

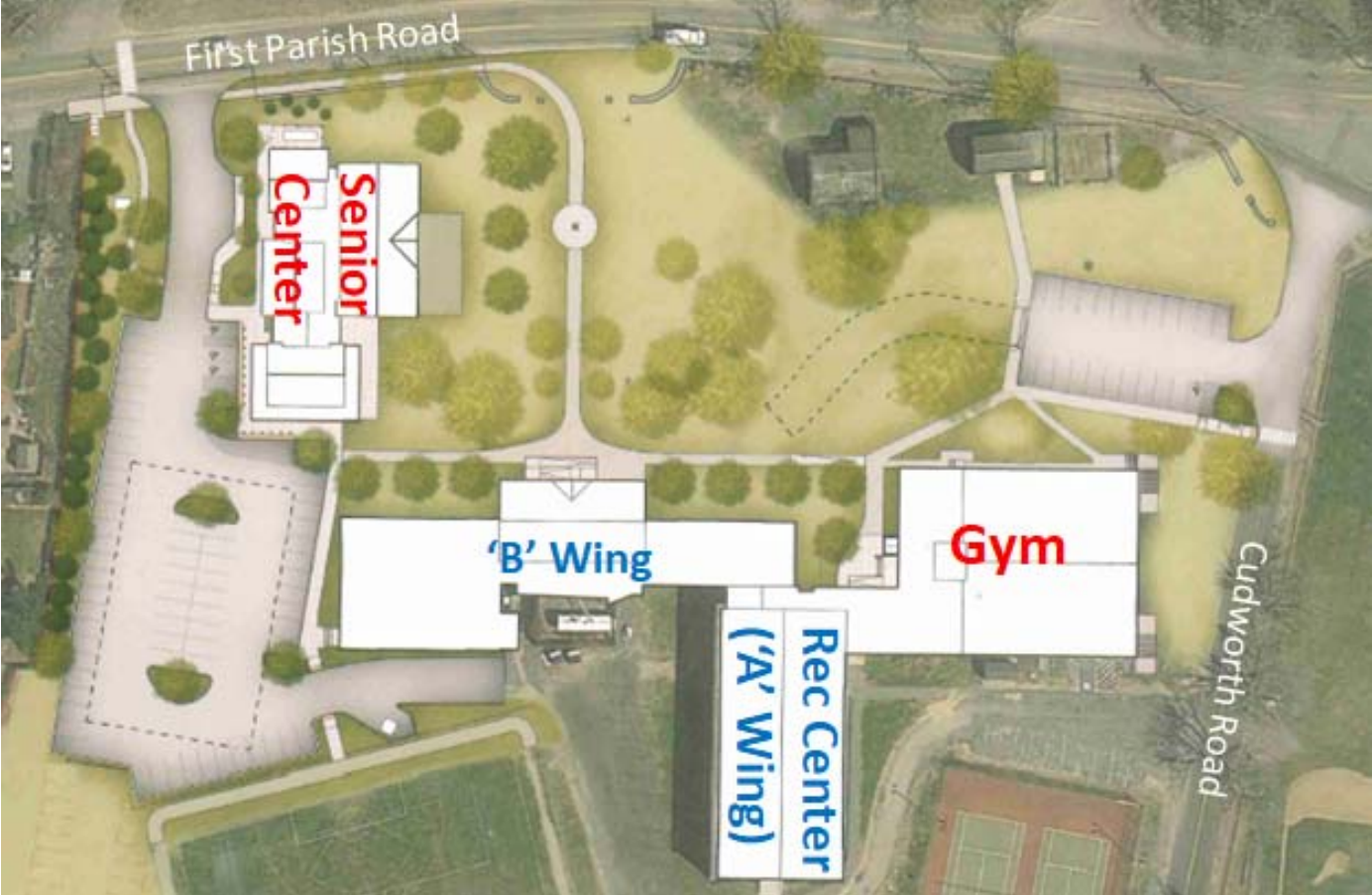
TOWN OF SCITUATE, MASSACHUSETTS

COMPREHENSIVE ANNUAL FINANCIAL REPORT



**For the year ended
June 30, 2019**

On the cover: A rendering of the new senior center to be constructed on the campus of the old Gates Intermediate School presented to voters at the May 2019 special town meeting. The new senior center with accessibility improvements to the Veterans Memorial Gym on the site were approved in the amount of \$12.4M.



Old Gates Intermediate School Campus

Section C of the old Gates Intermediate School will be demolished and the new senior center will be built in its place as depicted in the architect's proposed rendering. Other than the improvements to the Veterans Memorial Gym, the remaining portions of the school are not part of the \$12.4M project.

*The Town of
Scituate, Massachusetts*



**Comprehensive
Annual Financial Report**

**For the Year Ended
June 30, 2019**

Prepared by the Finance Department

TOWN OF SCITUATE, MASSACHUSETTS
COMPREHENSIVE ANNUAL FINANCIAL REPORT

JUNE 30, 2019

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Introductory Section



Egypt Beach

Egypt Beach was enhanced with a new boardwalk funded through Community Preservation funds and a new parking lot funded through the Beach Revolving Fund which is supported with receipts from the sale of beach stickers.

Introductory Section

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Letter of Transmittal

December 19, 2019

To the Honorable Board of Selectmen 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 Comprehensive Annual Financial Report (CAFR) of the Town of Scituate, Massachusetts, for the year ending June 30, 2019, for your review.

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

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, 2019, 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, 2019, 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 Board of Selectmen who appoint a professional Town Administrator and Finance Director to manage day-to-day and financial matters. The annual town census for 2019 lists the town's population as 18,495.

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

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

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

Budgetary Controls

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

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

The school budget is limited to the total amount appropriated by town meeting, but the School Committee retains full power to allocate the appropriated funds.

Factors Affecting Economic Condition

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

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

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

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

The Town continues to manage its financial affairs in a prudent manner. Standard & Poor's confirmed the Town's bond rating to AA+ with a stable outlook which is reflective of management's incorporation of long range planning tools such as a five year rolling capital plan; building of reserve balances including multiple special purpose stabilization funds for future capital needs; addressing long term liabilities, such as OPEB, within its financial policies; investing in technology to ensure efficient operations; and maintaining an aggressive debt management strategy for capital improvements and pursuing pay-as-you-go options whenever possible. The Town is consistently successful at attaining federal, state and local grants for operational services, new initiatives as well as capital improvements including the Massachusetts School Building Authority, Massachusetts Board of Library Commissioners, Commonwealth's Clean Water Trust, Executive of Energy & Environmental Affairs, Commonwealth's Seawall & Dam Repair Fund, Commonwealth's Coastal Zone Management, Federal Emergency Management Agency, 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 these services. All related debt is funded through user fees. By doing so the Town is able to provide the maximum tax dollars available to all other services.

Major Initiatives

The Board of Selectmen 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 Veterans Memorial Gym on the site of the old middle school was approved.

In FY 2014, the Town approved a \$22M water infrastructure project to replace approximately 21 miles of cast iron pipe. The ninth and final construction contract of that project is expected to be completed in 2019. The Town continues to invest heavily into its water infrastructure including an aggressive pipe replacement and flushing program to improve water quality. It is seeking additional water sources and conducting an extensive study of the system currently to direct future investment and improvement to the public water system.

The Town is participating 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.

As a coastal community, the Town has dedicated significant resources to foreshore protection by supporting over \$22M 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 three 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 Town recognizes the complexity of foreshore protection and has successfully applied for several grants to study sea level rise, explore coastal resiliency options and priorities, elevate severe repetitive loss homes and utilities, obtain design and permitting funding for beach nourishment projects and study managed retreat. The Town has a dedicated full-time employee for the last six years focused on coastal resources that works with residents, government agencies and other Town departments on how to manage the Town's unique geographic challenges. The bulk of these endeavors are funded through local, state and federal grant programs.

The Town dedicates operational budget and capital funds to roadway improvements. This includes creating trails with Community Preservation funding with matching funds from the state, coordinating sewer and water projects so as not to waste resources on paving the same area repeatedly and utilizing Massachusetts Department of Transportation Chapter 90 funds for major repairs and drainage improvements to roads throughout Town. The Town's Fire Department is also consistently successful in obtaining state and federal grants for equipment such as stretchers, dewatering pumps and emergency medical supplies as well as construction funds for improvements to existing facilities.

Reserves

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

The Other Post Employment Liability Trust was established in 2011 and is funded at 2% of the annual pension assessment pursuant to the Town's financial policies. The Town created a Capital Stabilization Fund in 2012 to complement the Town's five year capital plan to address future capital needs and associated debt burden. This fund is a valuable tool for setting aside funds over several years to address costly projects identified on the five year rolling capital plan. In 2013, the Town approved an Economic Development Stabilization Fund to support initiatives to develop and foster commercial growth. The Town has created capital stabilization funds for all of its five enterprise funds over the last few years as a planning tool for future capital projects related to that infrastructure. Annually, the Town approves the transfer of excess levy capacity to the Stabilization Fund and allocates additional funds to its reserves as available. In the last five years, \$1.35M has been added to the fund by this method.

Internal Controls

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

Financial Management

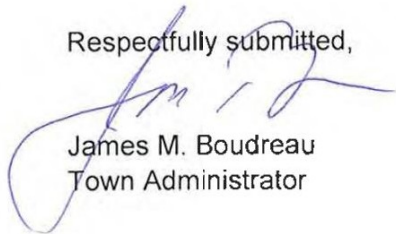
The Town adopted comprehensive financial policies in 2012 to address and document prudent strategies for the Town of Scituate to ensure stability during periods of economic downturn and that allocations to reserves are made to secure against future obligations. These policies provide an adequate level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

Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its CAFR for the year ended June 30, 2018. This was the fifth year that the Town submitted a CAFR to the GFOA. In order to receive this prestigious award, a government had to publish an easily readable and efficiently organized CAFR 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 CAFR 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 Board of Selectmen, 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

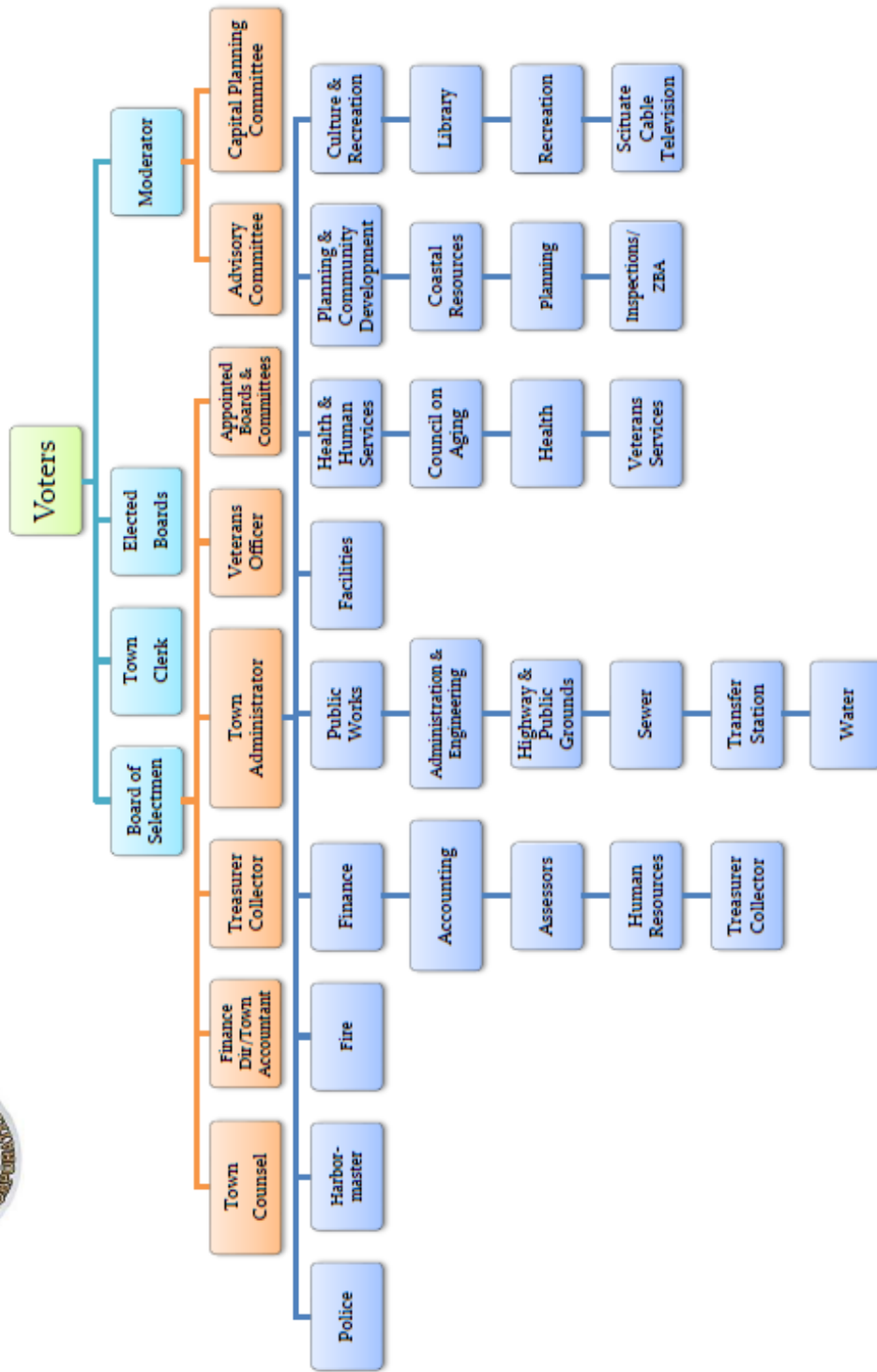
Town of Scituate, Massachusetts

Principal Executive Officers

<u>Elected Officials</u>		<u>Term Expires</u>
Board of Selectmen	Anthony V. Vegnani, Chair	2020
	Maura C. Curran	2021
	Karen B. Canfield	2022
	Shawn Harris	2020
	Karen E. Connolly	2021
Moderator	James Toomey	2020
Town Clerk	Kathleen A. Gardner	2021
School Committee	Janice Lindblom, Chair	2020
	Peter Gates	2020
	Nicole Brandolini	2022
	Michael Hayes	2022
	Michael Thomas Long	2021
 <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	W. Michael Stewart	
Director of Public Works	Kevin Cafferty	



Town of Scituate





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Town of Scituate
Massachusetts**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill

Executive Director/CEO

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Financial Section



Scituate Dog Park

The Scituate Dog Park was a community project made possible through design and construction grants from the Stanton Foundation and local funding from Community Preservation funds. The park was due to open in September 2019.

