Equipment Capital Financing.....	2025	\$ 336,785	3.00 - 5.45	124,938
<b>General Obligation Bonds Payable:</b>				
General Obligation Bonds of 2020.....	2031	1,502,000	4.00 - 5.00	1,350,000
Add: Unamortized premium on bonds.....				233,913
Total Widow's Walk golf course general obligation bonds payable, net.....				1,708,851
Total Enterprise long-term debt, net.....				\$ 50,408,565

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

Year	Capital Financing Payable		
	Principal	Interest	Total
2023.....	\$ 64,271	\$ 2,531	\$ 66,802
2024.....	35,260	844	36,104
2025.....	25,407	352	25,759
Total.....	\$ 124,938	\$ 3,727	\$ 128,665

Year	General Obligation Bonds Payable		
	Principal	Interest	Total
2023.....	\$ 2,640,900	\$ 1,324,645	\$ 3,965,545
2024.....	2,796,400	1,295,717	4,092,117
2025.....	2,525,500	1,168,509	3,694,009
2026.....	2,295,900	1,048,503	3,344,403
2027.....	2,202,100	935,007	3,137,107
2028.....	2,168,700	829,058	2,997,758
2029.....	2,142,900	729,785	2,872,685
2030.....	2,090,600	634,127	2,724,727
2031.....	2,021,400	544,555	2,565,955
2032.....	1,632,000	467,056	2,099,056
2033.....	1,627,000	403,838	2,030,838
2034.....	1,568,000	349,328	1,917,328
2035.....	1,568,000	299,432	1,867,432
2036.....	1,548,000	249,876	1,797,876
2037.....	1,503,000	202,257	1,705,257
2038.....	1,503,000	156,116	1,659,116
2039.....	1,503,000	109,774	1,612,774
2040.....	1,453,000	63,298	1,516,298
2041.....	893,000	29,523	922,523
2042.....	214,000	13,607	227,607
2043.....	209,000	4,536	213,536
Total.....	\$ <u>36,105,400</u>	\$ <u>10,858,547</u>	\$ <u>46,963,947</u>

Year	Direct Borrowings Payable		
	Principal	Interest	Total
2023.....	\$ 990,295	\$ 109,140	\$ 1,099,435
2024.....	1,313,343	209,834	1,523,177
2025.....	886,152	181,014	1,067,166
2026.....	898,412	163,229	1,061,641
2027.....	608,506	148,222	756,728
2028.....	615,177	136,049	751,226
2029.....	621,993	123,742	745,735
2030.....	628,957	111,297	740,254
2031.....	636,072	98,714	734,786
2032.....	643,342	85,987	729,329
2033.....	650,770	73,116	723,886
2034.....	301,565	60,313	361,878
2035.....	301,565	54,282	355,847
2036.....	301,565	48,251	349,816
2037.....	301,565	42,218	343,783
2038.....	301,565	36,187	337,752
2039.....	301,565	30,157	331,722
2040.....	301,565	24,126	325,691
2041.....	301,565	18,095	319,660
2042.....	301,565	12,062	313,627
2043.....	301,562	6,031	307,593
Total.....	\$ <u>11,508,666</u>	\$ <u>1,772,066</u>	\$ <u>13,280,732</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 \$43,506 and interest costs for \$17,287 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 \$649,618. The principal subsidies are guaranteed and therefore a \$43,506 intergovernmental receivable has been recorded in the sewer enterprise fund at June 30, 2022. 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 2022 principal and interest subsidies totaled \$9,810 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.

At June 30, 2022, 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.....	1,000,000
Humarock Water Mains Engineering.....	395,000
Green Sand Filter & SCADA Engineering/Construction.....	1,230,607
Senior Center Construction and Veterans Memorial Gym Renovation.....	32,450
Cedar Point Sewer Project.....	937,205
Oceanside Sewer Infiltration/Inflow.....	4,900,000
Dolan Field Well Construction.....	3,255,000
New Water Tank.....	2,720,000
Sewer Facilities Plan.....	660,000
Water Mains.....	3,000,000
Foreshore Repairs - Seawall Turner Rd./Oceanside.....	4,000,000
Foreshore Repairs - FEMA - 3rd Cliff.....	2,500,000
Foreshore Repairs - FEMA - 2nd Cliff.....	715,000
Foreshore Repairs - FEMA - 1st Cliff.....	635,000
Foreshore Repairs - FEMA - Minot.....	717,500
Foreshore Repairs - FEMA - Glades.....	724,147
High School Roof Replacement.....	1,045,000
Inflow & Infiltration.....	4,043,285
SCADA Phase 5.....	286,950
Humarock Water Mains - Construction.....	6,300,000
Water Treatment Plant Facility Design.....	50,000,000
<b>Total.....</b>	<b>\$ 98,072,654</b>

Changes in Long-Term Liabilities

During the year ended June 30, 2022, the following changes occurred in long-term liabilities:

	Beginning Balance	Long-term Debt Issued	Long-term Debt Redeemed	Other Increases	Other Decreases	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>							
Long-term general obligation bonds payable.....	\$ 75,389,500	\$ 2,165,500	\$ (5,158,400)	\$ -	\$ -	\$ 72,396,600	\$ 5,139,100
Long-term direct borrowing payable.....	3,476,314	-	(187,052)	-	-	3,289,262	190,825
Add: Unamortized premium on bonds.....	5,588,781	150,687	(936,072)	-	-	4,803,396	621,174
Total long-term debt.....	84,454,595	2,316,187	(6,281,524)	-	-	80,489,258	5,951,099
Right to use lease liabilities.....	1,041,960	-	-	-	(1,041,960)	-	-
Compensated absences.....	1,563,217	-	-	1,035,980	(1,030,014)	1,569,183	1,034,960
Net pension liability.....	34,556,911	-	-	2,861,174	(9,046,356)	28,371,729	-
Net other postemployment benefits.....	111,003,229	-	-	5,915,089	(35,614,336)	81,303,982	-
Total governmental activity long-term liabilities.....	\$ 232,619,912	\$ 2,316,187	\$ (6,281,524)	\$ 9,812,243	\$ (46,732,666)	\$ 191,734,152	\$ 6,986,059
<b>Business-Type Activities:</b>							
Long-term general obligation bonds payable.....	\$ 34,025,500	\$ 4,791,500	\$ (2,711,600)	\$ -	\$ -	\$ 36,105,400	\$ 2,640,900
Long-term direct borrowing payable.....	6,442,474	6,031,297	(965,105)	-	-	11,508,666	990,295
Long-term capital financing payable.....	162,072	33,237	(70,371)	-	-	124,938	64,271
Add: Unamortized premium on bonds.....	3,235,607	122,670	(688,716)	-	-	2,669,561	394,449
Total long-term debt.....	43,865,653	10,978,704	(4,435,792)	-	-	50,408,565	4,089,915
Landfill closure.....	744,000	-	-	36,000	(83,000)	697,000	77,000
Compensated absences.....	158,266	-	-	125,778	(115,499)	168,545	114,936
Net pension liability.....	3,572,161	-	-	299,234	(904,163)	2,967,232	-
Net other postemployment benefits.....	1,986,160	-	-	142,873	(663,255)	1,465,778	-
Total business-type activity long-term liabilities.....	\$ 50,326,240	\$ 10,978,704	\$ (4,435,792)	\$ 603,885	\$ (1,765,917)	\$ 55,707,120	\$ 4,281,851

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 Town from its highest level of decision making authority.
- Assigned: fund balances that contain self-imposed constraints of the Town 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, 2022, 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.....	808,246	-	-	-	808,246
Community preservation.....	-	6,136,868	-	-	6,136,868
Town capital projects.....	-	-	10,823	-	10,823
School lunch.....	-	-	-	715,931	715,931
School gifts and grants.....	-	-	-	1,763,699	1,763,699
School revolving.....	-	-	-	1,060,781	1,060,781
Town gifts.....	-	-	-	913,264	913,264
Town grants.....	-	-	-	469,532	469,532
Town revolving.....	-	-	-	7,556,331	7,556,331
Title V program.....	-	-	-	80,690	80,690
Affordable housing.....	-	-	-	617,148	617,148
Library renovation.....	-	-	-	474,020	474,020
Middle school construction.....	-	-	-	2,666,585	2,666,585
Town trust funds.....	-	-	-	311,440	311,440
Committed to:					
Town administrator.....	81,295	-	-	-	81,295
Advisory committee.....	38,561	-	-	-	38,561
Town accountant.....	29,261	-	-	-	29,261
Assessors.....	6,887	-	-	-	6,887
Information technology.....	377,516	-	-	-	377,516
Police.....	91,624	-	-	-	91,624
Fire.....	126,044	-	-	-	126,044
Inspections.....	308,541	-	-	-	308,541
Education.....	2,420,310	-	-	-	2,420,310
Public works.....	2,832,770	-	-	-	2,832,770
Facilities.....	1,731,538	-	-	-	1,731,538
Assigned to:					
Town administrator.....	11,876	-	-	-	11,876
Town accountant.....	1,500	-	-	-	1,500
Assessors.....	29,500	-	-	-	29,500
Treasurer/Collector.....	6,777	-	-	-	6,777
Information technology.....	69,426	-	-	-	69,426
Planning and community development.....	2,900	-	-	-	2,900
Police.....	38,308	-	-	-	38,308
Fire.....	16,061	-	-	-	16,061
Education.....	347,609	-	-	-	347,609
Public works.....	342,458	-	-	-	342,458
Facilities.....	36,857	-	-	-	36,857
Snow and ice.....	36,425	-	-	-	36,425
Council on aging.....	832	-	-	-	832
Library.....	37,054	-	-	-	37,054
Beautification.....	8,860	-	-	-	8,860
Debt service.....	6,500	-	-	-	6,500
Unassigned.....	12,263,349	-	(95,896)	(139,438)	12,028,015
<b>Total Fund Balances.....</b>	<b>\$ 22,108,885</b>	<b>\$ 6,136,868</b>	<b>\$ (85,073)</b>	<b>\$ 16,517,034</b>	<b>\$ 44,677,714</b>

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, economic development stabilization fund and special education reserve fund totaled \$5,969,191, \$140,505, \$34,437 and \$100,047, 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 <https://mtrs.state.ma.us/service/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, 2021. The Town's portion of the collective pension expense, contributed by the Commonwealth, of \$6,631,157 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 \$82,635,526 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, 2021.