Financial Section

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Independent Auditor's Report

To the Honorable Board of Selectmen
Town of Scituate, Massachusetts

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Scituate, Massachusetts, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Town of Scituate, Massachusetts' basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Scituate, Massachusetts, as of June 30, 2019, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2019, on our consideration of the Town of Scituate, Massachusetts' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Scituate, Massachusetts' internal control over financial reporting and compliance.



December 19, 2019

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, 2019. 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 fund balance

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

The Town 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, private purpose trust funds, and agency funds.

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

Government-wide Financial Analysis

As noted earlier, 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 \$70.4 million at the close of 2019, which was an improvement in overall financial position of \$3.8 million from the prior year.

Net position of \$146.3 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, \$13.0 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 \$88.9 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 \$22.8 million at the close of 2019.

Governmental net position of \$107.2 million reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, vehicles and infrastructure), less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets

are not available for future spending. Although the investment in its capital assets is reported net of its related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the net position, \$13.0 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 \$97.4 million. The deficit is the result of the Town recording its net pension liability of \$43.6 million along with the net other postemployment benefits (OPEB) liability of \$101.3 million. These are long term unfunded liabilities that will not require significant short-term resources. Unrestricted net position decreased by \$2.3 million. This was mainly due to an increase in the Town's pension and OPEB liabilities.

Condensed financial data for 2019 and 2018 is presented below.

Governmental Activities

	2019	2018
Assets:		
Current assets.....	\$ 44,487,387	\$ 42,162,549
Capital assets, nondepreciable.....	21,838,018	26,527,744
Capital assets, net of accumulated depreciation....	161,891,749	156,710,761
Total assets.....	228,217,154	225,401,054
Deferred outflows of resources.....	26,603,419	1,197,707
Liabilities:		
Current liabilities (excluding debt).....	5,006,254	3,197,777
Noncurrent liabilities (excluding debt).....	145,392,904	115,712,774
Current debt.....	6,426,547	11,829,708
Noncurrent debt.....	74,249,847	72,366,482
Total liabilities.....	231,075,552	203,106,741
Deferred inflows of resources.....	955,966	2,306,230
Net position:		
Net investment in capital assets.....	107,165,990	104,186,614
Restricted.....	12,973,132	12,110,522
Unrestricted.....	(97,350,067)	(95,111,346)
Total net position.....	\$ 22,789,055	\$ 21,185,790

Noncurrent liabilities increased \$29.7 million due to the net pension and net OPEB liabilities.

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

	2019	2018
Program Revenues:		
Charges for services.....	\$ 7,194,342	\$ 7,279,047
Operating grants and contributions.....	18,840,563	19,742,143
Capital grants and contributions.....	1,256,738	3,745,605
General Revenues:		
Real estate and personal property taxes, net of tax refunds payable.....	63,359,219	61,559,025
Tax and other liens.....	413,131	301,443
Motor vehicle and other excise taxes.....	3,332,087	3,238,418
Meals tax.....	264,699	261,318
Community preservation tax.....	1,548,124	1,488,590
Penalties and interest on taxes.....	335,999	408,710
Payments in lieu of taxes.....	18,914	16,798
Grants and contributions not restricted to specific programs.....	2,346,541	2,419,774
Unrestricted investment income.....	810,987	526,030
Gain on sale of capital assets.....	161,792	206,432
Miscellaneous.....	342,682	324,069
Total revenues.....	100,225,818	101,517,402
Expenses:		
General government.....	5,643,145	5,102,073
Public safety.....	14,130,874	12,781,950
Education.....	62,671,600	60,735,080
Public works.....	8,123,398	7,639,021
Human services.....	1,335,260	1,223,498
Culture and recreation.....	2,695,966	2,341,145
Community preservation.....	554,272	669,199
Interest.....	2,669,249	2,504,115
Total expenses.....	97,823,764	92,996,081
Excess before transfers.....	2,402,054	8,521,321
Transfers.....	(798,789)	(690,835)
Change in net position.....	1,603,265	7,830,486
Net position, beginning of year.....	21,185,790	13,355,304
Net position, end of year.....	\$ 22,789,055	\$ 21,185,790

Operating grant revenue decreased \$902,000 due to less state and federal funding for the seawall project which was mainly completed in the prior year.

Capital grant revenue decreased \$2.5 million. This was due to the Town receiving reimbursements from the Massachusetts School Building Authority (MSBA) for the middle school construction project in 2018. The Town will receive the final reimbursement once the MSBA has completed their project audit. There was also a decrease in donations received related to the library construction project.

Expenses increased \$4.8 million from the prior year. Of this increase, \$3.1 million related to pension and OPEB and \$1.8 million related to depreciation expense due to the Town's recent depreciable capital additions.

Business-type Activities

	2019	2018
Assets:		
Current assets.....	\$ 13,183,249	\$ 13,059,062
Noncurrent assets (excluding capital).....	6,086,489	6,883,186
Capital assets, nondepreciable.....	4,148,158	3,675,000
Capital assets, net of accumulated depreciation....	70,360,284	69,856,523
Total assets.....	93,778,180	93,473,771
Deferred outflows of resources.....	1,775,280	132,621
Liabilities:		
Current liabilities (excluding debt).....	1,462,944	940,067
Noncurrent liabilities (excluding debt).....	8,602,375	7,106,816
Current debt.....	10,462,074	11,951,575
Noncurrent debt.....	27,276,872	27,940,505
Total liabilities.....	47,804,265	47,938,963
Deferred inflows of resources.....	130,728	230,580
Net position:		
Net investment in capital assets.....	39,174,972	37,620,238
Unrestricted.....	8,443,495	7,816,611
Total net position.....	\$ 47,618,467	\$ 45,436,849

At the end of the current year, the Town reports \$47.6 million in net position for its combined business-type activities. Of this balance, \$39.2 million reflects the Town's investment in capital assets of the enterprise funds less debt outstanding related to the construction of those assets.

Noncurrent liabilities increased by \$1.5 million due to the net pension and net OPEB liabilities.

	2019	2018
Program Revenues:		
Charges for services..... \$	11,832,083	\$ 9,180,298
Operating grants and contributions.....	-	69,760
General Revenues:		
Motor vehicle and other excise taxes.....	43,108	40,378
Unrestricted investment income.....	170,296	116,654
Total revenues.....	12,045,487	9,407,090
Expenses:		
Water.....	4,360,612	3,810,808
Sewer.....	2,912,077	2,883,573
Transfer Station.....	1,314,007	1,234,424
Widow's Walk golf course.....	1,113,660	1,034,992
Waterways.....	962,302	855,452
Total expenses.....	10,662,658	9,819,249
Excess (Deficiency) before transfers.....	1,382,829	(412,159)
Transfers.....	798,789	690,835
Change in net position.....	2,181,618	278,676
Net position, beginning of year.....	45,436,849	45,139,880
Net position, end of year..... \$	47,618,467	\$ 45,418,556

There was a net increase of \$2.2 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:

	2019	2018	Change
Net Position:			
Water..... \$	11,495,861	\$ 10,618,873	\$ 876,988
Sewer.....	29,661,601	28,842,439	819,162
Transfer Station.....	194,335	114,839	79,496
Widow's Walk golf course....	1,176,718	1,098,725	77,993
Waterways.....	5,089,952	4,761,973	327,979
Total Net Position..... \$	47,618,467	\$ 45,436,849	\$ 2,181,618

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 \$877,000 compared to a \$108,000 decrease in fiscal year 2018. The increase is a result of the water rates increasing offset with an increase in net pension and OPEB expenses.

The sewer enterprise fund reported an increase in net position of \$819,000 compared to a \$52,000 decrease in fiscal year 2018. Revenues increased from the prior year mainly due to additional connection fees related to new development.

The transfer station fund reported an increase of \$79,000 in net position. The Town had a slight increase in operating revenue due to an increase in the construction and demolition bulky waste rate.

The Widow's Walk golf course fund reported a \$78,000 increase in net position compared to an increase of \$48,000 in fiscal year 2018. Although there was an increase in revenue from the prior year, the golf course is just recovering to pre-drought level of revenues.

The waterways enterprise fund reported a \$328,000 increase in net position compared to an increase of \$376,000 in fiscal year 2018. The increase is primarily attributable to an increase in revenue which was offset by an increase in operating 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 \$37 million, which is comprised of \$12.9 million in the general fund, \$10.7 million in the community preservation fund, \$1.8 million in Town capital projects, and \$11.6 million in the nonmajor governmental funds. Cumulatively there was an increase of \$6.5 million in fund balances from the prior year, which is primarily due to the activities of the Town's capital project funds.

The *general fund* is the chief operating fund. At the end of the current year, unassigned fund balance of the general fund was \$7.7 million, restricted fund balance was \$456,000, committed fund balance was \$4.2 million, and assigned fund balance was \$596,000 while total fund balance was \$12.9 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 8.6% of total general fund budgetary expenditures, while total fund balance represents 14.4% of that same amount.

The fund balance of the general fund decreased by \$426,000. This decrease 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. There was an additional increase of \$1.3 million due to the activity of the Stabilization Fund. The Town budgeted to transfer funds from the general fund budget to increase the Stabilization Funds. This has the effect of increasing fund balance, since funds are budgeted and not expended. The Stabilization Funds and Workers' Compensation Fund reported year end balances of approximately \$4.5 million and \$429,000, 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 \$10.7 million. These funds are attributable to the Town's acceptance of the Community Preservation Act, which allows the Town to impose a surcharge on property taxes and to receive matching state funds for specified uses related to the acquisition, creation, preservation and support of open space, historic resources, land for recreational use and community housing. The Community Preservation fund increased by \$931,000 in 2019. The change in fund balance is entirely dependent on the timing of the planned use of accumulated revenues for the projects authorized.

The *Town Capital Projects Fund* had a year-end fund balance of \$1.8 million. Included in this fund is the Public Safety Complex project which the Town passed, by ballot vote, through an override of Proposition 2½ allowing building construction totaling \$16.2 million. Three votes totaling \$18.45 million of which \$16.95 million is debt exclusion. During 2019, the fund balance increased by \$6.1 million which was due primarily to bond proceeds. The majority of the expenditures were used for the construction of a public safety complex, an energy savings project, and the foreshore protection projects.

General Fund Budgetary Highlights

The original 2019 operating budget totaled \$85.5 million and consisted of \$79.1 million in appropriations and \$6.4 million in budgeted articles and encumbrances carried over from prior years. The increase between the original budget and the final amended budget was primarily due to supplemental appropriations of free cash (available fund balance) totaling \$2.2 million for capital articles. Actual revenues came in over budget by approximately \$1.5 million, and actual expenditures came in under budget by approximately \$5.7 million. Of this balance, the Town reserved \$4.8 million in articles and encumbrances for spending in subsequent years.

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 2019 includes additions of \$1.4 million for school projects and renovations, \$2.7 million for machinery and equipment and vehicles, \$7.0 million for infrastructure, and \$1.5 million in other building projects.

The Town's 2019 business-type capital asset activity includes \$2.6 million in additions related to water main and meter replacement projects, \$777,000 of various machinery, equipment and vehicle additions, and \$249,000 in buildings and improvements.

During 2019, the Town issued \$7.7 million in long-term debt of which \$5.4 million was for governmental activities, \$998,000 was for the water enterprise fund, \$1.1 million was for the sewer enterprise fund, and \$159,000 was for the waterways enterprise fund.

During December 2019, the Town rolled \$8.1 million of bond anticipation notes to update the maturity date to December 11, 2020, accordingly, the Town has presented the debt as long-term.

Outstanding governmental long-term debt, as of June 30, 2019, totaled \$74.4 million, of which approximately \$44.5 million relates to various school construction projects, \$13.7 million relates to the public safety complex, \$4.4 million relates to the library, \$5.1 million relates to energy saving projects, \$3.6 million relates to seawall repair projects and \$3 million relates to other various projects and equipment.

The enterprise funds long-term debt totaled \$36.6 million at year end; comprised of \$23.1 million in water debt, \$11.8 million in sewer debt, \$15,000 in transfer station debt, and \$1.7 million in waterways debt. Approximately \$145,000 of the sewer debt is scheduled to be subsidized by the Massachusetts Clean Water Trust (MCWT).

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

Requests for Information

This financial report is designed to provide a general overview of the Town of Scituate's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, Town Hall, 600 Chief Justice Cushing Way, Scituate, Massachusetts 02066.

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Basic Financial Statements

STATEMENT OF NET POSITION

JUNE 30, 2019

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
CURRENT:			
Cash and cash equivalents.....	\$ 39,047,389	\$ 9,919,639	\$ 48,967,028
Real estate and personal property taxes.....	1,005,035	-	1,005,035
Tax liens.....	720,459	89,773	810,232
Community preservation fund surtax.....	18,894	-	18,894
Motor vehicle and other excise taxes.....	167,791	-	167,791
User charges.....	-	2,430,052	2,430,052
Departmental and other.....	229,279	-	229,279
Intergovernmental.....	2,306,244	47,928	2,354,172
Community preservation state share.....	244,826	-	244,826
Special assessments.....	142,291	666,802	809,093
Tax foreclosures.....	605,179	-	605,179
Inventory.....	-	29,055	29,055
Total current assets.....	44,487,387	13,183,249	57,670,636
NONCURRENT:			
Receivables, net of allowance for uncollectibles:			
Intergovernmental.....	-	97,519	97,519
Special assessments.....	-	5,988,970	5,988,970
Capital assets, nondepreciable.....	21,838,018	4,148,158	25,986,176
Capital assets, net of accumulated depreciation.....	161,891,749	70,360,284	232,252,033
Total noncurrent assets.....	183,729,767	80,594,931	264,324,698
TOTAL ASSETS.....	228,217,154	93,778,180	321,995,334
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions.....	9,862,436	964,605	10,827,041
Deferred outflows related to other postemployment benefits.....	16,740,983	810,675	17,551,658
TOTAL DEFERRED OUTFLOWS OF RESOURCES.....	26,603,419	1,775,280	28,378,699
LIABILITIES			
CURRENT:			
Warrants payable.....	2,100,884	751,566	2,852,450
Accrued payroll.....	785,733	101,138	886,871
Accrued interest.....	942,326	362,860	1,305,186
Other liabilities.....	61,267	79,894	141,161
Capital lease obligations.....	122,649	58,652	181,301
Landfill closure.....	-	77,000	77,000
Compensated absences.....	1,116,044	90,486	1,206,530
Notes payable.....	677,000	-	677,000
Bonds payable.....	5,626,898	10,403,422	16,030,320
Total current liabilities.....	11,432,801	11,925,018	23,357,819
NONCURRENT:			
Capital lease obligations.....	861,264	118,535	979,799
Landfill closure.....	-	770,000	770,000
Compensated absences.....	536,968	44,553	581,521
Net pension liability.....	43,584,496	4,262,824	47,847,320
Net other postemployment benefits liability.....	101,271,440	3,524,998	104,796,438
Bonds payable.....	73,388,583	27,158,337	100,546,920
Total noncurrent liabilities.....	219,642,751	35,879,247	255,521,998
TOTAL LIABILITIES.....	231,075,552	47,804,265	278,879,817
DEFERRED INFLOWS OF RESOURCES			
Taxes paid in advance.....	51,350	-	51,350
Deferred inflows related to pensions.....	904,616	88,476	993,092
Deferred inflows related to other postemployment benefits.....	-	42,252	42,252
TOTAL DEFERRED INFLOWS OF RESOURCES.....	955,966	130,728	1,086,694
NET POSITION			
Net investment in capital assets.....	107,165,990	39,174,972	146,340,962
Restricted for:			
Permanent funds:			
Expendable.....	346,171	-	346,171
Nonexpendable.....	27,051	-	27,051
Gifts and grants.....	1,835,473	-	1,835,473
Community preservation.....	10,764,437	-	10,764,437
Unrestricted.....	(97,350,067)	8,443,495	(88,906,572)
TOTAL NET POSITION.....	\$ 22,789,055	\$ 47,618,467	\$ 70,407,522

See notes to basic financial statements.

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2019

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:					
<i>Governmental Activities:</i>					
General government.....	\$ 5,643,145	\$ 1,805,362	\$ 555,187	\$ -	\$ (3,282,596)
Public safety.....	14,130,874	1,759,455	307,470	-	(12,063,949)
Education.....	62,671,600	2,472,917	16,924,643	38,979	(43,235,061)
Public works.....	8,123,398	491,996	648,883	674,654	(6,307,865)
Human services.....	1,335,260	142,970	351,283	-	(841,007)
Culture and recreation.....	2,695,966	521,642	53,097	298,279	(1,822,948)
Community preservation.....	554,272	-	-	244,826	(309,446)
Interest.....	2,669,249	-	-	-	(2,669,249)
Total Governmental Activities.....	97,823,764	7,194,342	18,840,563	1,256,738	(70,532,121)
<i>Business-Type Activities:</i>					
Water.....	4,360,612	5,045,558	-	-	684,946
Sewer.....	2,912,077	3,008,321	-	-	96,244
Transfer Station.....	1,314,007	1,380,824	-	-	66,817
Widow's Walk Golf course.....	1,113,660	1,188,747	-	-	75,087
Waterways.....	962,302	1,208,633	-	-	246,331
Total Business-Type Activities.....	10,662,658	11,832,083	-	-	1,169,425
Total Primary Government.....	\$ 108,486,422	\$ 19,026,425	\$ 18,840,563	\$ 1,256,738	\$ (69,362,696)

See notes to basic financial statements.

(Continued)

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2019

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Changes in net position:			
Net (expense) revenue from previous page..... \$	(70,532,121)	\$ 1,169,425	\$ (69,362,696)
<i>General revenues:</i>			
Real estate and personal property taxes, net of tax refunds payable.....	63,359,219	-	63,359,219
Tax and other liens.....	413,131	-	413,131
Motor vehicle and other excise taxes.....	3,332,087	43,108	3,375,195
Meals tax.....	264,699	-	264,699
Community preservation tax.....	1,548,124	-	1,548,124
Penalties and interest on taxes.....	335,999	-	335,999
Payments in lieu of taxes.....	18,914	-	18,914
Grants and contributions not restricted to specific programs.....	2,346,541	-	2,346,541
Unrestricted investment income.....	810,987	170,296	981,283
Gain on sale of capital assets.....	161,792	-	161,792
Miscellaneous.....	342,682	-	342,682
<i>Transfers, net</i>	<u>(798,789)</u>	<u>798,789</u>	<u>-</u>
Total general revenues and transfers.....	<u>72,135,386</u>	<u>1,012,193</u>	<u>73,147,579</u>
Change in net position.....	1,603,265	2,181,618	3,784,883
<i>Net position:</i>			
Beginning of year.....	<u>21,185,790</u>	<u>45,436,849</u>	<u>66,622,639</u>
End of year..... \$	<u><u>22,789,055</u></u>	\$ <u><u>47,618,467</u></u>	\$ <u><u>70,407,522</u></u>

See notes to basic financial statements.

(Concluded)

**GOVERNMENTAL FUNDS
BALANCE SHEET**

JUNE 30, 2019

	General	Community Preservation	Town Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents.....	\$ 13,715,955	\$ 10,724,196	\$ 2,062,544	\$ 12,544,694	\$ 39,047,389
Receivables, net of uncollectibles:					
Real estate and personal property taxes.....	1,005,035	-	-	-	1,005,035
Tax liens.....	701,461	18,998	-	-	720,459
Community preservation fund surtax.....	-	18,894	-	-	18,894
Motor vehicle and other excise taxes.....	167,791	-	-	-	167,791
Departmental and other.....	229,279	-	-	-	229,279
Intergovernmental.....	574,313	-	-	1,731,931	2,306,244
Community preservation state share.....	-	244,826	-	-	244,826
Special assessments.....	137,528	-	-	4,763	142,291
Tax foreclosures.....	605,179	-	-	-	605,179
Due from other funds.....	29,190	-	-	-	29,190
TOTAL ASSETS.....	\$ 17,165,731	\$ 11,006,914	\$ 2,062,544	\$ 14,281,388	\$ 44,516,577
LIABILITIES					
Warrants payable.....	\$ 683,815	\$ 241,205	\$ 2,244	\$ 1,173,620	\$ 2,100,884
Accrued payroll.....	717,726	285	-	67,722	785,733
Due to other funds.....	-	-	-	29,190	29,190
Other liabilities.....	61,267	-	-	-	61,267
Notes payable.....	-	-	291,000	386,000	677,000
TOTAL LIABILITIES.....	1,462,808	241,490	293,244	1,656,532	3,654,074
DEFERRED INFLOWS OF RESOURCES					
Taxes paid in advance.....	50,363	987	-	-	51,350
Unavailable revenue.....	2,725,328	37,892	-	1,021,976	3,785,196
TOTAL DEFERRED INFLOWS OF RESOURCES.....	2,775,691	38,879	-	1,021,976	3,836,546
FUND BALANCES					
Nonspendable.....	-	-	-	27,051	27,051
Restricted.....	456,219	10,726,545	1,769,300	11,787,973	24,740,037
Committed.....	4,180,351	-	-	-	4,180,351
Assigned.....	595,925	-	-	-	595,925
Unassigned.....	7,694,737	-	-	(212,144)	7,482,593
TOTAL FUND BALANCES.....	12,927,232	10,726,545	1,769,300	11,602,880	37,025,957
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....	\$ 17,165,731	\$ 11,006,914	\$ 2,062,544	\$ 14,281,388	\$ 44,516,577

See notes to basic financial statements.

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

JUNE 30, 2019

Total governmental fund balances.....		\$ 37,025,957
Capital assets (net) used in governmental activities are not financial resources and, therefore, are not reported in the funds.....		183,729,767
Accounts receivable are not available to pay for current-period expenditures and, therefore, are unavailable in the funds.....		3,785,196
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.....		25,698,803
In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.....		(942,326)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Bonds payable.....	(79,015,481)	
Net pension liability.....	(43,584,496)	
Net other postemployment benefits liability.....	(101,271,440)	
Capital lease obligations.....	(983,913)	
Compensated absences.....	<u>(1,653,012)</u>	
Net effect of reporting long-term liabilities.....		<u>(226,508,342)</u>
Net position of governmental activities.....		<u>\$ 22,789,055</u>

See notes to basic financial statements.

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

YEAR ENDED JUNE 30, 2019

	General	Community Preservation	Town Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:					
Real estate and personal property taxes, net of tax refunds.....	\$ 63,312,152	\$ -	\$ -	\$ -	\$ 63,312,152
Tax liens.....	301,896	6,570	-	-	308,466
Motor vehicle and other excise taxes.....	3,420,299	-	-	-	3,420,299
Meals tax.....	264,699	-	-	-	264,699
Penalties and interest on taxes.....	331,905	4,094	-	-	335,999
Fees and rentals.....	477,175	-	-	2,360	479,535
Payments in lieu of taxes.....	18,914	-	-	-	18,914
Licenses and permits.....	785,478	-	-	273,380	1,058,858
Fines and forfeitures.....	40,619	-	-	-	40,619
Intergovernmental - state aid.....	7,820,440	-	-	-	7,820,440
Intergovernmental - Teachers Retirement.....	9,163,885	-	-	-	9,163,885
Intergovernmental - other.....	72,853	244,826	-	3,887,669	4,205,348
Departmental and other.....	1,249,926	-	-	4,658,937	5,908,863
Community preservation taxes.....	-	1,543,895	-	-	1,543,895
Special assessments.....	20,581	-	-	575	21,156
Contributions and donations.....	-	-	-	1,182,551	1,182,551
Investment income.....	565,524	210,188	-	35,275	810,987
TOTAL REVENUES.....	87,846,346	2,009,573	-	10,040,747	99,896,666
EXPENDITURES:					
Current:					
General government.....	3,579,882	-	32,167	850,051	4,462,100
Public safety.....	10,075,989	-	333,657	323,809	10,733,455
Education.....	39,887,121	-	-	5,068,569	44,955,690
Public works.....	4,814,497	-	189,866	2,122,886	7,127,249
Human services.....	1,453,842	-	-	459,799	1,913,641
Culture and recreation.....	1,247,253	-	-	606,970	1,854,223
Community preservation.....	-	1,078,901	-	-	1,078,901
Pension benefits.....	4,469,074	-	-	-	4,469,074
Pension benefits - Teachers Retirement.....	9,163,885	-	-	-	9,163,885
Employee benefits.....	6,760,949	-	-	-	6,760,949
State and county charges.....	746,604	-	-	-	746,604
Debt service:					
Principal.....	4,180,638	-	-	-	4,180,638
Interest.....	3,139,312	-	-	-	3,139,312
TOTAL EXPENDITURES.....	89,519,046	1,078,901	555,690	9,432,084	100,585,721
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(1,672,700)	930,672	(555,690)	608,663	(689,055)
OTHER FINANCING SOURCES (USES):					
Issuance of bonds.....	-	-	6,133,000	-	6,133,000
Premium from issuance of bonds.....	-	-	516,000	74,268	590,268
Capital lease financing.....	1,148,100	-	-	-	1,148,100
Proceeds from the sale of capital assets.....	-	-	-	161,792	161,792
Transfers in.....	894,468	-	-	123,142	1,017,610
Transfers out.....	(795,753)	-	-	(1,020,646)	(1,816,399)
TOTAL OTHER FINANCING SOURCES (USES)...	1,246,815	-	6,649,000	(661,444)	7,234,371
NET CHANGE IN FUND BALANCES.....	(425,885)	930,672	6,093,310	(52,781)	6,545,316
FUND BALANCES AT BEGINNING OF YEAR.....	13,353,117	9,795,873	(4,324,010)	11,655,661	30,480,641
FUND BALANCES AT END OF YEAR.....	\$ 12,927,232	\$ 10,726,545	\$ 1,769,300	\$ 11,602,880	\$ 37,025,957

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, 2019

Net change in fund balances - total governmental funds.....		\$ 6,545,316
<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.....	7,973,352	
Depreciation expense.....	<u>(7,482,090)</u>	
Net effect of reporting capital assets.....		491,262
<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>		
		167,360
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are unavailable and amortized in the Statement of Activities.</p>		
Principal payments on capital leases.....	850,759	
Issuance of bonds.....	(6,133,000)	
Premium from issuance of bonds.....	(590,268)	
Capital lease financing.....	(1,148,100)	
Net amortization of premium from issuance of bonds.....	523,767	
Debt service principal payments.....	<u>4,180,638</u>	
Net effect of reporting long-term debt.....		(2,316,204)
<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.....	(144,268)	
Net change in accrued interest on long-term debt.....	(53,704)	
Net change in deferred outflow/(inflow) of resources related to pensions.....	9,842,526	
Net change in net pension liability.....	(11,366,514)	
Net change in deferred outflow/(inflow) of resources related to other postemployment benefits.....	16,740,983	
Net change in net other postemployment benefits liability.....	<u>(18,303,492)</u>	
Net effect of recording long-term liabilities.....		<u>(3,284,469)</u>
Change in net position of governmental activities.....		<u>\$ 1,603,265</u>

See notes to basic financial statements.