### *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, 2021, and totaled \$5,759,996, 27.31% 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, 2022, the Town reported a liability of \$31,338,961 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2022. 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, 2021, the Town’s proportion was 6.700%, which increased from its proportion of 6.505% measured at December 31, 2020.

*Pension Expense*

For the year ended June 30, 2022, the Town recognized a net pension expense of \$3,160,408. At June 30, 2022, the Town reported deferred outflows of resources related to pensions of \$4,220,114 and deferred inflows of resources related to pensions of \$8,824,577.

The balances of deferred outflows/(inflows) or resources related to pension at June 30, 2022, 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.....	\$ 3,475,763	\$ -	\$ 3,475,763
Difference between projected and actual earnings, net.....	-	(8,598,929)	(8,598,929)
Changes in assumptions.....	106,465	-	106,465
Changes in proportion and proportionate share of contributions...	637,886	(225,648)	412,238
Total deferred outflows/(inflows) of resources.....	<u>\$ 4,220,114</u>	<u>\$ (8,824,577)</u>	<u>\$ (4,604,463)</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>	
2023.....	\$ 532,983
2024.....	(2,472,818)
2025.....	(1,478,689)
2026.....	(1,185,939)
Total.....	<u>\$ (4,604,463)</u>

*Actuarial Assumptions*

The total pension liability in the January 1, 2022, actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified that was rolled back to December 31, 2021:

Valuation date.....	January 1, 2022
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 three 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 December 31, 2021, 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.....	23.00%	6.80%
International developed equity.....	3.00%	7.50%
Emerging markets equity.....	9.00%	4.60%
Global equity.....	11.00%	7.20%
Core bonds.....	10.00%	2.40%
Value-added fixed income.....	7.00%	4.00%
Hedge funds.....	7.00%	4.40%
Real estate.....	10.00%	7.40%
Private equity.....	12.00%	7.30%
Real assets.....	6.00%	7.70%
Cash and cash equivalents.....	2.00%	1.70%
Total.....	100.00%	

*Rate of Return*

For the year ended December 31, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 14.41%. 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.....	\$ 44,412,434	\$ 31,338,961	\$ 20,195,342

*Changes in Assumptions and Plan Provisions*

There were no changes in assumptions and plan provisions in the January 1, 2022, 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, 2022, the Town’s average contribution rate was 6.31% 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 2022, the Town pre-funded future OPEB liabilities totaling \$393,541 by contributing funds to the Other Postemployment Benefit Trust 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, 2022, the balance of this fund totaled \$1,907,394. 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, 2022:

Total OPEB liability.....	\$	84,677,154
Less: OPEB plan’s fiduciary net position.....		<u>(1,907,394)</u>
Net OPEB liability.....	\$	<u>82,769,760</u>
The OPEB plan’s fiduciary net position as a percentage of the total OPEB liability.....		2.25%

*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, 2022:

Valuation date.....	July 1, 2020
Actuarial cost method.....	Entry Age Normal as a Level Percentage of Payroll.
Asset valuation method.....	Fair Value of Assets.
Discount rate.....	3.77%
Salary increases.....	3.00% annually as of June 30, 2022, 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, 2022, the annual money-weighted rate of return on investments, net of investment expense, was 0.34%. 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 3.77% as of June 30, 2022, and 2.09% as of June 30, 2021. 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, 2022, which resulted in the selected discount rate of 3.77%.

*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 3.77%, 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 (2.77%) or 1-percentage-point higher (4.77%) than the current rate.

	<u>1% Decrease (2.77%)</u>	<u>Current Discount Rate (3.77%)</u>	<u>1% Increase (4.77%)</u>
Net OPEB liability.....	\$ 100,037,269	\$ 82,769,760	\$ 69,582,745

*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.

	<u>1% Decrease</u>	<u>Current Trend</u>	<u>1% Increase</u>
Net OPEB liability.....	\$ 67,900,875	\$ 82,769,760	\$ 102,477,812

*Changes in Assumptions*

The discount rate increased from 2.09% to 3.77%.

*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, 2021.....	\$ 114,497,232	\$ 1,507,843	\$ 112,989,389
Changes for the year:			
Service cost.....	1,792,977	-	1,792,977
Interest.....	4,264,986	-	4,264,986
Contributions - Employer.....	-	3,128,858	(3,128,858)
Net investment income.....	-	6,010	(6,010)
Changes in assumptions.....	(33,142,724)	-	(33,142,724)
Benefit payments.....	(2,735,317)	(2,735,317)	-
Net change.....	(29,820,078)	399,551	(30,219,629)
Balances at June 30, 2022.....	\$ <u>84,677,154</u>	\$ <u>1,907,394</u>	\$ <u>82,769,760</u>

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

For the year ended June 30, 2022, the Town recognized an OPEB expense of \$4,009,393. As of June 30, 2022, there were \$17,062,692 in deferred outflows and \$40,335,260 in deferred inflows 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>	
2023.....	\$ (2,042,560)
2024.....	(2,042,558)
2025.....	(4,960,794)
2026.....	(8,702,867)
2027.....	(5,523,789)
Total.....	\$ <u>(23,272,568)</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 \$51,000 per year for post-closure care costs and has recorded a liability of \$697,000 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 \$12.8 million for foreshore protection and repairs, \$8.9 million for sewer infiltration/inflow, \$6.3 million for Humarock water main construction, \$50.0 million for water treatment plant facility project and \$3.3 million for Dolan Field well construction.

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 2022 were \$351,362.

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 \$8,044,347 and \$992,943, 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, 2022, 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, 2022, cannot be ascertained, management believes any resulting liability should not materially affect the financial position at June 30, 2022.

**NOTE 16 – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through December 22, 2022, which is the date the financial statements were available to be issued.

**NOTE 17 – IMPLEMENTATION OF NEW GASB PRONOUNCEMENTS**

During 2022, the following GASB pronouncements were implemented:

- GASB Statement #87, *Leases*. The annual comprehensive financial report was updated to be in compliance with this pronouncement.
- GASB Statement #89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. This pronouncement did not impact the annual comprehensive financial report.
- GASB Statement #92, *Omnibus 2020*. This pronouncement did not impact the annual comprehensive financial report.
- GASB Statement #93, *Replacement of Interbank Offered Rates*. This pronouncement did not impact the annual comprehensive financial report.
- GASB 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*. This pronouncement did not impact the annual comprehensive financial report.

The following GASB pronouncements will be implemented in the future:

- The GASB issued Statement #91, *Conduit Debt Obligations*, which is required to be implemented in 2023.
- 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 #99, *Omnibus 2022*, which is required to be implemented in 2023.
- The GASB issued Statement #100, *Accounting Changes and Error Corrections*, which is required to be implemented in 2024.
- The GASB issued Statement #101, *Compensated Absences*, which is required to be implemented in 2025.

Management is currently assessing the impact the implementation of these pronouncements will have on the annual comprehensive financial report.

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## ***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, 2022