**PROPRIETARY FUNDS
STATEMENT OF NET POSITION**

JUNE 30, 2019

Business-type Activities - Enterprise Funds						
	Water	Sewer	Transfer Station	Widow's Walk Golf Course	Waterways	Total
ASSETS						
CURRENT:						
Cash and cash equivalents.....	\$ 4,774,139	\$ 2,721,304	\$ 808,604	\$ 232,329	\$ 1,383,263	\$ 9,919,639
Receivables, net of allowance for uncollectibles:						
Liens - user charges.....	41,631	48,142	-	-	-	89,773
User charges.....	1,781,746	648,306	-	-	-	2,430,052
Intergovernmental.....	-	47,928	-	-	-	47,928
Special assessments.....	-	666,802	-	-	-	666,802
Inventory.....	-	-	-	29,055	-	29,055
Total current assets.....	<u>6,597,516</u>	<u>4,132,482</u>	<u>808,604</u>	<u>261,384</u>	<u>1,383,263</u>	<u>13,183,249</u>
NONCURRENT:						
Receivables, net of allowance for uncollectibles:						
Intergovernmental.....	-	97,519	-	-	-	97,519
Special assessments.....	-	5,988,970	-	-	-	5,988,970
Capital assets, nondepreciable.....	473,158	-	-	-	3,675,000	4,148,158
Capital assets, net of accumulated depreciation.....	<u>32,319,611</u>	<u>32,722,770</u>	<u>1,124,928</u>	<u>1,560,085</u>	<u>2,632,890</u>	<u>70,360,284</u>
Total noncurrent assets.....	<u>32,792,769</u>	<u>38,809,259</u>	<u>1,124,928</u>	<u>1,560,085</u>	<u>6,307,890</u>	<u>80,594,931</u>
TOTAL ASSETS.....	<u>39,390,285</u>	<u>42,941,741</u>	<u>1,933,532</u>	<u>1,821,469</u>	<u>7,691,153</u>	<u>93,778,180</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows related to pensions.....	410,615	193,010	93,504	90,184	177,292	964,605
Deferred outflows related to other postemployment benefits.....	<u>339,548</u>	<u>152,893</u>	<u>-</u>	<u>9,168</u>	<u>309,066</u>	<u>810,675</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES.....	<u>750,163</u>	<u>345,903</u>	<u>93,504</u>	<u>99,352</u>	<u>486,358</u>	<u>1,775,280</u>
LIABILITIES						
CURRENT:						
Warrants payable.....	613,850	39,216	69,642	3,775	25,083	751,566
Accrued payroll.....	44,583	17,540	9,178	11,117	18,720	101,138
Accrued interest.....	203,533	139,366	-	-	19,961	362,860
Other liabilities.....	-	-	-	79,894	-	79,894
Capital lease obligations.....	-	-	-	58,652	-	58,652
Landfill closure.....	-	-	77,000	-	-	77,000
Compensated absences.....	36,559	24,649	6,839	7,539	14,900	90,486
Notes payable.....	-	-	-	-	-	-
Bonds payable.....	<u>8,569,560</u>	<u>1,481,851</u>	<u>15,000</u>	<u>-</u>	<u>337,011</u>	<u>10,403,422</u>
Total current liabilities.....	<u>9,468,085</u>	<u>1,702,622</u>	<u>177,659</u>	<u>160,977</u>	<u>415,675</u>	<u>11,925,018</u>
NONCURRENT:						
Capital lease obligations.....	-	-	-	118,535	-	118,535
Landfill closure.....	-	-	770,000	-	-	770,000
Compensated absences.....	19,012	10,106	5,173	-	10,262	44,553
Net pension liability.....	1,814,609	852,957	413,217	398,546	783,495	4,262,824
Net other postemployment benefits liability.....	1,852,535	677,328	415,824	57,773	521,538	3,524,998
Bonds payable.....	<u>15,452,683</u>	<u>10,365,327</u>	<u>-</u>	<u>-</u>	<u>1,340,327</u>	<u>27,158,337</u>
Total noncurrent liabilities.....	<u>19,138,839</u>	<u>11,905,718</u>	<u>1,604,214</u>	<u>574,854</u>	<u>2,655,622</u>	<u>35,879,247</u>
TOTAL LIABILITIES.....	<u>28,606,924</u>	<u>13,608,340</u>	<u>1,781,873</u>	<u>735,831</u>	<u>3,071,297</u>	<u>47,804,265</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to pensions.....	37,663	17,703	8,576	8,272	16,262	88,476
Deferred inflows related to other postemployment benefits.....	<u>-</u>	<u>-</u>	<u>42,252</u>	<u>-</u>	<u>-</u>	<u>42,252</u>
TOTAL DEFERRED INFLOWS OF RESOURCES.....	<u>37,663</u>	<u>17,703</u>	<u>50,828</u>	<u>8,272</u>	<u>16,262</u>	<u>130,728</u>
NET POSITION						
Net investment in capital assets.....	10,520,330	21,176,505	1,109,928	1,382,898	4,985,311	39,174,972
Unrestricted.....	<u>975,531</u>	<u>8,485,096</u>	<u>(915,593)</u>	<u>(206,180)</u>	<u>104,641</u>	<u>8,443,495</u>
TOTAL NET POSITION.....	<u>\$ 11,495,861</u>	<u>\$ 29,661,601</u>	<u>\$ 194,335</u>	<u>\$ 1,176,718</u>	<u>\$ 5,089,952</u>	<u>\$ 47,618,467</u>

See notes to basic financial statements.

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

YEAR ENDED JUNE 30, 2019

Business-type Activities - Enterprise Funds						
	Water	Sewer	Transfer Station	Widow's Walk Golf Course	Waterways	Total
OPERATING REVENUES:						
Charges for services.....	\$ 5,031,401	\$ 2,705,389	\$ 1,380,824	\$ 1,188,747	\$ 1,012,691	\$ 11,319,052
Other operating revenues.....	-	-	-	-	195,942	195,942
TOTAL OPERATING REVENUES	5,031,401	2,705,389	1,380,824	1,188,747	1,208,633	11,514,994
OPERATING EXPENSES:						
Cost of services and administration.....	1,585,234	1,197,464	986,353	724,800	280,534	4,774,385
Salaries and wages.....	1,002,272	465,357	236,899	194,069	383,453	2,282,050
Depreciation.....	1,082,187	1,074,392	89,799	194,791	280,443	2,721,612
TOTAL OPERATING EXPENSES	3,669,693	2,737,213	1,313,051	1,113,660	944,430	9,778,047
OPERATING INCOME (LOSS)	1,361,708	(31,824)	67,773	75,087	264,203	1,736,947
NONOPERATING REVENUES (EXPENSES):						
Investment income.....	95,137	33,893	12,679	2,509	26,078	170,296
Interest expense.....	(690,919)	(174,864)	(956)	-	(17,872)	(884,611)
Penalties and interest.....	14,157	302,932	-	-	-	317,089
Other nonoperating revenues.....	-	-	-	-	43,108	43,108
TOTAL NONOPERATING REVENUES (EXPENSES), NET	(581,625)	161,961	11,723	2,509	51,314	(354,118)
INCOME (LOSS) BEFORE TRANSFERS	780,083	130,137	79,496	77,596	315,517	1,382,829
TRANSFERS:						
Transfers in.....	96,905	689,025	-	397	12,462	798,789
CHANGE IN NET POSITION	876,988	819,162	79,496	77,993	327,979	2,181,618
NET POSITION AT BEGINNING OF YEAR	10,618,873	28,842,439	114,839	1,098,725	4,761,973	45,436,849
NET POSITION AT END OF YEAR	\$ 11,495,861	\$ 29,661,601	\$ 194,335	\$ 1,176,718	\$ 5,089,952	\$ 47,618,467

See notes to basic financial statements.

**PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS**

YEAR ENDED JUNE 30, 2019

Business-type Activities - Enterprise Funds						
	Water	Sewer	Transfer Station	Widow's Walk Golf Course	Waterways	Total
CASH FLOWS FROM OPERATING ACTIVITIES:						
Receipts from customers and users.....	\$ 4,686,113	\$ 3,123,455	\$ 1,380,824	\$ 1,188,747	\$ 1,208,633	\$ 11,587,772
Payments to vendors.....	(1,120,028)	(1,274,195)	(1,116,588)	(632,071)	(327,695)	(4,470,577)
Payments to employees.....	(982,445)	(446,735)	(233,233)	(186,034)	(373,556)	(2,222,003)
NET CASH FROM OPERATING ACTIVITIES.....	2,583,640	1,402,525	31,003	370,642	507,382	4,895,192
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:						
Transfers in.....	96,905	689,025	-	397	12,462	798,789
Boat excise taxes.....	-	-	-	-	43,108	43,108
NET CASH FROM NONCAPITAL FINANCING ACTIVITIES.....	96,905	689,025	-	397	55,570	841,897
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:						
Proceeds from the issuance of bonds and notes.....	8,424,500	1,087,250	-	-	159,250	9,671,000
Capital contributions.....	-	779,620	-	-	-	779,620
Acquisition and construction of capital assets.....	(3,002,742)	(219,417)	-	(221,716)	(254,656)	(3,698,531)
Principal payments on bonds and notes.....	(7,923,000)	(3,351,316)	(15,000)	-	(495,000)	(11,784,316)
Interest expense.....	(777,070)	(187,133)	(1,350)	-	(46,076)	(1,011,629)
NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES.....	(3,278,312)	(1,890,996)	(16,350)	(221,716)	(636,482)	(6,043,856)
CASH FLOWS FROM INVESTING ACTIVITIES:						
Investment income.....	95,137	33,893	12,679	2,509	26,078	170,296
NET CHANGE IN CASH AND CASH EQUIVALENTS.....	(502,630)	234,447	27,332	151,832	(47,452)	(136,471)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR.....	5,276,769	2,486,857	781,272	80,497	1,430,715	10,056,110
CASH AND CASH EQUIVALENTS AT END OF YEAR.....	\$ 4,774,139	\$ 2,721,304	\$ 808,604	\$ 232,329	\$ 1,383,263	\$ 9,919,639
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES:						
Operating income (loss).....	\$ 1,361,708	\$ (31,824)	\$ 67,773	\$ 75,087	\$ 264,203	\$ 1,736,947
Adjustments to reconcile operating income to net cash from operating activities:						
Depreciation.....	1,082,187	1,074,392	89,799	194,791	280,443	2,721,612
Deferred (outflows)/inflows related to pensions.....	(414,097)	(195,174)	(95,899)	(90,109)	(178,809)	(974,088)
Deferred (outflows)/inflows related to other postemployment benefits.....	(339,548)	(152,893)	42,252	(9,168)	(309,066)	(768,423)
Receipts from users penalties and interest.....	14,157	302,932	-	-	-	317,089
Changes in assets and liabilities:						
Liens - user charges.....	(2,776)	(525)	-	-	-	(3,301)
User charges.....	(356,669)	(137,227)	-	-	-	(493,896)
Intergovernmental.....	-	252,886	-	-	-	252,886
Inventory.....	-	-	-	730	-	730
Warrants payable.....	535,591	(41,781)	(7,306)	(1,598)	(6,539)	478,367
Accrued payroll.....	8,136	3,460	515	496	1,579	14,186
Other liabilities.....	-	-	-	346	-	346
Capital lease obligations.....	-	-	-	83,192	-	83,192
Landfill closure.....	-	-	(53,000)	-	-	(53,000)
Compensated absences.....	11,691	15,162	3,151	7,539	8,318	45,861
Net pension liability.....	316,223	129,459	13,716	100,026	135,975	695,399
Net other postemployment benefits.....	367,037	183,658	(29,998)	9,310	311,278	841,285
Total adjustments.....	1,221,932	1,434,349	(36,770)	295,555	243,179	3,158,245
NET CASH FROM OPERATING ACTIVITIES.....	\$ 2,583,640	\$ 1,402,525	\$ 31,003	\$ 370,642	\$ 507,382	\$ 4,895,192
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:						
Intergovernmental subsidy of debt service.....	\$ -	\$ 145,447	\$ -	\$ -	\$ -	\$ 145,447

See notes to basic financial statements.

FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2019

	Other Postemployment Benefit Trust Fund	Private Purpose Trust Funds	Agency Funds
ASSETS			
Cash and cash equivalents.....	\$ 1,044,773	\$ 253,545	\$ 1,801,615
Receivables, net of allowance for uncollectibles:			
Departmental and other.....	-	-	73,161
TOTAL ASSETS.....	1,044,773	253,545	1,874,776
LIABILITIES			
Warrants payable.....	-	-	23,086
Liabilities due depositors.....	-	-	1,135,377
Other liabilities.....	-	-	716,313
TOTAL LIABILITIES.....	-	-	1,874,776
NET POSITION			
Restricted for other postemployment benefits.....	1,044,773	-	-
Held in trust for other purposes.....	-	253,545	-
TOTAL NET POSITION.....	\$ 1,044,773	\$ 253,545	\$ -

See notes to basic financial statements.

FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

YEAR ENDED JUNE 30, 2019

	Other Postemployment Benefit Trust Fund	Private Purpose Trust Funds
<u>ADDITIONS:</u>		
Contributions:		
Employer contributions.....	\$ 94,611	\$ -
Employer contributions for other postemployment benefit payments....	2,583,400	-
Private donations.....	-	1,425
Total contributions.....	<u>2,678,011</u>	<u>1,425</u>
Investment income.....	<u>25,325</u>	<u>1,650</u>
TOTAL ADDITIONS.....	<u>2,703,336</u>	<u>3,075</u>
<u>DEDUCTIONS:</u>		
Other postemployment benefit payments.....	2,583,400	-
Educational scholarships.....	-	3,775
TOTAL DEDUCTIONS.....	<u>2,583,400</u>	<u>3,775</u>
NET INCREASE (DECREASE) IN NET POSITION.....	119,936	(700)
NET POSITION AT BEGINNING OF YEAR.....	<u>924,837</u>	<u>254,245</u>
NET POSITION AT END OF YEAR.....	<u>\$ 1,044,773</u>	<u>\$ 253,545</u>

See notes to basic financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*Notes to basic financial statements*

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 Board of Selectmen.

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 2019 assessment was \$769,901. 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, other postemployment benefits obligations and 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 non-operating 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 allows the trustees to authorize spending of the realized investment earnings. The Town's educational scholarship trusts are accounted for in this fund.