	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			
<b>REVENUES:</b>							
Real estate and personal property taxes, net of tax refunds.....	\$ -	\$ 71,842,078	\$ 71,842,078	\$ 71,987,012	\$ 71,972,512	\$ -	\$ (14,500)
Tax liens.....	-	-	-	-	389,031	-	389,031
Motor vehicle and other excise taxes.....	-	2,919,934	2,919,934	2,919,934	3,571,560	-	651,626
Hotel/motel tax.....	-	-	-	-	180,519	-	180,519
Meals tax.....	-	172,500	172,500	172,500	355,022	-	182,522
Penalties and interest on taxes.....	-	350,000	350,000	350,000	444,179	-	94,179
Fees and rentals.....	-	409,055	409,055	409,055	543,677	-	134,622
Payments in lieu of taxes.....	-	16,000	16,000	16,000	28,563	-	12,563
Licenses and permits.....	-	680,877	680,877	680,877	1,346,155	-	665,278
Fines and forfeitures.....	-	35,700	35,700	35,700	50,654	-	14,954
Intergovernmental - state aid.....	-	8,493,759	8,493,759	8,493,759	8,520,355	-	26,596
Intergovernmental - other.....	-	-	-	-	87,996	-	87,996
Departmental and other.....	-	996,500	996,500	996,500	1,534,557	-	538,057
Special assessments.....	-	10,000	10,000	10,000	18,493	-	8,493
Investment income.....	-	44,983	44,983	44,983	110,333	-	65,350
<b>TOTAL REVENUES.....</b>	<b>-</b>	<b>85,971,386</b>	<b>85,971,386</b>	<b>86,116,320</b>	<b>89,153,606</b>	<b>-</b>	<b>3,037,286</b>
<b>EXPENDITURES:</b>							
<b>Current:</b>							
<b>General Government</b>							
<b>Town Administrator</b>							
Personal services.....	-	341,500	341,500	341,500	341,500	-	-
Purchase of services.....	6,454	171,160	177,614	177,614	132,412	7,303	37,899
Town Counsel.....	4,012	145,000	149,012	149,012	99,824	4,012	45,176
Labor Counsel.....	20	85,201	85,221	85,201	62,993	-	22,208
Materials and supplies.....	-	7,400	7,400	7,420	5,779	561	1,080
Salary adjustments.....	10,000	10,000	20,000	20,000	-	-	20,000
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.....	-	-	-	4,195	4,195	-	-
Article - Prior year bills.....	15	-	15	-	-	-	-
Article - COVID-19 deficit.....	103,000	-	103,000	-	-	-	-
Article - Prior year bills.....	-	-	-	6,798	5,503	1,295	-
Article - Affordable housing deed program.....	-	-	-	25,000	-	25,000	-
<b>Total.....</b>	<b>178,501</b>	<b>760,261</b>	<b>938,762</b>	<b>871,740</b>	<b>652,206</b>	<b>93,171</b>	<b>126,363</b>
<b>Advisory Committee</b>							
Personal services.....	-	2,225	2,225	-	-	-	-
Purchase of services.....	-	250	250	250	245	-	5
Materials and supplies.....	-	4,300	4,300	6,525	6,525	-	-
Article - South Shore Community Action.....	5,000	-	5,000	5,000	-	5,000	-
Article - Athletic fields.....	33,561	-	33,561	33,561	-	33,561	-
<b>Total.....</b>	<b>38,561</b>	<b>6,775</b>	<b>45,336</b>	<b>45,336</b>	<b>6,770</b>	<b>38,561</b>	<b>5</b>
<b>Reserve Fund.....</b>							
<b>Total.....</b>	<b>-</b>	<b>75,000</b>	<b>75,000</b>	<b>755</b>	<b>-</b>	<b>-</b>	<b>755</b>
<b>Town Accountant</b>							
Personal services.....	-	354,629	354,629	354,629	354,443	-	186
Purchase of services.....	-	67,880	67,880	67,880	83,244	1,500	10,436
Materials and supplies.....	-	1,300	1,300	1,300	1,299	-	1
Article - Integrated financial system.....	29,261	-	29,261	29,261	-	29,261	-
<b>Total.....</b>	<b>29,261</b>	<b>423,809</b>	<b>453,070</b>	<b>480,370</b>	<b>438,986</b>	<b>30,761</b>	<b>10,623</b>
<b>Assessors</b>							
Personal services.....	-	211,756	211,756	211,756	211,756	-	-
Purchase of services.....	25,600	38,850	64,450	64,450	34,240	29,500	710
Materials and supplies.....	-	500	500	500	416	-	84
Assessor's revaluation.....	6,887	-	6,887	6,887	-	6,887	-
<b>Total.....</b>	<b>32,487</b>	<b>251,106</b>	<b>283,593</b>	<b>283,593</b>	<b>246,412</b>	<b>36,387</b>	<b>794</b>
<b>Treasurer/Collector</b>							
Personal services.....	-	319,964	319,964	319,964	319,964	-	-
Purchase of services.....	1,000	100,025	101,025	101,025	93,955	6,777	293
Materials and supplies.....	-	9,000	9,000	9,000	4,578	-	4,422
<b>Total.....</b>	<b>1,000</b>	<b>428,989</b>	<b>429,989</b>	<b>429,989</b>	<b>418,497</b>	<b>6,777</b>	<b>4,715</b>
<b>Information Technology</b>							
Personal services.....	-	209,331	209,331	209,331	197,091	-	12,240
Purchase of services.....	44,203	384,395	428,598	428,599	286,242	51,651	90,706
Materials and supplies.....	-	500	500	500	273	-	227
Capital outlay.....	-	30,000	30,000	50,738	29,997	17,775	2,966
Article - IT upgrades and licensing.....	42,940	-	42,940	42,940	-	42,940	-
Article - Data infrastructure.....	72,103	-	72,103	72,103	42,236	29,867	-
Article - Permitting system.....	140,190	-	140,190	140,190	-	140,190	-
Article - Phone system expansion.....	55,000	-	55,000	55,000	2,481	52,519	-
Article - Network switches.....	-	-	-	112,000	-	112,000	-
<b>Total.....</b>	<b>354,436</b>	<b>624,226</b>	<b>978,662</b>	<b>1,111,401</b>	<b>558,320</b>	<b>446,942</b>	<b>106,139</b>
<b>Tax Foreclosures.....</b>							
<b>Total.....</b>	<b>-</b>	<b>39,000</b>	<b>39,000</b>	<b>42,500</b>	<b>39,070</b>	<b>-</b>	<b>3,430</b>

(Continued)

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

YEAR ENDED JUNE 30, 2022

	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			
<b>Cable TV</b>							
Personal services.....	-	112,646	112,646	111,644	111,644	-	-
Purchase of services.....	-	6,500	6,500	-	-	-	-
Materials and supplies.....	-	2,000	2,000	-	-	-	-
Capital outlay.....	-	150,000	150,000	17,202	17,202	-	-
<b>Total.....</b>	<b>-</b>	<b>271,146</b>	<b>271,146</b>	<b>128,846</b>	<b>128,846</b>	<b>-</b>	<b>-</b>
<b>Town Clerk</b>							
Personal services.....	-	177,128	177,128	177,128	166,267	-	10,861
Purchase of services.....	-	26,815	26,815	26,815	25,137	-	1,678
Materials and supplies.....	-	4,530	4,530	4,530	2,241	-	2,289
<b>Total.....</b>	<b>-</b>	<b>208,473</b>	<b>208,473</b>	<b>208,473</b>	<b>193,645</b>	<b>-</b>	<b>14,828</b>
<b>Planning and Community Development</b>							
Personal services.....	-	836,842	836,842	833,342	802,890	-	30,452
Purchase of services.....	20,972	54,600	75,572	76,647	60,116	2,900	13,631
Materials and supplies.....	78	4,100	4,178	4,478	3,988	-	490
Article - Master plan update.....	1,500	-	1,500	-	-	-	-
<b>Total.....</b>	<b>22,550</b>	<b>895,542</b>	<b>918,092</b>	<b>914,467</b>	<b>866,994</b>	<b>2,900</b>	<b>44,573</b>
Property/Liability Insurance.....	281	819,214	819,495	869,495	867,934	-	1,561
<b>Total General Government.....</b>	<b>657,077</b>	<b>4,803,541</b>	<b>5,460,618</b>	<b>5,386,965</b>	<b>4,417,680</b>	<b>655,499</b>	<b>313,786</b>
<b>Public Safety</b>							
<b>Police</b>							
Personal services.....	-	3,767,772	3,767,772	3,747,590	3,702,599	-	44,991
Purchase of services.....	720	128,991	129,711	141,239	131,111	3,069	7,059
Materials and supplies.....	216	108,220	108,436	117,089	113,496	141	3,452
Capital outlay.....	5,163	184,820	189,983	242,246	203,494	35,098	3,654
Article - Marine unit repowering.....	1,128	-	1,128	1,128	948	-	180
Article - ALPR and parking management.....	-	-	-	82,500	77,944	4,556	-
Article - Ballistic vests.....	-	-	-	92,767	5,879	86,888	-
<b>Total.....</b>	<b>7,227</b>	<b>4,189,803</b>	<b>4,197,030</b>	<b>4,424,559</b>	<b>4,235,471</b>	<b>129,932</b>	<b>59,156</b>
<b>Fire</b>							
Personal services.....	-	5,083,636	5,083,636	5,083,636	5,081,178	-	2,458
Purchase of services.....	811	57,987	58,798	75,798	71,451	3,426	921
Materials and supplies.....	24,145	166,991	191,136	191,135	177,744	12,635	756
Capital outlay.....	-	-	-	26,412	22,149	-	4,263
Article - Renovate fire station.....	159,630	-	159,630	159,630	159,630	-	-
Article - Station 4 phase II renovation.....	48,222	-	48,222	48,222	48,222	-	-
Article - Communications equipment.....	1,139	-	1,139	1,139	-	1,139	-
Article - Humarock fire station renovation.....	241,147	-	241,147	241,148	235,842	5,306	-
Article - Replace admin vehicle.....	230	-	230	-	-	-	-
Article - Replace ambulance.....	4,590	-	4,590	4,537	4,537	-	-
Article - Humarock apparatus bay.....	98,875	-	98,875	98,875	98,875	-	-
Article - Fire station overhead doors.....	70,000	-	70,000	70,000	67,401	2,599	-
Article - Refurbish 2006 rescue pumper.....	70,000	-	70,000	70,000	68,000	2,000	-
Article - Replace 2010 command vehicle.....	-	-	-	65,000	-	65,000	-
Article - Zoll monitors.....	-	-	-	50,000	-	50,000	-
<b>Total.....</b>	<b>718,789</b>	<b>5,308,614</b>	<b>6,027,403</b>	<b>6,185,532</b>	<b>6,035,029</b>	<b>142,105</b>	<b>8,398</b>
<b>Inspections</b>							
Article - Digitize department records.....	308,541	-	308,541	308,541	-	308,541	-
<b>Shellfish</b>							
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
<b>Total.....</b>	<b>-</b>	<b>8,800</b>	<b>8,800</b>	<b>8,800</b>	<b>8,258</b>	<b>-</b>	<b>542</b>
<b>Public Safety Communications Center</b>							
Personal services.....	-	630,636	630,636	630,636	629,751	-	885
Materials and supplies.....	-	200	200	450	422	-	28
<b>Total.....</b>	<b>-</b>	<b>630,836</b>	<b>630,836</b>	<b>631,086</b>	<b>630,173</b>	<b>-</b>	<b>913</b>
<b>Total Public Safety.....</b>	<b>1,034,557</b>	<b>10,138,053</b>	<b>11,172,610</b>	<b>11,558,518</b>	<b>10,908,931</b>	<b>580,578</b>	<b>69,009</b>
<b>Education</b>							
School Committee.....	201,989	41,523,693	41,725,682	41,815,681	41,457,602	347,609	10,470
South Shore Regional School Assessment.....	5,376	627,785	633,161	634,971	634,970	-	1
Article - Jenkins outside stairs.....	50,000	-	50,000	50,000	-	50,000	-
Article - Cushing and high school fields irrigation.....	10,000	-	10,000	10,000	-	10,000	-
Article - Ceiling tiles at Hatherly and Cushing.....	40,000	-	40,000	40,000	-	40,000	-
Article - School technology.....	68,702	-	68,702	68,702	68,482	220	-
Article - School carpeting - High School.....	1,500	-	1,500	-	-	-	-
Article - Replace special education vans.....	1,668	-	1,668	-	-	-	-
Article - Wireless smoke detectors.....	50,000	-	50,000	50,000	19,956	30,044	-
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	250,000	-	250,000	-
Article - School technology.....	100,000	-	100,000	100,000	39,627	60,373	-
Article - Wampatuck parking lot.....	165,673	-	165,673	303,673	-	303,673	-
Article - Hatherly Feasibility Study.....	-	-	-	1,100,000	-	1,100,000	-
Article - PAC rigging.....	-	-	-	26,000	-	26,000	-
Article - SHS floor replacement.....	-	-	-	300,000	-	300,000	-
Article - School technology.....	-	-	-	200,000	-	200,000	-
<b>Total Education.....</b>	<b>1,444,908</b>	<b>42,151,478</b>	<b>43,596,386</b>	<b>44,999,027</b>	<b>42,220,637</b>	<b>2,767,919</b>	<b>10,471</b>

(Continued)

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

YEAR ENDED JUNE 30, 2022

	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			
<b>Public Works</b>						
Public Works						
Personal services.....	-	1,820,620	1,820,620	1,785,847	1,664,401	121,446
Purchase of services.....	37,707	557,503	595,210	595,210	550,607	44,603
Materials and supplies.....	15,937	280,033	295,970	296,554	248,340	45,020
Capital outlay.....	143,181	435,360	578,541	577,565	324,730	252,835
Article - Roadway improvements.....	9,715	-	9,715	9,715	9,715	-
Article - Cudworth cemetery.....	8,259	-	8,259	8,259	8,259	-
Article - Foreshore protection.....	147,354	-	147,354	147,354	25,577	121,777
Article - Road and sidewalk improvements.....	30,601	-	30,601	30,601	-	30,601
Article - Road and sidewalk improvements.....	205,567	-	205,567	205,567	161,447	44,120
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.....	46,849	-	46,849	46,294	46,294	-
Article - Stormwater compliance.....	24,654	-	24,654	24,654	24,654	-
Article - Road and sidewalk improvements.....	271,941	-	271,941	271,941	191,051	80,890
Article - Cudworth cemetery.....	89,932	-	89,932	23,100	18,500	4,600
Article - Foreshore protection.....	189,781	-	189,781	189,781	-	189,781
Article - MS4 Compliance.....	50,000	-	50,000	50,000	13,255	36,745
Article - Roads & sidewalks.....	200,000	-	200,000	200,000	-	200,000
Article - Tractor.....	1,338	-	1,338	-	-	-
Article - Truck replacement.....	2,015	-	2,015	-	-	-
Article - Foreshore protection.....	200,000	-	200,000	200,000	-	200,000
Article - MS4 Compliance.....	50,000	-	50,000	50,000	11,521	38,479
Article - Prior year bills.....	530	-	530	-	-	-
Article - Roads & sidewalks.....	200,000	-	200,000	200,000	-	200,000
Article - Street sweeper.....	260,000	-	260,000	260,000	260,000	-
Article - Flail Mower.....	36,000	-	36,000	36,000	26,801	9,199
Article - Stump grinder.....	45,000	-	45,000	45,000	33,501	11,499
Article - Beach Improvements.....	-	-	-	100,000	-	100,000
Article - Foreshore Protection.....	-	-	-	200,000	-	200,000
Article - FEMA Seaside Town Share.....	-	-	-	121,439	-	121,439
Article - FEMA Surside Town Share.....	-	-	-	163,513	-	163,513
Article - FEMA Cole Prky Town Share.....	-	-	-	66,983	-	66,983
Article - Harbor Resiliency Study.....	-	-	-	250,000	-	250,000
Article - MS4 Compliance.....	-	-	-	100,000	-	100,000
Article - Roadway and Sidewalk Improvement.....	-	-	-	116,000	-	116,000
Article - Replace truck 1-9.....	-	-	-	65,000	-	65,000
Article - Replace truck 101.....	-	-	-	65,000	-	65,000
Article - Replace forklift.....	-	-	-	67,300	-	67,300
Article - Replace truck 2-0.....	-	-	-	65,000	-	65,000
Article - Replace truck 2-2.....	-	-	-	65,000	-	65,000
Article - Replace 2001 trash truck.....	-	-	-	170,000	-	170,000
Article - Cemetery maintenance database.....	-	-	-	45,000	-	45,000
Total.....	2,287,952	3,093,516	5,381,468	6,935,268	3,635,400	3,175,228
<b>Facilities</b>						
Personal services.....	-	417,883	417,883	417,883	391,919	25,964
Purchase of services.....	3,220	523,753	526,973	526,972	512,149	8,299
Materials and supplies.....	35,689	235,955	271,644	324,066	288,936	34,989
Capital outlay.....	430	63,000	63,430	63,430	4,114	30,192
Article - Police station demolition.....	2,660	-	2,660	-	-	-
Article - Security upgrades.....	41,960	-	41,960	41,960	41,095	865
Article - Security upgrades Town buildings.....	65,843	-	65,843	65,843	36,791	29,052
Article - Facilities handyman vehicle.....	32,000	-	32,000	32,000	-	32,000
Article - Old gates sprinkler pump.....	80,400	-	80,400	80,400	-	80,400
Article - Town wide facilities plan.....	144,042	-	144,042	144,042	5,890	138,152
Article - HVAC improvements.....	40,000	-	40,000	40,000	-	40,000
Article - Facilities vehicle.....	32,500	-	32,500	32,500	-	32,500
Article - Replace HVAC.....	-	-	-	67,000	-	67,000
Article - Facilities vehicle.....	-	-	-	37,000	-	37,000
Article - Replace maritime ramp.....	-	-	-	108,500	-	108,500
Article - Facilities plan year 2 project.....	-	-	-	1,166,069	-	1,166,069
Total.....	478,744	1,240,591	1,719,335	3,147,665	1,280,894	1,768,395
<b>Snow and Ice</b>						
Personal services.....	-	107,906	107,906	121,821	121,821	-
Purchase of services.....	9,687	176,909	186,596	186,596	152,553	34,043
Materials and supplies.....	11,843	212,299	224,142	284,783	199,718	58,640
Total.....	21,530	497,114	518,644	603,200	474,092	92,683
<b>Street Lights and Beacons</b>						
Purchase of services.....	168	125,000	125,168	125,168	94,156	31,012
<b>Total Public Works.....</b>	<b>2,788,394</b>	<b>4,956,221</b>	<b>7,744,615</b>	<b>10,811,301</b>	<b>5,484,542</b>	<b>4,980,048</b>
<b>Human Services</b>						
Board of Health						
Personal services.....	-	292,084	292,084	295,584	295,584	-
Purchase of services.....	-	12,575	12,575	12,575	450	12,125
Materials and supplies.....	-	1,735	1,735	1,735	1,152	583
Capital outlay.....	-	125	125	125	-	125
Total.....	-	306,519	306,519	310,019	297,186	12,833

(Continued)