The *agency fund* is used to account for assets held in a purely custodial capacity by the Town and uses the accrual basis of accounting but has no measurement focus.

D. Cash and Investments

Government-Wide and Fund Financial Statements

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

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

E. Fair Value Measurements

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

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

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

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

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

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

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

F. Accounts Receivable

Government-Wide and Fund Financial Statements

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

Real Estate Taxes, Personal Property Taxes and Tax Liens

Real estate and personal property taxes are levied and based on values assessed on January 1st of every year. Assessed values are established by the Board of Assessors for 100% of the estimated fair market value. Taxes are due on August 1st, November 1st, February 1st and May 1st and are subject to penalties and interest if they are not paid by the respective due date. Real estate and personal property taxes levied are recorded as receivables in the year of the levy.

Real estate tax liens are processed during the year on delinquent properties and are recorded as receivables in the year they are processed.

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

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

Motor Vehicle and Other Excise Taxes

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

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

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

User Charges

User charges are levied quarterly based on individual meter readings and are subject to penalties and interest if they are not paid by the respective due date. Water and Sewer liens are processed every year and included as a lien on the property owner's tax bill. Water and Sewer charges and liens are recorded as receivables in the year of the levy.

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

Departmental and Other

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

Special Assessments

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

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

Intergovernmental

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

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

G. Inventories

Government-Wide and Fund Financial Statements

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

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

H. Capital Assets

Government-Wide and Proprietary Fund Financial Statements

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

All purchases in excess of \$5,000 are capitalized at the date of acquisition with expected useful life of greater than two years. Capital assets (excluding land and construction in progress) are depreciated on a straight-line basis. The estimated useful lives of capital assets are as follows:

<u>Capital Asset Type</u>	<u>Estimated Useful Life (in years)</u>
Land improvements.....	20-50
Building and improvements.....	20-50
Vehicles, machinery and equipment.....	3-10
Infrastructure.....	20-50

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

Governmental Fund Financial Statements

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

I. Deferred Outflows/Inflows of Resources

Government-Wide Financial Statements (Net Position)

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a

consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until that time. The Town has reported deferred outflows of resources related to pensions and deferred outflow of resources related to other postemployment benefits in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The Town has reported deferred inflows of resources related to pensions, deferred inflows of resources related to other postemployment benefits and taxes paid in advance in this category.

Governmental Fund Financial Statements

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

J. Unavailable Revenue

Fund Financial Statements

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

K. Interfund Receivables and Payables

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

Government-Wide Financial Statements

Transactions of a buyer/seller nature between and within governmental funds and internal service funds are eliminated from the governmental activities in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the statement of net position as "internal balances".

Fund Financial Statements

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

L. Interfund Transfers

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

Government-Wide Financial Statements

Transfers between and within governmental funds and internal service funds are eliminated from the governmental activities in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the statement of activities as "Transfers, net".

Fund Financial Statements

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

M. Net Position and Fund Equity

Government-Wide Financial Statements (Net Position)

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

Net position has been "restricted for" the following:

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

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

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

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

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

Fund Financial Statements (Fund Balances)

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

The governmental fund balance classifications are as follows:

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

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

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

“Assigned” fund balance includes amounts that are constrained by the Town’s intent to be used for specific purposes, but are neither restricted nor committed. The Town Accountant is authorized to assign fund balance. Funds are assigned when the Town has an obligation to purchase goods or services from the current years’ appropriation. Assignments generally only exist temporarily. Additional action does not have to be taken for the removal of an assignment.

“Unassigned” fund balance includes the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount.

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

N. Pensions

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

O. Long-term debt

Government-Wide and Proprietary Fund Financial Statements

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

Governmental Fund Financial Statements

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

P. Investment Income

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

Q. Compensated Absences

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

Government-Wide and Proprietary Fund Financial Statements

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

Governmental Fund Financial Statements

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

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

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

S. Individual Fund Deficits

At June 30, 2019, the Title V Program fund reports a fund deficit of \$11,564 and the Library Renovation Fund reports a deficit of \$200,580. These deficits will be funded with available funds and bond proceeds.

T. Total Column*Government-Wide Financial Statements*

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

Fund Financial Statements

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

NOTE 2 – CASH AND INVESTMENTS

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

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

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

Custodial Credit Risk – Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the Town of Scituate's deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk. At year-end, the carrying amount of deposits totaled \$43,626,890 and the bank balance totaled \$44,800,504. Of the bank balance, \$2,750,000 was covered by Federal Depository Insurance, \$19,032,579 was covered by the Depositors Insurance Fund, \$13,929,687 was covered by the Share Insurance Fund, \$2,537,659 was collateralized, and \$6,550,579 was uninsured and uncollateralized.

The Town's investments consisted solely of MMDT investments totaling \$8,440,071. MMDT maintains a cash portfolio and a short-term bond fund with combined average maturities of approximately 3 months.

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, 2019, the Town does not have any investments subject to custodial credit risk. As of June 30, 2019, the Town's investments in MMDT which totaled \$8,440,071 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 investments 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), Depositors Insurance Fund (DIF), or Share Insurance Fund (SIF) 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.

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, 2019, is \$8,440,071. 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 Investment Counseling.

NOTE 3 – RECEIVABLES

At June 30, 2019, 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..... \$	1,028,240	\$ (23,205)	\$ 1,005,035
Tax liens.....	720,459	-	720,459
Community preservation fund surtax.....	18,894	-	18,894
Motor vehicle and other excise taxes.....	190,766	(22,975)	167,791
Departmental and other.....	702,873	(473,594)	229,279
Intergovernmental.....	2,306,244	-	2,306,244
Community preservation state share.....	244,826	-	244,826
Special assessments.....	142,291	-	142,291
Total..... \$	<u>5,354,593</u>	<u>\$(519,774)</u>	<u>\$ 4,834,819</u>

At June 30, 2019, receivables for the enterprise funds consist of the following:

	Gross Amount	Allowance for Uncollectibles	Net Amount
<u>Receivables:</u>			
Water liens - user charges.....	\$ 41,631	\$ -	\$ 41,631
Water user charges.....	1,781,746	-	1,781,746
Sewer liens - user charges.....	48,142	-	48,142
Sewer user charges.....	648,306	-	648,306
Sewer intergovernmental.....	145,447	-	145,447
Sewer special assessments.....	6,655,772	-	6,655,772
 Total.....	 \$ 9,321,044	 \$ -	 \$ 9,321,044

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.....	\$ 884,090	\$ -	\$ 884,090
Tax liens.....	701,461	18,998	720,459
Community preservation fund surtax.....	-	18,894	18,894
Motor vehicle and other excise taxes.....	167,791	-	167,791
Departmental and other.....	229,279	-	229,279
Intergovernmental - highway improvements.....	-	1,017,213	1,017,213
Special assessments.....	137,528	4,763	142,291
Tax foreclosures.....	605,179	-	605,179
 Total.....	 \$ 2,725,328	 \$ 1,059,868	 \$ 3,785,196

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2019, was as follows:

Governmental Activities

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 21,104,462	\$ -	\$ -	\$ 21,104,462
Construction in progress.....	5,423,282	733,556	(5,423,282)	733,556
Total capital assets not being depreciated....	<u>26,527,744</u>	<u>733,556</u>	<u>(5,423,282)</u>	<u>21,838,018</u>
<u>Capital assets being depreciated:</u>				
Land improvements.....	5,060,523	138,851	-	5,199,374
Buildings and improvements.....	147,118,343	2,842,895	-	149,961,238
Machinery and equipment.....	12,084,992	953,637	(89,000)	12,949,629
Infrastructure.....	39,081,913	6,952,972	-	46,034,885
Vehicles.....	8,674,126	1,774,723	(356,906)	10,091,943
Total capital assets being depreciated.....	<u>212,019,897</u>	<u>12,663,078</u>	<u>(445,906)</u>	<u>224,237,069</u>
<u>Less accumulated depreciation for:</u>				
Land improvements.....	(1,347,687)	(209,549)	-	(1,557,236)
Buildings and improvements.....	(20,900,226)	(3,997,101)	-	(24,897,327)
Machinery and equipment.....	(9,729,885)	(739,084)	89,000	(10,379,969)
Infrastructure.....	(17,037,360)	(1,770,378)	-	(18,807,738)
Vehicles.....	(6,293,978)	(765,978)	356,906	(6,703,050)
Total accumulated depreciation.....	<u>(55,309,136)</u>	<u>(7,482,090)</u>	<u>445,906</u>	<u>(62,345,320)</u>
Total capital assets being depreciated, net.....	<u>156,710,761</u>	<u>5,180,988</u>	<u>-</u>	<u>161,891,749</u>
Total governmental activities capital assets, net.....	<u>\$ 183,238,505</u>	<u>\$ 5,914,544</u>	<u>\$ (5,423,282)</u>	<u>\$ 183,729,767</u>

Business-Type Activities

	Beginning Balance	Increases	Decreases	Ending Balance
Water:				
<u>Capital assets not being depreciated:</u>				
Construction in progress.....	\$ -	\$ 473,158	\$ -	\$ 473,158
<u>Capital assets being depreciated:</u>				
Buildings and improvements.....	9,500	-	-	9,500
Machinery and equipment.....	868,893	209,183	-	1,078,076
Infrastructure.....	36,477,251	2,081,730	(210,111)	38,348,870
Vehicles.....	479,342	238,671	(33,420)	684,593
Total capital assets being depreciated.....	<u>37,834,986</u>	<u>2,529,584</u>	<u>(243,531)</u>	<u>40,121,039</u>
<u>Less accumulated depreciation for:</u>				
Buildings and improvements.....	(3,956)	(238)	-	(4,194)
Machinery and equipment.....	(459,506)	(65,589)	-	(525,095)
Infrastructure.....	(6,160,760)	(950,948)	210,111	(6,901,597)
Vehicles.....	(338,550)	(65,412)	33,420	(370,542)
Total accumulated depreciation.....	<u>(6,962,772)</u>	<u>(1,082,187)</u>	<u>243,531</u>	<u>(7,801,428)</u>
Total capital assets being depreciated, net.....	<u>30,872,214</u>	<u>1,447,397</u>	<u>-</u>	<u>32,319,611</u>
Total water activities capital assets, net.....	<u>\$ 30,872,214</u>	<u>\$ 1,920,555</u>	<u>\$ -</u>	<u>\$ 32,792,769</u>

	Beginning Balance	Increases	Decreases	Ending Balance
Sewer:				
<u>Capital assets being depreciated:</u>				
Buildings and improvements.....	\$ 10,548,618	\$ 1,486	\$ -	\$ 10,550,104
Machinery and equipment.....	8,068,166	92,628	-	8,160,794
Infrastructure.....	32,702,899	116,403	-	32,819,302
Vehicles.....	241,641	8,900	(20,300)	230,241
Total capital assets being depreciated.....	<u>51,561,324</u>	<u>219,417</u>	<u>(20,300)</u>	<u>51,760,441</u>
<u>Less accumulated depreciation for:</u>				
Buildings and improvements.....	(5,896,217)	(212,075)	-	(6,108,292)
Machinery and equipment.....	(4,123,722)	(181,112)	-	(4,304,834)
Infrastructure.....	(7,735,034)	(672,462)	-	(8,407,496)
Vehicles.....	(228,606)	(8,743)	20,300	(217,049)
Total accumulated depreciation.....	<u>(17,983,579)</u>	<u>(1,074,392)</u>	<u>20,300</u>	<u>(19,037,671)</u>
Total sewer activities capital assets, net.....	<u>\$ 33,577,745</u>	<u>\$ (854,975)</u>	<u>\$ -</u>	<u>\$ 32,722,770</u>
	Beginning Balance	Increases	Decreases	Ending Balance
Transfer Station:				
<u>Capital assets being depreciated:</u>				
Buildings and improvements.....	\$ 2,221,043	\$ -	\$ -	\$ 2,221,043
Machinery and equipment.....	630,156	-	-	630,156
Vehicles.....	62,858	-	(14,865)	47,993
Total capital assets being depreciated.....	<u>2,914,057</u>	<u>-</u>	<u>(14,865)</u>	<u>2,899,192</u>
<u>Less accumulated depreciation for:</u>				
Buildings and improvements.....	(1,163,724)	(48,848)	-	(1,212,572)
Machinery and equipment.....	(495,384)	(31,896)	-	(527,280)
Vehicles.....	(40,222)	(9,055)	14,865	(34,412)
Total accumulated depreciation.....	<u>(1,699,330)</u>	<u>(89,799)</u>	<u>14,865</u>	<u>(1,774,264)</u>
Total transfer station activities capital assets, net...	<u>\$ 1,214,727</u>	<u>\$ (89,799)</u>	<u>\$ -</u>	<u>\$ 1,124,928</u>
	Beginning Balance	Increases	Decreases	Ending Balance
Widow's Walk golf course:				
<u>Capital assets being depreciated:</u>				
Land improvements.....	\$ 3,867,632	\$ 2,868	\$ -	\$ 3,870,500
Buildings and improvements.....	941,076	-	-	941,076
Machinery and equipment.....	1,444,741	218,848	-	1,663,589
Total capital assets being depreciated.....	<u>6,253,449</u>	<u>221,716</u>	<u>-</u>	<u>6,475,165</u>
<u>Less accumulated depreciation for:</u>				
Land improvements.....	(2,882,872)	(105,815)	-	(2,988,687)
Buildings and improvements.....	(481,125)	(23,527)	-	(504,652)
Machinery and equipment.....	(1,356,292)	(65,449)	-	(1,421,741)
Total accumulated depreciation.....	<u>(4,720,289)</u>	<u>(194,791)</u>	<u>-</u>	<u>(4,915,080)</u>
Total Widow's Walk golf course activities capital assets, net...	<u>\$ 1,533,160</u>	<u>\$ 26,925</u>	<u>\$ -</u>	<u>\$ 1,560,085</u>