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

YEAR ENDED JUNE 30, 2022

	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			
<b>Council on Aging</b>							
Personal services.....	-	238,186	238,186	238,186	205,315	-	32,871
Purchase of services.....	82	5,540	5,622	5,623	5,086	449	88
Materials and supplies.....	452	27,500	27,952	27,952	27,052	-	900
Capital outlay.....	-	5,200	5,200	5,200	1,450	383	3,367
<b>Total.....</b>	<b>534</b>	<b>276,426</b>	<b>276,960</b>	<b>276,961</b>	<b>238,903</b>	<b>832</b>	<b>37,226</b>
<b>Veterans' Benefits/Services</b>							
Personal services.....	-	86,803	86,803	86,803	85,752	-	1,051
Purchase of services.....	66	126,160	126,226	126,226	55,626	-	70,600
Materials and supplies.....	23	2,150	2,173	2,173	957	-	1,216
<b>Total.....</b>	<b>89</b>	<b>215,113</b>	<b>215,202</b>	<b>215,202</b>	<b>142,335</b>	<b>-</b>	<b>72,867</b>
<b>Commission on Disabilities</b>							
Purchase of services.....	961	5,000	5,961	5,939	5,927	-	12
<b>Total Human Services.....</b>	<b>1,584</b>	<b>803,058</b>	<b>804,642</b>	<b>808,121</b>	<b>684,351</b>	<b>832</b>	<b>122,938</b>
<b>Culture and Recreation</b>							
<b>Library</b>							
Personal services.....	-	827,399	827,399	782,126	764,884	-	17,242
Purchase of services.....	95	141,414	141,509	141,509	130,011	-	11,498
Materials and supplies.....	-	136,250	136,250	136,272	131,310	-	4,962
Capital outlay.....	-	2,000	2,000	47,273	7,063	37,054	3,156
<b>Total.....</b>	<b>95</b>	<b>1,107,063</b>	<b>1,107,158</b>	<b>1,107,180</b>	<b>1,033,268</b>	<b>37,054</b>	<b>36,858</b>
<b>Recreation</b>							
Personal services.....	-	158,717	158,717	158,717	158,717	-	-
Purchase of services.....	-	1,420	1,420	1,420	737	-	683
Materials and supplies.....	-	150	150	150	140	-	10
<b>Total.....</b>	<b>-</b>	<b>160,287</b>	<b>160,287</b>	<b>160,287</b>	<b>159,594</b>	<b>-</b>	<b>693</b>
<b>Beautification</b>							
Materials and supplies.....	-	29,586	29,586	29,586	20,633	8,860	93
<b>Historical Buildings</b>							
Purchase of services.....	-	23,200	23,200	23,200	23,082	-	118
<b>Total Culture and Recreation.....</b>	<b>95</b>	<b>1,320,136</b>	<b>1,320,231</b>	<b>1,320,253</b>	<b>1,236,577</b>	<b>45,914</b>	<b>37,762</b>
<b>Debt Service</b>							
Principal.....	6,500	5,149,966	5,156,466	5,149,966	5,143,452	6,500	14
Interest.....	-	3,267,159	3,267,159	3,279,497	3,270,751	-	8,746
<b>Total Debt Service.....</b>	<b>6,500</b>	<b>8,417,125</b>	<b>8,423,625</b>	<b>8,429,463</b>	<b>8,414,203</b>	<b>6,500</b>	<b>8,760</b>
<b>Plymouth County Retirement.....</b>	<b>-</b>	<b>5,759,996</b>	<b>5,759,996</b>	<b>5,759,996</b>	<b>5,759,996</b>	<b>-</b>	<b>-</b>
<b>Workers' Compensation.....</b>	<b>-</b>	<b>523,715</b>	<b>523,715</b>	<b>523,715</b>	<b>523,715</b>	<b>-</b>	<b>-</b>
<b>Unemployment Insurance.....</b>	<b>-</b>	<b>130,000</b>	<b>130,000</b>	<b>130,000</b>	<b>1,920</b>	<b>-</b>	<b>128,080</b>
<b>Contributory Group Insurance.....</b>	<b>-</b>	<b>6,461,034</b>	<b>6,461,034</b>	<b>6,231,034</b>	<b>6,080,017</b>	<b>-</b>	<b>151,017</b>
<b>Employee Benefits.....</b>	<b>-</b>	<b>927,062</b>	<b>927,062</b>	<b>1,205,403</b>	<b>1,151,907</b>	<b>-</b>	<b>53,496</b>
<b>State and county charges.....</b>	<b>-</b>	<b>645,744</b>	<b>645,744</b>	<b>645,744</b>	<b>660,370</b>	<b>-</b>	<b>(14,626)</b>
<b>TOTAL EXPENDITURES.....</b>	<b>5,933,115</b>	<b>87,037,163</b>	<b>92,970,278</b>	<b>97,809,540</b>	<b>87,544,846</b>	<b>9,037,290</b>	<b>1,227,404</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>(5,933,115)</b>	<b>(1,065,777)</b>	<b>(6,998,892)</b>	<b>(11,693,220)</b>	<b>1,608,760</b>	<b>(9,037,290)</b>	<b>4,264,690</b>
<b>OTHER FINANCING SOURCES (USES):</b>							
Transfers in.....	-	1,678,448	1,678,448	1,889,993	2,022,255	-	132,262
Transfers out.....	-	(612,671)	(612,671)	(712,671)	(712,671)	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>-</b>	<b>1,065,777</b>	<b>1,065,777</b>	<b>1,177,322</b>	<b>1,309,584</b>	<b>-</b>	<b>132,262</b>
<b>NET CHANGE IN FUND BALANCE.....</b>	<b>(5,933,115)</b>	<b>-</b>	<b>(5,933,115)</b>	<b>(10,515,898)</b>	<b>2,918,344</b>	<b>(9,037,290)</b>	<b>4,396,952</b>
<b>BUDGETARY FUND BALANCE, Beginning of year.....</b>	<b>-</b>	<b>11,890,118</b>	<b>11,890,118</b>	<b>11,890,118</b>	<b>11,890,118</b>	<b>-</b>	<b>-</b>
<b>BUDGETARY FUND BALANCE, End of year.....</b>	<b>\$ (5,933,115)</b>	<b>\$ 11,890,118</b>	<b>\$ 5,957,003</b>	<b>\$ 1,374,220</b>	<b>\$ 14,808,462</b>	<b>\$ (9,037,290)</b>	<b>\$ 4,396,952</b>

(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, 2021.....	6.700%	\$ 31,338,961	\$ 20,676,989	151.56%	75.49%
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, 2022.....	\$ 5,759,996	\$ (5,759,996)	-	\$ 21,090,529	27.31%
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**

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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.

<u>Year</u>	<u>Commonwealth's 100% Share of the Associated Net Pension Liability</u>	<u>Expense and Revenue Recognized for the Commonwealth's Support</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Liability</u>
2022.....	\$ 82,635,526	\$ 6,631,157	62.03%
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	June 30, 2022
<b>Total OPEB Liability</b>						
Service Cost.....	\$ 1,957,066	\$ 2,015,778	\$ 1,694,878	\$ 2,463,965	\$ 2,817,329	\$ 1,792,977
Interest.....	2,256,740	2,905,100	2,643,829	2,552,102	2,705,142	4,264,986
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)	(33,142,724)
Benefit payments.....	(2,363,041)	(2,694,490)	(2,583,400)	(2,493,739)	(2,766,737)	(2,735,317)
Net change in total OPEB liability.....	18,690,302	2,226,388	19,264,713	24,974,772	(16,318,751)	(29,820,078)
Total OPEB liability - beginning.....	65,659,808	84,350,110	86,576,498	105,841,211	130,815,983	114,497,232
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>	<u>\$ 84,677,154</u>
<b>Plan fiduciary net position</b>						
Employer contributions.....	\$ 137,473	\$ 90,605	\$ 94,611	\$ 97,509	\$ 343,866	\$ 393,541
Employer contributions for OPEB payments.....	2,363,041	2,694,490	2,583,400	2,493,739	2,766,737	2,735,317
Net investment income.....	6,740	14,097	25,325	19,202	2,493	6,010
Benefit payments.....	(2,363,041)	(2,694,490)	(2,583,400)	(2,493,739)	(2,766,737)	(2,735,317)
Net change in plan fiduciary net position.....	144,213	104,702	119,936	116,711	346,359	399,551
Plan fiduciary net position - beginning of year.....	675,922	820,135	924,837	1,044,773	1,161,484	1,507,843
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>	<u>\$ 1,907,394</u>
<b>Net OPEB liability - ending (a)-(b).....</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>	<u>\$ 82,769,760</u>
Plan fiduciary net position as a percentage of the total OPEB liability.....	0.97%	1.07%	0.99%	0.89%	1.32%	2.25%
Covered-employee payroll.....	\$ 45,656,152	\$ 49,673,355	\$ 47,442,764	\$ 47,490,207	\$ 49,633,894	\$ 49,584,310
Net OPEB liability as a percentage of covered-employee payroll.....	182.95%	172.43%	220.89%	273.01%	227.65%	166.93%

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, 2022.....	\$ 8,145,910	\$ (3,128,858)	\$ 5,017,052	\$ 49,584,310	6.31%
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**

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Year	Annual money-weighted rate of return, net of investment expense
June 30, 2022.....	0.34%
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 ACCOUNTABILITY**Budgetary 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 2022 approved budget for the general fund includes \$87.6 million in current year appropriations and other amounts to be raised and \$5.9 million in encumbrances and appropriations carried over from previous years. During the year, additional appropriations were approved totaling \$4.9 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.

Appropriation Deficits

During 2022, actual expenditures exceeded appropriations for state and county charges. State and county charges are assessments from the Commonwealth, which are directly deducted from local receipts provided by the state. The Town is not required to raise the state and county deficit.

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, 2022, is presented below:

Net change in fund balance - budgetary basis.....	\$ 2,918,344
<u>Perspective differences:</u>	
Activity of the stabilization fund recorded in the general fund for GAAP.....	379,251
Workers' Compensation Fund.....	291,624
<u>Basis of accounting differences:</u>	
Net change in recording 60 day receipts.....	(12,436)
Recognition of revenue for on-behalf payments.....	6,631,157
Recognition of expenditures for on-behalf payments.....	<u>(6,631,157)</u>
Net change in fund balance - GAAP basis.....	<u>\$ 3,576,783</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, 2022, actuarial valuation.

Changes in Plan Provisions

There were no changes in plan provisions in the January 1, 2022, 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.
Discount rate.....	3.77%
Salary increases.....	3.00% annually as of June 30, 2022, 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 increased from 2.09% to 3.77%.

Changes in Plan Provisions

None.