	Beginning Balance	Increases	Decreases	Ending Balance
Waterways:				
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 3,675,000	\$ -	\$ -	\$ 3,675,000
<u>Capital assets being depreciated:</u>				
Land improvements.....	5,035,082	-	-	5,035,082
Buildings and improvements.....	1,164,789	249,022	-	1,413,811
Machinery and equipment.....	1,719,589	5,634	-	1,725,223
Vehicles.....	150,000	-	-	150,000
Infrastructure.....	107,275	-	-	107,275
Total capital assets being depreciated.....	<u>8,176,735</u>	<u>254,656</u>	<u>-</u>	<u>8,431,391</u>
<u>Less accumulated depreciation for:</u>				
Land improvements.....	(3,879,543)	(158,155)	-	(4,037,698)
Buildings and improvements.....	(340,656)	(17,479)	-	(358,135)
Machinery and equipment.....	(1,249,680)	(73,737)	-	(1,323,417)
Vehicles.....	(3,179)	(1,072)	-	(4,251)
Infrastructure.....	(45,000)	(30,000)	-	(75,000)
Total accumulated depreciation.....	<u>(5,518,058)</u>	<u>(280,443)</u>	<u>-</u>	<u>(5,798,501)</u>
Total capital assets being depreciated, net.....	<u>2,658,677</u>	<u>(25,787)</u>	<u>-</u>	<u>2,632,890</u>
Total waterways activities capital assets, net.....	<u>\$ 6,333,677</u>	<u>\$ (25,787)</u>	<u>\$ -</u>	<u>\$ 6,307,890</u>

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

Governmental Activities:

General government.....	\$ 266,921
Public safety.....	1,018,628
Education.....	3,230,734
Public works.....	2,321,202
Human services.....	11,509
Culture and recreation.....	456,658
Community preservation.....	<u>176,438</u>
Total depreciation expense - governmental activities.....	<u>\$ 7,482,090</u>

Business-Type Activities:

Water.....	\$ 1,082,187
Sewer.....	1,074,392
Transfer station.....	89,799
Widow's Walk golf course.....	194,791
Waterways.....	<u>280,443</u>
Total depreciation expense - business-type activities.....	<u>\$ 2,721,612</u>

NOTE 5 – INTERFUND RECEIVABLES, PAYABLE AND TRANSFERS

At June 30, 2019, the Town has an interfund receivable/payable totaling \$29,190. Of this amount, \$14,610 is between the general fund and the highway improvement fund and \$14,580 is between the general fund and the library renovation capital project fund. The purpose of these balances is to cover short-term cash needs that will be funded by future bond and grant proceeds.

Interfund transfers for the year ended June 30, 2019, are summarized as follows:

Transfers Out:	Transfers In:						Total
	General fund	Nonmajor governmental funds	Water Enterprise fund	Sewer Enterprise fund	Widow's Walk Enterprise fund	Waterways Enterprise fund	
General fund.....	\$ -	\$ 123,142	\$ -	\$ 672,611	\$ -	\$ -	\$ 795,753 (1)
Nonmajor governmental funds.....	894,468	-	96,905	16,414	397	12,462	1,020,646 (2)
Total.....	\$ 894,468	\$ 123,142	\$ 96,905	\$ 689,025	\$ 397	\$ 12,462	\$ 1,816,399

- (1) Represents budgeted transfers from the general fund to enterprise funds for debt subsidies.
- (2) Represents budgeted transfers into the general fund and enterprise funds, from nonmajor governmental funds, Title V and Town revolving funds.

NOTE 6 – LEASES

The Town has entered into lease agreements to finance the acquisition of 14 school buses, as well as equipment and golf carts for the Widow’s Walk golf course, an enterprise fund of the Town. The lease agreements qualify as capital leases for accounting purposes and have been recorded at the present value of their future minimum lease payments as of the inception dates.

The assets acquired through capital leases are as follows:

Asset:	Governmental Activities	Business-Type Activities
Machinery and equipment.....	\$ -	\$ 292,507
Vehicles.....	1,148,100	-
Less: accumulated depreciation...	(114,810)	(113,484)
Total.....	\$ 1,033,290	\$ 179,023

Future minimum lease payments under capitalized leases consist of the following at June 30, 2019:

Years ending June 30:	Governmental Activities	Business-Type Activities
2020.....	\$ 164,186	\$ 65,754
2021.....	164,187	49,761
2022.....	764,400	41,421
2023.....	-	33,371
2024.....	-	2,145
Total minimum lease payments.....	1,092,773	192,452
Less: amounts representing interest.....	(108,860)	(15,265)
Present value of minimum lease payments... \$	<u>983,913</u>	<u>\$ 177,187</u>

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, 2019, are as follows:

Type	Purpose	Rate (%)	Due Date	Balance at June 30, 2018	Renewed/ Issued	Retired/ Redeemed	Balance at June 30, 2019
Governmental Funds:							
BAN	Bond Anticipation Note.....	3.00	02/01/19	\$ 6,513,000	\$ -	\$ (6,513,000)	\$ -
BAN	Bond Anticipation Note.....	3.00	12/13/19	-	1,169,000	(692,000)	477,000 (1)
BAN	MCWT Interim Loan Note.....	2.00	12/31/19	-	200,000	-	200,000
Total Governmental Funds.....				<u>\$ 6,513,000</u>	<u>\$ 1,369,000</u>	<u>\$ (7,205,000)</u>	<u>\$ 677,000</u>

Type	Purpose	Rate (%)	Due Date	Balance at June 30, 2018	Renewed/ Issued	Retired/ Redeemed	Balance at June 30, 2019
Water Enterprise Fund:							
BAN	Bond Anticipation Note.....	3.00	02/01/19	\$ 7,018,000	\$ -	\$ (7,018,000)	\$ -
BAN	Bond Anticipation Note.....	3.00	12/13/19	-	7,427,000	(7,427,000)	- (1)
Total Water Enterprise Fund.....				7,018,000	7,427,000	(14,445,000)	-
Sewer Enterprise Fund:							
BAN	Bond Anticipation Note.....	3.00	02/01/19	1,213,000	-	(1,213,000)	-
Waterways Enterprise Fund:							
BAN	Bond Anticipation Note.....	3.00	02/01/19	195,000	-	(195,000)	-
Total Enterprise Funds.....				\$ 8,426,000	\$ 7,427,000	\$ (15,853,000)	\$ -

(1) On December 13, 2019, the Town paid down \$477,000 with available funds and rolled the remaining \$8,119,000 into a new BAN with a maturity date of December 11, 2020, and an interest rate of 1.75%. Accordingly, the Town has presented the debt as long-term.

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, 2019, and the debt service requirements are as follows:

Bonds and Notes Payable Schedule – Governmental Fund

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2019
General Obligation Bonds of 2008.....	2026	\$ 2,891,500	3.00 - 5.00	\$ 1,120,000
General Obligation Bonds of 2011.....	2031	1,783,888	3.00 - 5.00	750,000
General Obligation Bonds of 2013.....	2033	4,697,021	2.00 - 2.75	3,055,000
General Obligation Refunding Bonds of 2015...	2025	4,205,000	4.00 - 5.00	2,795,000
General Obligation Bonds of 2015.....	2040	68,240,400	2.00 - 5.00	56,575,000
General Obligation Refunding Bonds of 2016...	2025	529,100	2.00 - 4.00	335,000
General Obligation Bonds of 2017.....	2037	3,500,000	2.00 - 4.00	3,133,917
General Obligation Bonds of 2018.....	2038	500,000	2.00	479,441
General Obligation Bonds of 2019.....	2039	5,441,000	3.00 - 5.00	5,441,000
Bond Anticipation Notes.....	2021	692,000	1.75	692,000
Total Bonds Payable.....				74,376,358
Add: Unamortized premium on bonds.....				4,639,123
Total Governmental Bonds Payable, net.....				\$ 79,015,481

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

Year	Principal	Interest	Total
2020.....	\$ 5,140,205	\$ 2,986,394	\$ 8,126,599
2021.....	4,410,636	2,790,684	7,201,320
2022.....	4,384,166	2,586,798	6,970,964
2023.....	4,377,766	2,385,084	6,762,850
2024.....	4,296,440	2,184,445	6,480,885
2025.....	4,220,188	1,987,749	6,207,937
2026.....	3,589,011	1,807,522	5,396,533
2027.....	3,437,911	1,645,137	5,083,048
2028.....	3,431,888	1,499,085	4,930,973
2029.....	3,435,945	1,366,078	4,802,023
2030.....	3,360,085	1,232,831	4,592,916
2031.....	3,354,308	1,103,436	4,457,744
2032.....	3,303,615	976,390	4,280,005
2033.....	3,288,010	856,259	4,144,269
2034.....	3,112,493	734,164	3,846,657
2035.....	3,117,066	616,642	3,733,708
2036.....	3,121,730	498,723	3,620,453
2037.....	2,904,891	380,676	3,285,567
2038.....	2,740,004	269,185	3,009,189
2039.....	2,710,000	160,759	2,870,759
2040.....	2,640,000	52,800	2,692,800
Total.....	\$ <u>74,376,358</u>	\$ <u>28,120,841</u>	\$ <u>102,497,199</u>

Bonds and Notes Payable Schedule – Enterprise Funds

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2019
Water				
General Obligation Bonds of 2011.....	2031	\$ 4,122,000	3.00 - 5.00	\$ 2,175,000
General Obligation Bonds of 2013.....	2033	550,000	2.00 - 2.75	260,000
General Obligation Bonds of 2015.....	2040	14,400,000	2.00 - 2.75	12,060,000
General Obligation Bonds of 2016.....	2025	353,400	2.00 - 4.00	235,000
General Obligation Bonds of 2019.....	2039	997,500	3.00 - 5.00	997,500
Bond Anticipation Notes.....	2021	7,427,000	1.75	7,427,000
Add: Unamortized premium on bonds.....				<u>867,743</u>
Subtotal water bonds payable.....				<u>24,022,243</u>

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2019
Sewer				
MCWT CW-02-22A.....	2024	\$ 1,288,256	2.00	426,065
MCWT CW-04-38.....	2026	3,554,137	2.00	1,535,837
MCWT CW-04-38-A.....	2026	929,694	2.00	419,930
MCWT Pool 10.....	2021	11,253,992	2.50 - 5.25	306,734
MCWT CW-02-22.....	2024	4,557,209	2.00	1,649,154
General Obligation Bonds of 2008.....	2024	800,000	3.00 - 5.00	250,000
General Obligation Bonds of 2011.....	2031	1,310,041	3.00 - 5.00	730,000
MCWT Series 16 CWS-09-06.....	2033	348,667	2.00	259,309
General Obligation Bonds of 2012.....	2033	483,341	2.00 - 2.75	330,000
MCWT CW-10-25.....	2033	5,389,000	2.00	4,007,899
General Obligation Bonds of 2016.....	2025	1,280,500	2.00 - 4.00	845,000
General Obligation Bonds of 2019.....	2039	1,087,250	3.00 - 5.00	1,087,250
Subtotal sewer bonds payable.....				<u>11,847,178</u>
Transfer Station				
General Obligation Bonds of 2011.....	2020	\$ 150,000	3.00 - 5.00	<u>15,000</u>
Waterways				
General Obligation Bonds of 2008.....	2023	\$ 421,000	3.00 - 5.00	95,000
General Obligation Bonds of 2011.....	2025	903,489	3.00 - 5.00	340,000
General Obligation Bonds of 2016.....	2024	1,642,000	2.00 - 4.00	1,020,000
General Obligation Bonds of 2019.....	2031	159,250	4.00 - 5.00	<u>159,250</u>
Add: Unamortized premium on bonds.....				<u>63,088</u>
Subtotal waterways bonds payable.....				<u>1,677,338</u>
Total Enterprise Bonds Payable, net.....				<u>\$ 37,561,759</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 \$145,447 and interest costs for \$152,330 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 \$1,839,636. The principal subsidies are guaranteed and therefore a \$145,447 intergovernmental receivable has been recorded in the sewer enterprise fund at June 30, 2019. 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 2019 principal and interest subsidies totaled \$252,887 and \$90,314, respectively.

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

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

Year	Principal	Interest	Total
2020.....	\$ 10,290,601	\$ 1,047,148	\$ 11,337,749
2021.....	2,812,850	934,160	3,747,010
2022.....	2,625,105	822,529	3,447,634
2023.....	2,585,295	722,507	3,307,802
2024.....	2,486,780	624,216	3,110,996
2025.....	1,799,587	555,531	2,355,118
2026.....	1,581,846	493,500	2,075,346
2027.....	1,281,941	439,174	1,721,115
2028.....	1,263,612	391,056	1,654,668
2029.....	1,250,428	346,288	1,596,716
2030.....	1,217,392	302,286	1,519,678
2031.....	1,214,507	260,245	1,474,752
2032.....	996,777	218,798	1,215,575
2033.....	999,207	186,606	1,185,813
2034.....	625,000	155,126	780,126
2035.....	625,000	130,624	755,624
2036.....	605,000	106,464	711,464
2037.....	605,000	82,700	687,700
2038.....	605,000	58,876	663,876
2039.....	605,000	34,987	639,987
2040.....	555,000	11,100	566,100
Total.....	\$ <u>36,630,928</u>	\$ <u>7,923,921</u>	\$ <u>44,554,849</u>

At June 30, 2019, the Town had the following authorized and unissued debt:

Purpose	Amount
Marine park recreational facility.....	\$ 280,000
Library renovation.....	1,264,520
Middle school construction.....	5,666,478
Foreshore protection.....	2,300,000
FEMA foreshore design.....	3,500,000
HS fields complex.....	1,600,000
Senior center and recreation facility.....	12,232,450
Water.....	5,642,000
Sewer.....	400,000
Dredging.....	60,000
Cedar Point infiltration/inflow.....	2,312,000
Copper limit reduction.....	920,000
Widow's Walk golf course irrigation system.....	2,200,000
Well upgrade.....	8,995,510
Athletic field renovation project.....	3,080,000
Total.....	\$ 50,452,958

Changes in Long-Term Liabilities

During the year ended June 30, 2019, the following changes occurred in long-term liabilities:

	Beginning Balance	Bonds and Notes Issued	Bonds and Notes Redeemed	Other Increases	Other Decreases	Ending Balance	Due Within One Year
Governmental Activities:							
Long-term bonds payable.....	\$ 72,423,996	\$ 6,133,000	\$ (4,180,638)	\$ -	\$ -	\$ 74,376,358	\$ 5,140,205
Add: Unamortized premium on bonds.....	4,572,622	590,268	(523,767)	-	-	4,639,123	486,693
Total bonds payable.....	76,996,618	6,723,268	(4,704,405)	-	-	79,015,481	5,626,898
Capital lease obligations.....	686,572	-	-	1,148,100	(850,759)	983,913	122,649
Compensated absences.....	1,508,744	-	-	1,126,168	(981,900)	1,653,012	1,116,044
Net pension liability.....	32,217,982	-	-	15,675,612	(4,309,098)	43,584,496	-
Net other postemployment benefits.....	82,967,948	-	-	20,915,163	(2,611,671)	101,271,440	-
Total governmental activity long-term liabilities.....	\$ 194,377,864	\$ 6,723,268	\$ (4,704,405)	\$ 38,865,043	\$ (8,753,428)	\$ 226,508,342	\$ 6,865,591
Business-Type Activities:							
Long-term bonds payable.....	\$ 30,318,244	\$ 9,671,000	\$ (3,358,316)	\$ -	\$ -	\$ 36,630,928	\$ 10,290,601
Add: Unamortized premium on bonds.....	1,053,840	-	(123,009)	-	-	930,831	112,821
Total bonds payable.....	31,372,084	9,671,000	(3,481,325)	-	-	37,561,759	10,403,422
Capital lease obligations.....	93,995	-	-	153,554	(70,362)	177,187	58,652
Landfill closure.....	900,000	-	-	22,000	(75,000)	847,000	77,000
Compensated absences.....	89,178	-	-	104,361	(58,500)	135,039	90,486
Net pension liability.....	3,567,425	-	-	1,116,854	(421,455)	4,262,824	-
Net other postemployment benefits.....	2,683,713	-	-	932,950	(91,665)	3,524,998	-
Total business-type activity long-term liabilities.....	\$ 38,706,395	\$ 9,671,000	\$ (3,481,325)	\$ 2,329,719	\$ (716,982)	\$ 46,508,807	\$ 10,629,560

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

NOTE 9 – GOVERNMENTAL FUND BALANCE CLASSIFICATIONS

The Town utilizes a hierarchy for fund balance classifications based on the constraints imposed on the uses of those resources. The Town reports two major types of fund balances, which are nonspendable and spendable. Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or that are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund. The Town has reported principal portions of endowment funds as nonspendable.

In addition to the nonspendable fund balance, the Town utilizes a hierarchy of spendable fund balances, based on a hierarchy of spending constraints.

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

Massachusetts General Law Ch.40 §5B allows for the establishment of Stabilization funds for one or more different purposes on an as needed basis. The creation of a fund requires a two-thirds vote of the legislative body and must clearly define the purpose of the fund. Any change to the purpose of the fund along with any additions to or appropriations from the fund requires a two-thirds vote of the legislative body. The stabilization fund balance can be used for general and/or capital purposes upon approval of Town Meeting. Additions to and withdrawals from the funds can only be made upon Town Meeting approval. In accordance with Massachusetts General Law the Town has established a general stabilization fund, a capital stabilization fund, and an economic development stabilization fund.

At year end, the balance of the general stabilization fund, capital stabilization fund and economic development stabilization fund totaled \$4,290,899, \$221,586, and \$34,108, 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.

As of June 30, 2019, the governmental fund balances consisted of the following:

	<u>General</u>	<u>Community Preservation</u>	<u>Town Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Fund Balances:					
Nonspendable:					
Permanent fund principal.....	\$ -	\$ -	\$ -	\$ 27,051	\$ 27,051
Restricted for:					
Workers compensation.....	456,219	-	-	-	456,219
Community preservation.....	-	10,726,545	-	-	10,726,545
Town capital projects.....	-	-	1,769,300	-	1,769,300
School lunch.....	-	-	-	162,863	162,863
School gifts and grants.....	-	-	-	472,405	472,405
School revolving.....	-	-	-	984,194	984,194
Town gifts.....	-	-	-	643,445	643,445
Town grants.....	-	-	-	556,760	556,760
Town revolving.....	-	-	-	5,449,568	5,449,568
Affordable housing.....	-	-	-	1,120,250	1,120,250
Middle school construction.....	-	-	-	2,052,317	2,052,317
Town trust funds.....	-	-	-	346,171	346,171
Committed to:					
Articles and continuing appropriations:					
General government.....	484,096	-	-	-	484,096
Public safety.....	1,202,184	-	-	-	1,202,184
Education.....	407,422	-	-	-	407,422
Public works.....	1,534,614	-	-	-	1,534,614
Human services.....	107,035	-	-	-	107,035
Culture and recreation.....	445,000	-	-	-	445,000
Assigned to:					
Encumbrances:					
General government.....	114,042	-	-	-	114,042
Public safety.....	15,886	-	-	-	15,886
Education.....	102,881	-	-	-	102,881
Public works.....	353,928	-	-	-	353,928
Human services.....	5,068	-	-	-	5,068
Culture and recreation.....	25	-	-	-	25
Debt service.....	4,095	-	-	-	4,095
Unassigned.....	7,694,737	-	-	(212,144)	7,482,593
Total Fund Balances.....	<u>\$ 12,927,232</u>	<u>\$ 10,726,545</u>	<u>\$ 1,769,300</u>	<u>\$ 11,602,880</u>	<u>\$ 37,025,957</u>

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 is self-insured for workman’s compensation and unemployment benefits. 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 Contributory Retirement System (PCCRS), a cost-sharing multiple-employer defined benefit pension plan covering eligible employees of the 54 member units. The PCCRS is administered by five board members (Board) on behalf of all current employees and retirees except for current teachers and retired teachers. Chapter 32 of the MGL assigns authority to establish and amend benefit provisions of the plan. The audited financial report may be obtained by visiting <http://www.pcr-ma.org>.

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

Special Funding Situation

The Commonwealth is a nonemployer contributor and is required by statute to make 100% of all actuarially determined employer contributions on behalf of the Town to the MTRS. Therefore, the Town is considered to be in a special funding situation as defined by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and the Commonwealth is a nonemployer contributor in MTRS. Since the Town does not contribute directly to MTRS, there is no net pension liability to recognize. The total of the Commonwealth provided contributions have been allocated based on each employer's covered payroll to the total covered payroll of employers in MTRS as of the measurement date of June 30, 2018. The Town's portion of the collective pension expense, contributed by the Commonwealth, of \$9,163,885 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 \$90,431,128 as of the measurement date.

Benefits Provided

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

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

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

There were no changes of benefit terms that affected the total pension liability at December 31, 2018.

Contributions

Chapter 32 of the MGL governs the contributions of plan members and member units. Active plan members are required to contribute to the System at rates ranging from 5% to 9% of gross regular compensation with an additional 2% contribution required for compensation exceeding \$30,000. The percentage rate is keyed to the date upon which an employee's membership commences. The member units are required to pay into the PCCRS 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, 2018, and totaled \$4,730,553, 25.16% 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, 2019, the Town reported a liability of \$47,847,320 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2019. 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, 2018, the Town's proportion was 6.507%, which decreased from its proportion of 6.630% measured at December 31, 2017.

Pension Expense

For the year ended June 30, 2019, the Town recognized a net pension expense of \$5,975,852. At June 30, 2019, Town reported deferred outflows of resources related to pensions of \$10,827,041, and deferred inflows of resources related to pensions of \$993,092.

The balances of deferred outflows/(inflows) or resources related to pension at June 30, 2019, consist of the following:

Deferred Category	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Differences between expected and actual experience.....	\$ 3,439,518	\$ -	\$ 3,439,518
Difference between projected and actual earnings, net.....	6,037,558	-	6,037,558
Changes in assumptions.....	988,181	(488,479)	499,702
Changes in proportion and proportionate share of contributions...	361,784	(504,613)	(142,829)
Total deferred outflows/(inflows) of resources.....	\$ 10,827,041	\$ (993,092)	\$ 9,833,949

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>	
2020.....	\$ 3,153,393
2021.....	2,273,740
2022.....	2,077,758
2023.....	<u>2,329,058</u>
 Total.....	 \$ <u>9,833,949</u>

Actuarial Assumptions

The total pension liability in the January 1, 2019, actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Valuation date.....	January 1, 2019
Actuarial cost method.....	Individual Entry Age Normal Cost Method.
Amortization method.....	Payments increase at 7.0% for the unfunded actuarial accrued liability, and level amortization of the 2003 and 2013 Early Retirement incentives.
Remaining amortization period.....	Amortization of the unfunded actuarial accrued liability over 10 years, the 2003 ERI over one year, and the 2013 ERI over 9 years, all as of January 1, 2019.
Asset valuation method.....	Market value for GASB 68 and for the actuarial report market value with 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 \$14,000 of retirement income.
Rates of retirement.....	Varies based upon age for general employees, police and fire employees.
Rates of disability.....	For general employees, it was assumed that 45% of all disabilities are ordinary (55% are service connected). For police and fire employees, 10% of all disabilities are assumed to be ordinary (90% are service connected).

Mortality rates..... It is assumed that both pre-retirement mortality and beneficiary mortality is represented by the RP-2014 Blue Collar Mortality with Scale MP-2016, fully generational. Mortality for retired members for Group 1 and 2 is represented by the RP-2014 Blue Collar Mortality Table set forward five years for males and 3 years for females, fully generational. Mortality for retired members for Group 4 is represented by the RP-2014 Blue Collar Mortality Table set forward three years for males, and six years for females, fully generational. Mortality for disabled members for Group 1 and 2 is represented by the RP-2000 Mortality Table set forward six years. Mortality for disabled members for Group 4 is represented by the RP-2000 Mortality Table set forward two years. Generational adjusting is based on Scale MP-2016.

Investment Policy

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Board and pursuant to Massachusetts General Laws and Public Employee Retirement Administration guidelines. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension plan.

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of January 1, 2019, are summarized in the following table:

Asset Class	Long-Term Expected Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equity.....	22.00%	13.20%
International developed equity.....	14.00%	6.30%
Emerging markets equity.....	9.00%	8.00%
Global equity.....	10.00%	9.50%
Domestic fixed income.....	8.00%	3.40%
Value-added fixed income.....	11.00%	6.00%
Hedge funds.....	4.00%	3.10%
Real estate.....	11.00%	4.20%
Private equity.....	5.00%	9.20%
Real assets.....	5.00%	4.60%
Cash.....	1.00%	0.00%
Total.....	100.00%	

Rate of Return

For the year ended December 31, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was -7.10%. 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%. 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%)
	<u> </u>	<u> </u>	<u> </u>
The Town's proportionate share of the net pension liability.....	\$ 59,000,047	\$ 47,847,320	\$ 38,100,074

Changes in Assumptions and Plan Provisions

The following changes in assumptions were included in the January 1, 2019, actuarial valuation:

- The discount rate was reduced to 7.875%; it was previously 8.00%.

There were no changes in plan provisions noted in the January 1, 2019, 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, 2019, the Town’s average contribution rate was 5.44% 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 Board of Selectmen, and a member who must be a registered voter is appointed by the Town Administrator with consent by the Board of Selectmen. 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 2019, the Town pre-funded future OPEB liabilities totaling approximately \$94,600 by contributing funds to the Other Postemployment Benefit Fund in excess of the pay-as-you-go required contribution. These funds are reported within the Fiduciary Funds financial statements. As of June 30, 2019, the balance of this fund totaled \$1,044,773. 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 Board of Selectmen.

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.

Measurement Date – GASB Statement #75 requires the net OPEB liability to be measured as of a date no earlier than the end of the employer’s prior fiscal year and no later than the end of the employer’s current fiscal year, consistently applied from period to period. Accordingly, the net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2018.

Plan Membership – The following table represents the Plan’s membership at July 1, 2018:

Active members.....	724
Inactive employees or beneficiaries currently receiving benefits.....	<u>583</u>
Total.....	<u><u>1,307</u></u>

Components of OPEB Liability – The following table represents the components of the Plan’s OPEB liability as of June 30, 2019:

Total OPEB liability.....	\$ 105,841,211
Less: OPEB plan's fiduciary net position.....	<u>(1,044,773)</u>
Net OPEB liability.....	<u><u>\$ 104,796,438</u></u>
The OPEB plan's fiduciary net position	
as a percentage of the total OPEB liability.....	0.99%

Significant Actuarial Methods and Assumptions – The total OPEB liability in the July 1, 2018, 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, 2019, to be in accordance with GASB Statements #74 and #75:

Valuation date.....	July 1, 2018
Actuarial cost method.....	Entry Age Normal as a Percentage of Payroll
Asset valuation method.....	Market Value of Assets as of the June 30, 2019.
Discount rate.....	3.10%
	The selected discount rate is based on the prescribed discount interest rate methodology under GASB No. 74/75 using an average of three 20-year bond indices (e.g., Bond Buyer-20 Bond GO - 3.50%, S&P Municipal Bond 20 Year High Grade Rate Index - 2.79%, and Fidelity GA AA 20 Years - 3.13%) as of June 30, 2019. Prior discount rate used in July 1, 2017 to June 30, 2018 GASB 74/75 implementation was 3.5%.
Inflation.....	2.75% as of June 30, 2018 and for future periods.
Salary increases.....	3.00% annually as of June 30, 2019 and for future periods.
Healthcare cost trend rate.....	8.0% decreasing 0.5% for periods starting in 2020. Ultimate trend of 5.0% starting July 1, 2026.
Mortality.....	RP 2014 Healthy Male and Female Tables are based on the Employee and Healthy Annuitant Tables for both pre & post retirement projected with mortality improvements using the most current Society of Actuaries Mortality Improvement Scale MP-2018.