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# ***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 Fund* – 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, 2022

	Special Revenue Funds						
	School Lunch	School Gifts and Grants	School Revolving	Town Gifts	Town Grants	Town Revolving	Highway Improvements
<b>ASSETS</b>							
Cash and cash equivalents.....	\$ 719,775	\$ 1,791,085	\$ 1,076,095	\$ 913,539	\$ 566,302	\$ 7,661,695	\$ -
Receivables, net of uncollectibles:							
Departmental and other.....	-	-	-	-	-	-	-
Intergovernmental.....	-	266,269	-	-	903,995	-	561,291
Special assessments.....	-	-	-	-	-	2,956	-
<b>TOTAL ASSETS.....</b>	<b>\$ 719,775</b>	<b>\$ 2,057,354</b>	<b>\$ 1,076,095</b>	<b>\$ 913,539</b>	<b>\$ 1,470,297</b>	<b>\$ 7,664,651</b>	<b>\$ 561,291</b>
<b>LIABILITIES</b>							
Warrants payable.....	\$ 2,513	\$ 283,359	\$ 7,764	\$ 275	\$ 9,353	\$ 87,573	\$ -
Accrued payroll.....	1,331	10,296	7,550	-	1,038	17,791	-
Other liabilities.....	-	-	-	-	-	-	-
Unearned revenue.....	-	-	-	-	990,374	-	-
Notes payable.....	-	-	-	-	-	-	-
<b>TOTAL LIABILITIES.....</b>	<b>3,844</b>	<b>293,655</b>	<b>15,314</b>	<b>275</b>	<b>1,000,765</b>	<b>105,364</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable revenue.....	-	-	-	-	-	2,956	561,291
<b>FUND BALANCES</b>							
Nonspendable.....	-	-	-	-	-	-	-
Restricted.....	715,931	1,763,699	1,060,781	913,264	469,532	7,556,331	-
Unassigned.....	-	-	-	-	-	-	-
<b>TOTAL FUND BALANCES.....</b>	<b>715,931</b>	<b>1,763,699</b>	<b>1,060,781</b>	<b>913,264</b>	<b>469,532</b>	<b>7,556,331</b>	<b>-</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....</b>	<b>\$ 719,775</b>	<b>\$ 2,057,354</b>	<b>\$ 1,076,095</b>	<b>\$ 913,539</b>	<b>\$ 1,470,297</b>	<b>\$ 7,664,651</b>	<b>\$ 561,291</b>

(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 Fund	
\$ 112,690	\$ 617,148	\$ 1,612,751	\$ 15,071,080	\$ 474,020	\$ 2,779,791	\$ 3,253,811	\$ 338,607	\$ 18,663,498
-	-	105,235	105,235	-	-	-	-	105,235
-	-	-	1,731,555	-	-	-	-	1,731,555
137,780	-	-	140,736	-	-	-	-	140,736
<u>\$ 250,470</u>	<u>\$ 617,148</u>	<u>\$ 1,717,986</u>	<u>\$ 17,048,606</u>	<u>\$ 474,020</u>	<u>\$ 2,779,791</u>	<u>\$ 3,253,811</u>	<u>\$ 338,607</u>	<u>\$ 20,641,024</u>
\$ -	\$ -	\$ 2,326	\$ 393,163	\$ -	\$ 113,206	\$ 113,206	\$ 116	\$ 506,485
-	-	11,718	49,724	-	-	-	-	49,724
-	-	1,738,145	1,738,145	-	-	-	-	1,738,145
-	-	-	990,374	-	-	-	-	990,374
32,000	-	-	32,000	-	-	-	-	32,000
32,000	-	1,752,189	3,203,406	-	113,206	113,206	116	3,316,728
137,780	-	105,235	807,262	-	-	-	-	807,262
-	-	-	-	-	-	-	27,051	27,051
80,690	617,148	-	13,177,376	474,020	2,666,585	3,140,605	311,440	16,629,421
-	-	(139,438)	(139,438)	-	-	-	-	(139,438)
80,690	617,148	(139,438)	13,037,938	474,020	2,666,585	3,140,605	338,491	16,517,034
<u>\$ 250,470</u>	<u>\$ 617,148</u>	<u>\$ 1,717,986</u>	<u>\$ 17,048,606</u>	<u>\$ 474,020</u>	<u>\$ 2,779,791</u>	<u>\$ 3,253,811</u>	<u>\$ 338,607</u>	<u>\$ 20,641,024</u>

(Concluded)

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

JUNE 30, 2022

	Special Revenue Funds						
	School Lunch	School Gifts and Grants	School Revolving	Town Gifts	Town Grants	Town Revolving	Highway Improvements
<b>REVENUES:</b>							
Penalties and interest on taxes.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fees and rentals.....	-	-	-	-	-	57,725	-
Licenses and permits.....	-	-	-	-	-	326,710	-
Intergovernmental.....	1,389,515	3,790,413	-	-	2,418,757	180,496	792,461
Departmental and other.....	56,960	-	1,344,509	-	-	2,705,662	-
Special assessments.....	-	-	-	-	-	-	-
Contributions and donations.....	-	-	57,766	532,339	4,211	1,500	-
Investment income.....	-	-	-	-	2,207	-	-
<b>TOTAL REVENUES.....</b>	<b>1,446,475</b>	<b>3,790,413</b>	<b>1,402,275</b>	<b>532,339</b>	<b>2,425,175</b>	<b>3,272,093</b>	<b>792,461</b>
<b>EXPENDITURES:</b>							
Current:							
General government.....	-	-	-	375,017	321,960	672,253	-
Public safety.....	-	-	-	-	539,299	71,700	-
Education.....	1,106,862	3,167,315	1,206,877	-	-	-	-
Public works.....	-	-	-	-	852,036	451,758	792,461
Human services.....	-	-	-	9,741	169,501	247,019	-
Culture and recreation.....	-	-	-	14,474	17,663	426,938	-
<b>TOTAL EXPENDITURES.....</b>	<b>1,106,862</b>	<b>3,167,315</b>	<b>1,206,877</b>	<b>399,232</b>	<b>1,900,459</b>	<b>1,869,668</b>	<b>792,461</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>339,613</b>	<b>623,098</b>	<b>195,398</b>	<b>133,107</b>	<b>524,716</b>	<b>1,402,425</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES):</b>							
Premium from issuance of bonds.....	-	-	-	-	-	69,950	-
Proceeds from the sale of capital assets.....	-	-	-	-	-	494,840	-
Transfers out.....	-	-	-	-	(96,832)	(500,132)	-
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(96,832)</b>	<b>64,658</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>339,613</b>	<b>623,098</b>	<b>195,398</b>	<b>133,107</b>	<b>427,884</b>	<b>1,467,083</b>	<b>-</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>376,318</b>	<b>1,140,601</b>	<b>865,383</b>	<b>780,157</b>	<b>41,648</b>	<b>6,089,248</b>	<b>-</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 715,931</b>	<b>\$ 1,763,699</b>	<b>\$ 1,060,781</b>	<b>\$ 913,264</b>	<b>\$ 469,532</b>	<b>\$ 7,556,331</b>	<b>\$ -</b>

(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 Fund	
\$ 10	\$ -	\$ -	\$ 10	\$ -	\$ -	\$ -	\$ -	\$ 10
-	-	-	57,725	-	-	-	-	57,725
-	-	-	326,710	-	-	-	-	326,710
-	-	-	8,571,642	-	-	-	-	8,571,642
-	-	1,016,896	5,124,027	-	-	-	300	5,124,327
14,212	-	-	14,212	-	-	-	-	14,212
-	-	-	595,816	-	-	-	19,031	614,847
-	1,979	-	4,186	-	-	-	187	4,373
<u>14,222</u>	<u>1,979</u>	<u>1,016,896</u>	<u>14,694,328</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,518</u>	<u>14,713,846</u>
-	3,537	-	1,372,767	-	-	-	-	1,372,767
-	-	1,067,996	1,678,995	-	-	-	15,113	1,694,108
-	-	-	5,481,054	-	98,644	98,644	-	5,579,698
-	-	-	2,096,255	-	-	-	-	2,096,255
4,107	-	-	430,368	-	-	-	-	430,368
-	-	-	459,075	-	-	-	21,501	480,576
<u>4,107</u>	<u>3,537</u>	<u>1,067,996</u>	<u>11,518,514</u>	<u>-</u>	<u>98,644</u>	<u>98,644</u>	<u>36,614</u>	<u>11,653,772</u>
<u>10,115</u>	<u>(1,558)</u>	<u>(51,100)</u>	<u>3,175,814</u>	<u>-</u>	<u>(98,644)</u>	<u>(98,644)</u>	<u>(17,096)</u>	<u>3,060,074</u>
-	-	-	69,950	-	-	-	-	69,950
-	-	-	494,840	-	-	-	-	494,840
(10,962)	-	-	(607,926)	-	-	-	-	(607,926)
<u>(10,962)</u>	<u>-</u>	<u>-</u>	<u>(43,136)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(43,136)</u>
(847)	(1,558)	(51,100)	3,132,678	-	(98,644)	(98,644)	(17,096)	3,016,938
<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>\$ 80,690</u>	<u>\$ 617,148</u>	<u>\$ (139,438)</u>	<u>\$ 13,037,938</u>	<u>\$ 474,020</u>	<u>\$ 2,666,585</u>	<u>\$ 3,140,605</u>	<u>\$ 338,491</u>	<u>\$ 16,517,034</u>

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# 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.



The \$5M green sand filter facility for well 17A was completed and will bring the high performing well back into use.

# ***Statistical Section***

# ***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**

	2013	2014 (1)	2015	2016	2017 (2)	2018	2019	2020 (3)	2021	2022
<b>Governmental activities</b>										
Net investment in capital assets.....	\$ 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	\$ 124,042,046
Restricted.....	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	10,375,880
Unrestricted.....	(2,073,085)	(37,686,872)	(39,543,990)	(41,330,572)	(94,512,877)	(95,111,346)	(97,350,067)	(109,252,780)	(110,813,713)	(104,316,175)
<b>Total governmental activities net position.....</b>	<b>\$ 63,308,767</b>	<b>\$ 30,436,038</b>	<b>\$ 33,431,886</b>	<b>\$ 44,206,189</b>	<b>\$ 13,355,304</b>	<b>\$ 21,185,790</b>	<b>\$ 22,789,055</b>	<b>\$ 13,198,107</b>	<b>\$ 16,898,059</b>	<b>\$ 30,101,751</b>
<b>Business-type activities</b>										
Net investment in capital assets.....	\$ 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	\$ 47,678,454
Unrestricted.....	13,527,535	15,231,833	15,476,554	12,603,082	8,026,012	7,816,611	8,443,495	7,890,691	11,088,337	11,592,763
<b>Total business-type activities net position.....</b>	<b>\$ 41,052,270</b>	<b>\$ 44,180,413</b>	<b>\$ 45,644,765</b>	<b>\$ 46,396,154</b>	<b>\$ 45,139,880</b>	<b>\$ 45,436,849</b>	<b>\$ 47,618,467</b>	<b>\$ 48,832,350</b>	<b>\$ 56,269,606</b>	<b>\$ 59,271,217</b>
<b>Primary government</b>										
Net investment in capital assets.....	\$ 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	\$ 171,720,500
Restricted.....	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	10,375,880
Unrestricted.....	11,454,450	(22,455,039)	(24,067,436)	(28,727,490)	(86,486,865)	(87,294,735)	(88,906,572)	(101,362,089)	(99,725,376)	(92,723,412)
<b>Total primary government net position.....</b>	<b>\$ 104,361,037</b>	<b>\$ 74,616,451</b>	<b>\$ 79,076,651</b>	<b>\$ 90,602,343</b>	<b>\$ 58,495,184</b>	<b>\$ 66,622,639</b>	<b>\$ 70,407,522</b>	<b>\$ 62,030,457</b>	<b>\$ 73,167,665</b>	<b>\$ 89,372,968</b>

(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



**Fund Balances, Governmental Funds**

**Last Ten Years**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020 (1)</u>	<u>2021</u>	<u>2022</u>
General Fund										
Restricted.....	\$ 454,518	\$ 530,298	\$ 5,649,548	\$ 501,782	\$ 510,884	\$ 510,884	\$ 456,219	\$ 450,184	\$ 516,622	\$ 808,246
Committed.....	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	8,044,347
Assigned.....	1,308,703	1,025,883	1,662,421	949,163	1,360,521	912,493	595,925	958,348	617,081	992,943
Unassigned.....	<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>	<u>12,263,349</u>
Total general fund.....	<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>	<u>\$ 22,108,885</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.....	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	22,777,112
Unassigned.....	<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>	<u>(235,334)</u>
Total all other governmental funds.	<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>	<u>\$ 22,568,829</u>

(1) 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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 (1)
<b>Revenues:</b>										
Real estate and personal property taxes, net of tax refunds.....	\$ 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	\$ 71,960,076
Tax liens.....	-	-	415,491	472,610	488,116	314,720	308,466	270,720	385,598	398,539
Motor vehicle and other excise taxes.....	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	3,571,560
Hotel/motel tax.....	-	-	-	-	-	-	-	104,145	135,953	180,519
Meals tax.....	-	-	-	-	-	261,318	264,699	265,281	257,378	355,022
Penalties and interest.....	351,965	403,063	422,000	451,408	483,632	436,937	335,999	311,089	422,789	448,913
Fees.....	1,338,592	419,408	504,848	547,967	526,908	353,502	479,535	539,478	601,573	601,402
Licenses and permits.....	880,443	812,414	812,387	932,531	937,395	982,280	1,058,858	1,457,425	1,888,514	1,672,865
Fines and forfeitures.....	95,779	99,660	68,513	76,842	100,863	44,011	40,619	57,496	92,772	50,654
Intergovernmental.....	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	24,538,533
Departmental and other.....	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	6,687,447
Community Preservation taxes.....	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	1,833,822
Contributions and donations.....	197,296	170,014	696,070	540,353	423,760	458,024	1,182,551	684,841	387,315	628,028
Investment income.....	76,516	110,983	186,336	611,498	542,053	526,030	810,987	559,717	186,912	151,877
<b>Total Revenues.....</b>	<b>75,592,664</b>	<b>80,276,828</b>	<b>81,621,542</b>	<b>96,060,292</b>	<b>113,378,449</b>	<b>100,561,149</b>	<b>99,896,666</b>	<b>106,422,507</b>	<b>113,931,945</b>	<b>113,079,257</b>
<b>Expenditures:</b>										
General government.....	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	4,985,724
Public safety.....	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	11,141,985
Education.....	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	46,011,396
Public works.....	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	4,622,617
Human services.....	618,433	712,977	800,743	836,664	892,884	943,859	992,888	2,630,212	1,048,785	1,106,258
Culture and recreation.....	1,494,656	1,533,887	1,535,932	1,711,110	1,413,092	966,689	1,557,245	178,713	1,521,034	1,696,806
Community preservation.....	2,480	721,633	126,257	81,681	130,627	523,953	601,566	1,996,390	14,533	26,186
Pension benefits.....	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	12,053,814
Employee benefits.....	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	7,211,515
State and county charges.....	445,762	476,139	499,806	561,038	690,039	698,143	746,604	652,629	648,239	660,370
Capital outlay.....	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	10,381,079
Debt service:										
Principal.....	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	5,345,452
Interest.....	488,798	584,080	533,531	2,835,437	3,285,814	3,237,379	3,139,312	3,028,668	2,930,600	3,403,514
Principal - leases.....	-	-	-	-	-	-	-	-	-	1,041,960
Interest - leases.....	-	-	-	-	-	-	-	-	-	41,340
<b>Total Expenditures.....</b>	<b>74,383,098</b>	<b>80,352,242</b>	<b>82,820,073</b>	<b>113,960,223</b>	<b>159,339,507</b>	<b>106,873,230</b>	<b>100,585,721</b>	<b>118,417,132</b>	<b>117,144,030</b>	<b>109,730,016</b>
Excess (deficiency) of revenues over (under) expenditures.....	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)	3,349,241
<b>Other Financing Sources (Uses):</b>										
Issuance from bonds and notes.....	3,403,000	-	68,258,000	-	3,500,000	500,000	6,133,000	10,719,567	2,803,055	2,165,500
Issuance from refunding bonds.....	-	-	4,205,000	529,100	-	-	-	-	1,214,100	-
Premium from issuance of bonds and notes.....	-	-	5,300,269	-	34,648	202,153	590,268	58,857	2,247,698	150,687
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	-	-	1,048,080
Transfers in.....	234,649	1,103,283	1,438,009	6,741,065	645,070	942,636	1,017,610	1,429,012	1,786,191	571,938
Transfers out.....	(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)	(607,926)
<b>Total other financing sources (uses).....</b>	<b>2,656,006</b>	<b>(528,571)</b>	<b>72,753,594</b>	<b>328,441</b>	<b>2,873,877</b>	<b>217,750</b>	<b>7,234,371</b>	<b>11,043,914</b>	<b>4,967,718</b>	<b>3,328,279</b>
<b>Net change in fund balance.....</b>	<b>\$ 3,865,572</b>	<b>\$ (603,985)</b>	<b>\$ 71,555,063</b>	<b>\$ (17,571,490)</b>	<b>\$ (43,087,181)</b>	<b>\$ (6,094,331)</b>	<b>\$ 6,545,316</b>	<b>\$ (950,711)</b>	<b>\$ 1,755,633</b>	<b>\$ 6,677,520</b>
Debt service as a percentage of noncapital expenditures.....	2.69%	3.18%	2.88%	8.82%	8.70%	8.32%	7.90%	7.53%	7.26%	9.90%

Notes:

Prior to 2015, the Town reported tax liens with real estate and personal property taxes, net of tax refunds.  
 (1) Reflects the implementation of GASB 87

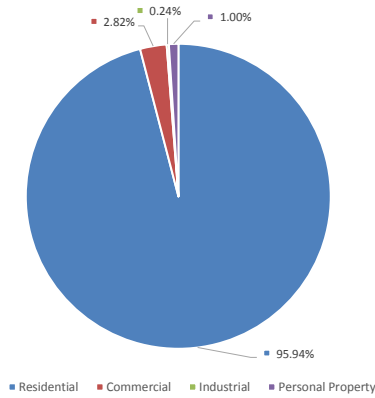


**Assessed Value and Actual Value of Taxable Property by Classification and Tax Rates**

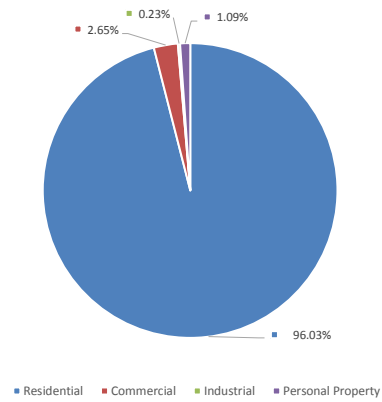
**Last Ten Years**

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
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
2022	\$ 5,498,185,864	\$ 12.62	\$ 151,800,156	\$ 13,187,000	\$ 62,396,440	\$ 227,383,596	\$ 12.62	3.97%	\$ 12.62	\$ 5,725,569,460

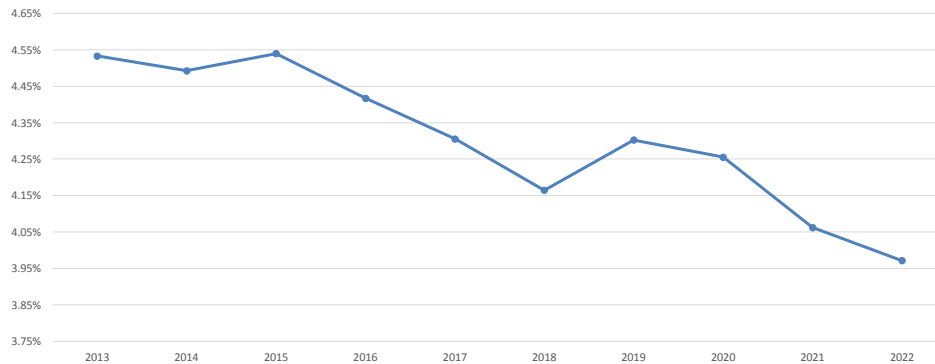
Total Assessed Value by Classification  
Year Ended June 30, 2021



Total Assessed Value by Classification  
Year Ended June 30, 2022



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	2022			2013*		
		Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value	Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value
Eversource	Utility	\$ 22,786,230	1	0.44%	\$ 8,947,930	1	0.24%
Toll MA Lans III LP	Housing	18,173,420	2	0.35%			
Massachusetts Electric Company	Utility	10,980,500	3	0.21%			
Abbott P M/Chamberlain Management	Real Estate	10,560,400	4	0.21%	7,921,400	4	0.21%
Kent Village Associates	Housing	7,801,800	5	0.15%	5,778,800	5	0.15%
Greenbush Station, LLC	Housing	5,197,000	6	0.10%			
Comcast of Massachusetts	Utility	4,910,960	7	0.10%			
Scituate Solar, LLC	Real Estate	4,879,400	8	0.09%			
South Shore Real Estate	Real Estate	4,337,200	9	0.08%			
Hatherly Country Club	Country Club	4,236,980	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%
<b>Totals</b>		<b>\$ 93,863,890</b>		<b>1.82%</b>	<b>\$ 57,605,450</b>		<b>1.52%</b>

\*Information for 2013 was not available.  
Source: Official Statements, Town of Scituate

**Property Tax Levies and Collections**

**Last Ten Years**

<b>Year</b>	<b>Total Tax Levy</b>	<b>Less Abatements &amp; Exemptions</b>	<b>Net Tax Levy</b>	<b>Net as % of Total</b>	<b>First Year Current Tax Collections</b>	<b>Percent of Net Levy Collected</b>	<b>Delinquent Tax Collections</b>	<b>Total Tax Collections</b>	<b>Percent of Total Tax Collections to Net Tax Levy</b>
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%	\$ 383,363	\$ 68,287,261	99.92%
2022	\$ 72,256,687	\$ 276,609	\$ 71,980,078	99.62%	\$ 71,274,795	99.02%	\$ -	\$ 71,274,795	99.02%

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	Lease Obligations	General Obligation Bonds (1)	Direct Borrowings and Capital Financing	Lease Obligations				
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
2022	\$ 77,199,996	\$ 3,289,262	\$ -	\$ 38,774,961	\$ 11,633,604	\$ -	\$ 130,897,823	9.46%	19,011	\$ 6,885

(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**

<b>Year</b>	<b>General Obligation Bonds (1)</b>	<b>Less: Amounts Available in Debt Service Fund</b>	<b>Total</b>	<b>Percentage of Estimated Actual Taxable Value of Property (2)</b>	<b>Per Capita (3)</b>
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
2022	\$ 115,974,957	\$ -	\$ 115,974,957	2.03%	\$ 6,100

(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, 2022**

<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.....	\$ 550,000	5.74%	\$ 31,570	\$ 99,791
Massachusetts Bay Transportation Authority.....	5,349,346	0.076%	4,066	-
South Shore Regional Vocational Technical School District (SSRSD).....	-	7.58%	<u>-</u>	552,944
Estimated share of overlapping debt.....			35,636	
Town direct debt.....			<u>80,489,258</u>	
Total direct and overlapping debt.....			<u>\$ 80,524,894</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**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Equalized Valuation.....	\$ 4,137,906,200	\$ 4,103,767,600	\$ 4,103,767,600	\$ 4,433,619,600	\$ 4,433,619,600	\$ 4,819,519,000	\$ 4,819,519,000	\$ 5,194,149,500	\$ 5,194,149,500	\$ 5,952,520,200
Debt Limit - 5% of Equalized Valuation.....	\$ 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	\$ 297,626,010
Less:										
Outstanding debt applicable to limit.....	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	49,136,839
Authorized and unissued debt.....	6,072,096	11,247,288	71,060,704	44,925,917	31,849,339	33,569,914	47,372,958	51,957,347	33,339,942	98,072,654
Legal debt margin.....	\$ 149,947,293	\$ 159,255,461	\$ 81,851,457	\$ 129,477,485	\$ 143,826,518	\$ 165,551,281	\$ 149,894,605	\$ 168,267,673	\$ 171,956,341	\$ 150,416,517
Total debt applicable to the limit as a percentage of the limit.....	27.53%	22.39%	60.11%	41.59%	35.12%	31.30%	37.80%	35.21%	33.79%	49.46%

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
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%
2022	19,011	\$ 1,384,228,932	\$ 72,812	52	2,822	2.60%

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**

<b>Employer</b>	<b>Nature of Business</b>	<b>2022</b>			<b>2013</b>		
		<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total Town Employment</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total Town Employment</b>
Town of Scituate	Municipal Government	1,196	1	12.26%	1,233	1	12.85%
Life Care Center	Nursing Home	185	2	1.90%	185	2	1.93%
Total		<u>1,381</u>		<u>14.16%</u>	<u>1,418</u>		<u>14.78%</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>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>	<u>2022</u>
Function										
General government.....	28	30	31	32	34	36	36	36	37	37
Police.....	33	33	34	35	35	35	35	35	35	35
Fire.....	53	53	53	55	55	55	55	55	55	55
Education.....	379	396	466	455	450	447	484	511	497	498
Water.....	12	12	13	14	14	14	15	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	23	27	27	27	28	28	28	28	29
Human services.....	8	8	9	10	10	10	10	10	10	11
Culture and recreation.....	22	22	22	22	22	22	22	22	22	22
Total.....	<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>	<u>714</u>

Source: Town personnel records and various Town departments.

## Operating Indicators by Function/Program

### Last Ten Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>General Government</b>										
Population.....	18,648	18,847	18,847	18,535	18,515	18,760	18,495	18,746	18,865	19,011
Registered voters, annual town election.....	13,941	13,961	14,170	14,117	14,629	14,517	14,623	14,985	15,498	15,659
<b>Town Clerk</b>										
Births.....	161	152	172	118	193	168	107	107	175	173
Marriages.....	78	70	56	63	72	69	31	29	60	69
Deaths.....	167	174	207	130	205	197	121	139	213	184
<b>Police</b>										
MV Accidents investigated by an officer.....	232	252	287	266	259	220	226	208	257	219
Citations issued.....	808	904	199	182	266	69	246	155	143	256
Arrests.....	290	314	241	248	265	197	292	289	118	143
Total Incidents.....	16,480	17,850	16,074	20,548	21,337	22,735	24,565	27,598	22,999	23,636
<b>Fire</b>										
Permits/certificate issued.....	1,289	1,228	1,270	1,080	958	888	1,264	1,285	1,063	1,366
False alarm.....	342	325	346	448	336	315	344	374	382	428
Fires.....	82	88	79	66	81	75	94	92	105	73
Rescue/EMS incidents.....	1,981	1,925	1,880	1,841	1,896	1,996	1,948	1,811	1,825	2,073
Total Incidents.....	3,256	2,963	3,017	3,140	3,075	3,564	3,192	3,181	2,974	3,549
<b>Building Department</b>										
Building permits issued.....	869	822	926	947	920	812	960	833	1,279	1,155
Gas & Plumbing permits issued.....	1,098	1,046	892	884	821	843	915	984	1,223	1,199
Electrical permits issued.....	814	844	648	762	669	726	462	522	984	1,024
<b>Education</b>										
Public school enrollment.....	3,286	3,122	3,097	3,094	3,005	2,988	3,005	2,994	2,851	2,822
High school graduates.....	206	185	205	215	236	227	209	229	252	255
<b>Public Works</b>										
<b>Water</b>										
Service connections.....	7,636	7,659	7,721	7,728	7,753	7,644	7,892	7,952	8,030	8,109
Consumption in millions of gallons.....	545	552	452	455	458	444	514	576	537	506
Daily consumption in millions of gallons.....	1.49	1.51	1.24	1.25	1.35	1.34	1.40	1.46	1.37	1.25
<b>Highway</b>										
Miles of public road.....	101	101	103	103	103	103	103	103	103	110
<b>Human Services</b>										
<b>Board of Health</b>										
Inspections.....	549	590	577	724	877	980	566	425	421	375
Sewage Permits.....	85	69	91	228	195	187	126	95	109	186
<b>Council on Aging</b>										
Total Rides.....	6,845	6,542	6,976	6,839	6,731	7,195	6,481	6,045	6,020	3,566
<b>Library</b>										
Circulation.....	250,194	236,357	243,490	219,942	216,767	252,705	290,582	208,173	242,991	299,708
Visitors.....	138,640	140,109	155,000	n/a	88,610	200,000	120,205	92,778	48,988	97,733
Volunteer hours of service.....	1,178	770	570	281	350	2,850	8,986	7,000	5,500	5,700

Source: Various Town Departments & annual reports

**Capital Asset Statistics by Function/Program**

**Last Ten Years**

<u>Function/Program</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>	<u>2022</u>
General Government										
Number of buildings.....	1	1	1	1	1	1	1	1	1	1
Police *										
Number of stations.....	1	1	1	1	1	-	-	-	-	-
Fire *										
Number of stations.....	3	3	3	3	3	2	2	2	2	2
Public Safety Complex & Emergency Ops Center.....	-	-	-	-	-	1	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	3	4
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 Building.....	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.



Work continues to resolve multiple FEMA disaster claims from Storm Sandy (2012), Storm Nemo (2013), Storm Juno (2015) and Storm Riley (2018). The revetment at Third Cliff was damaged in all four disasters and the lengthy permitting process has been ongoing for several years. Borings at various areas of the revetment were completed as part of that process.

A contract was awarded for repair of the Storm Riley damage to an outfall pipe (PW366).