Rate of return – For the year ended June 30, 2019, the annual money-weighted rate of return on investments, net of investment expense, was 2.50%. 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 Board of Selectmen 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 3.10% as of June 30, 2019 and 3.50% as of June 30, 2018. The OPEB plan’s fiduciary net position was projected to be in sufficient to make all projected benefit payments to current plan members. There, the municipal bond rate was applied to all periods to determine the total OPEB liability. 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, 2019, which resulted in the selected discount rate of 3.10%.

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, 2018.....	\$ 86,576,498	\$ 924,837	\$ 85,651,661
Changes for the year:			
Service cost.....	1,694,878	-	1,694,878
Interest.....	2,643,829	-	2,643,829
Contributions - Employer.....	-	2,678,011	(2,678,011)
Net investment income.....	-	25,325	(25,325)
Changes in assumptions.....	17,509,406	-	17,509,406
Benefit payments.....	(2,583,400)	(2,583,400)	-
Net change.....	19,264,713	119,936	19,144,777
Balances at June 30, 2019.....	\$ <u>105,841,211</u>	\$ <u>1,044,773</u>	\$ <u>104,796,438</u>

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 3.10%, 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 (2.10%) or 1-percentage-point higher (4.10%) than the current rate.

	Current		
	1% Decrease (2.10%)	Discount Rate (3.10%)	1% Increase (4.10%)
Net OPEB liability.....	\$ <u>133,835,037</u>	\$ <u>104,796,438</u>	\$ <u>84,579,887</u>

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.

	Current Trend		
	1% Decrease	Current Trend	1% Increase
Net OPEB liability.....	\$ <u>82,962,373</u>	\$ <u>104,796,438</u>	\$ <u>138,195,857</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – For the year ended June 30, 2019, the GASB Statement #75 measurement date, the Town recognized OPEB

expense of \$5,905,146. As of June 30, 2019, there were \$17,551,658 in deferred outflows and \$42,252 deferred inflows of resources 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>	
2020.....	\$ 1,591,764
2021.....	1,591,764
2022.....	1,591,764
2023.....	1,591,764
2024.....	1,591,764
Thereafter.....	<u>9,550,586</u>
	<u>\$ 17,509,406</u>

Changes in Assumptions – The discount rate decreased from 3.50% to 3.10%, and the mortality assumptions were updated to a more current scale.

Changes in Plan Provisions – None.

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 \$77,000 per year for post-closure care costs and has recorded a liability of \$847,000 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 \$5.7 million for middle school improvements, \$2.3 million for foreshore protection, \$1.3 million for library renovations, \$2.3 million for Cedar Point project, \$2.2 million for Widow’s Walk golf course irrigation system, and \$9.0 million for well upgrades.

The Town has entered into a long-term contract with South Eastern Massachusetts Partnership (SEMASS) to provide solid waste disposal services. Total charges are based on a formula of tipping and transport fees with costs rising gradually through 2023 when the contract expires. Actual expenditures under this contract for year 2019 were \$305,468.

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.

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, 2019, 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, 2019, cannot be ascertained, management believes any resulting liability should not materially affect the financial position at June 30, 2019.

NOTE 16 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 19, 2019, which is the date the financial statements were available to be issued.

NOTE 17 – IMPLEMENTATION OF NEW GASB PRONOUNCEMENTS

During 2019, the following GASB pronouncements were implemented:

- GASB Statement #83, *Certain Asset Retirement Obligations*. This pronouncement did not impact the basic financial statements.
- GASB Statement #88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. This pronouncement did not impact the basic financial statements.

The following GASB pronouncements will be implemented in the future:

- The GASB issued Statement #84, *Fiduciary Activities*, which is required to be implemented in 2020.
- The GASB issued Statement #87, *Leases*, which is required to be implemented in 2021.
- The GASB issued Statement #89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, which is required to be implemented in 2021.
- The GASB issued Statement #90, *Majority Equity Interests – an amendment of GASB Statements #14 and #61*, which is required to be implemented in 2020.
- The GASB issued Statement #91, *Conduit Debt Obligations*, which is required to be implemented in 2022.

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

Required Supplementary Information

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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, 2019

	Budgeted Amounts				Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance to Final Budget
	Amounts Carried Forward From Prior Year	Current Year		Final Budget			
		Initial Budget	Original Budget				
REVENUES:							
Real estate and personal property taxes, net of tax refunds.....	\$ -	\$ 63,650,670	\$ 63,650,670	\$ 63,650,670	\$ 63,508,443	\$ -	\$ (142,227)
Tax liens.....	-	-	-	-	301,896	-	301,896
Motor vehicle and other excise taxes.....	-	2,959,530	2,959,530	2,959,530	3,420,299	-	460,769
Meals tax.....	-	230,000	230,000	230,000	264,699	-	34,699
Penalties and interest on taxes.....	-	385,500	385,500	385,500	331,905	-	(53,595)
Fees and rentals.....	-	421,200	421,200	421,200	477,175	-	55,975
Payments in lieu of taxes.....	-	16,000	16,000	16,000	18,914	-	2,914
Licenses and permits.....	-	587,600	587,600	587,600	785,478	-	197,878
Fines and forfeitures.....	-	47,700	47,700	47,700	40,619	-	(7,081)
Intergovernmental - state aid.....	-	7,816,777	7,816,777	7,816,777	7,820,440	-	3,663
Intergovernmental - other.....	-	-	-	-	72,853	-	72,853
Departmental and other.....	-	1,029,000	1,029,000	1,029,000	1,249,926	-	220,926
Special assessments.....	-	17,600	17,600	17,600	20,581	-	2,981
Investment income.....	-	110,870	110,870	110,870	490,103	-	379,233
TOTAL REVENUES.....	-	77,272,447	77,272,447	77,272,447	78,803,331	-	1,530,884
EXPENDITURES:							
Current:							
General Government							
Town Administrator							
Personal services.....	-	347,031	347,031	330,234	327,946	-	2,288
Purchase of services.....	6,766	158,800	165,566	165,566	162,953	1,032	1,581
Town Counsel.....	6,166	130,000	136,166	132,876	111,074	12,902	8,900
Labor Counsel.....	174,596	104,256	278,852	278,852	241,366	37,287	199
Materials and supplies.....	360	7,400	7,760	7,760	6,415	-	1,345
Salary adjustments.....	10,000	10,000	20,000	20,000	-	20,000	-
Article - Collective bargaining.....	120,851	-	120,851	-	-	-	-
Article - Contractual obligations.....	25,000	-	25,000	-	-	-	-
Article - Prior year bills.....	-	-	-	1,156	1,156	-	-
Article - South Shore Community Action.....	-	10,000	10,000	10,000	10,000	-	-
Article - Ellis conservation.....	-	-	-	10,000	-	10,000	-
Article - Ellis surplus school land.....	-	-	-	10,000	-	10,000	-
Article - Ellis conservation.....	-	-	-	35,000	-	35,000	-
Article - Prior year bills.....	-	-	-	3,999	-	-	-
Total.....	343,739	767,487	1,111,226	1,005,443	864,909	126,221	14,313
Advisory Committee							
Personal services.....	-	1,934	1,934	2,731	2,731	-	-
Purchase of services.....	-	250	250	250	245	-	5
Materials and supplies.....	-	4,000	4,000	4,000	4,000	-	-
Total.....	-	6,184	6,184	6,981	6,976	-	5
Reserve Fund.....	-	75,000	75,000	58,000	-	-	58,000
Town Accountant							
Personal services.....	-	300,204	300,204	300,204	300,180	-	24
Purchase of services.....	1,500	53,600	55,100	55,100	51,843	435	2,822
Materials and supplies.....	-	1,300	1,300	1,300	1,295	-	5
Article - Integrated financial system.....	57,819	-	57,819	57,819	28,558	29,261	-
Total.....	59,319	355,104	414,423	414,423	381,876	29,696	2,851
Assessors							
Personal services.....	-	202,832	202,832	184,832	182,477	-	2,355
Purchase of services.....	100	5,100	5,200	5,200	1,514	3,400	286
Materials and supplies.....	-	500	500	500	471	-	29
Assessor's revaluation.....	75,000	-	75,000	75,000	68,113	6,887	-
Total.....	75,100	208,432	283,532	265,532	252,575	10,287	2,670
Treasurer/Collector							
Personal services.....	-	300,497	300,497	295,497	295,220	-	277
Purchase of services.....	1,005	95,025	96,030	96,030	83,673	1,005	11,352
Materials and supplies.....	-	9,000	9,000	9,000	7,186	-	1,814
Article - Retirement of Debt.....	-	-	-	283,000	-	283,000	-
Total.....	1,005	404,522	405,527	683,527	386,079	284,005	13,443
Information Technology							
Personal services.....	-	164,124	164,124	164,124	160,697	-	3,427
Purchase of services.....	26,571	192,250	218,821	244,741	212,962	25,114	6,665
Materials and supplies.....	-	500	500	500	397	-	103
Capital outlay.....	-	14,000	14,000	14,000	13,813	-	187
Total.....	26,571	370,874	397,445	423,365	387,869	25,114	10,382
Tax foreclosures.....	-	39,000	39,000	39,000	16,067	31	22,902

(Continued)

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

YEAR ENDED JUNE 30, 2019

	Budgeted Amounts				Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance to Final Budget
	Amounts Carried Forward From Prior Year	Current Year					
		Initial Budget	Original Budget	Final Budget			
Cable TV							
Personal services.....	-	100,001	100,001	91,557	91,557	-	-
Purchase of services.....	-	6,500	6,500	3,333	3,333	-	-
Materials and supplies.....	-	3,000	3,000	-	-	-	-
Capital outlay.....	-	150,000	150,000	41,469	41,469	-	-
Total.....	-	259,501	259,501	136,359	136,359	-	-
Town Clerk							
Personal services.....	-	180,055	180,055	180,055	180,055	-	-
Purchase of services.....	-	33,885	33,885	37,175	34,086	-	3,089
Materials and supplies.....	70	4,380	4,450	4,450	4,022	-	428
Article - Voting machines.....	6,401	-	6,401	6,401	-	6,401	-
Total.....	6,471	218,320	224,791	228,081	218,163	6,401	3,517
Planning and Community Development							
Personal services.....	-	722,559	722,559	722,559	707,494	-	15,065
Purchase of services.....	23,115	69,575	92,690	92,690	61,977	15,600	15,113
Materials and supplies.....	-	3,550	3,550	3,550	2,793	-	757
Article - Master plan update.....	-	100,000	100,000	100,000	2,854	97,146	-
Total.....	23,115	895,684	918,799	918,799	775,118	112,746	30,935
Property/Liability Insurance.....	7,045	694,441	701,486	718,486	709,796	3,637	5,053
Total General Government.....	542,365	4,294,549	4,836,914	4,897,996	4,135,787	598,138	164,071
Public Safety							
Police							
Personal services.....	-	3,392,627	3,392,627	3,458,605	3,458,198	-	407
Purchase of services.....	745	115,509	116,254	116,254	112,791	3,152	311
Materials and supplies.....	510	84,412	84,922	84,922	84,831	39	52
Capital outlay.....	12,455	166,005	178,460	178,460	174,235	3,816	409
Article - PSC monopole and dispatch system.....	4	-	4	4	4	-	-
Article - Radio equipment and infrastructure.....	160,000	-	160,000	160,000	157,083	2,917	-
Total.....	173,714	3,758,553	3,932,267	3,998,245	3,987,142	9,924	1,179
Fire							
Personal services.....	-	4,598,148	4,598,148	4,843,838	4,843,838	-	-
Purchase of services.....	799	55,917	56,716	56,716	51,923	2,870	1,923
Materials and supplies.....	3,353	164,272	167,625	167,625	154,797	6,009	6,819
Article - Ambulance.....	957	-	957	-	-	-	-
Article - Renovate fire station.....	248,750	-	248,750	248,750	22,721	226,029	-
Article - Station 4 phase II renovation.....	50,000	-	50,000	50,000	618	49,382	-
Article - Rescue pumper replacement.....	537,500	-	537,500	537,500	-	537,500	-
Article - Communications equipment.....	300,000	-	300,000	300,000	188,644	111,356	-
Article - Humarock fire station renovation.....	-	-	-	275,000	-	275,000	-
Total.....	1,141,359	4,818,337	5,959,696	6,479,429	5,262,541	1,208,146	8,742
Shellfish							
Personal services.....	-	8,000	8,000	8,000	8,000	-	-
Purchase of services.....	-	250	250	250	34	-	216
Materials and supplies.....	-	400	400	400	257	-	143
Total.....	-	8,650	8,650	8,650	8,291	-	359
Public Safety Communications Center							
Personal services.....	-	533,010	533,010	552,277	552,277	-	-
Purchase of services.....	-	2,000	2,000	2,000	1,354	-	646
Materials and supplies.....	-	200	200	200	166	-	34
Total.....	-	535,210	535,210	554,477	553,797	-	680
Total Public Safety.....	1,315,073	9,120,750	10,435,823	11,040,801	9,811,771	1,218,070	10,960
Education							
School Committee.....	133,428	37,151,699	37,285,127	37,284,683	37,177,579	102,881	4,223
South Shore Regional School Assessment.....	-	769,901	769,901	769,901	769,901	-	-
Article - High School generator.....	16,170	-	16,170	-	-	-	-
Article - Jenkins school playground stairs.....	7,827	-	7,827	-	-	-	-
Article - School painting.....	24,166	-	24,166	24,165	-	24,165	-
Article - Jenkins outside stairs.....	50,000	-	50,000	50,000	-	50,000	-
Article - Hatherly and Cushing flat roof repair.....	13,343	-	13,343	13,343	13,343	-	-
Article - High School foyer repair.....	147,304	-	147,304	147,304	147,304	-	-
Article - Cushing and high school fields irrigation.....	78,845	-	78,845	78,845	15,575	63,270	-
Article - Jenkins swing set.....	28,380	-	28,380	28,380	-	28,380	-
Article - Hatherly and Cushing modules.....	40,000	-	40,000	40,000	29,596	10,404	-
Article - Ceiling tiles at Hatherly and Cushing.....	40,000	-	40,000	40,000	-	40,000	-
Article - Hatherly school replace roof trim.....	27,500	-	27,500	27,500	26,750	-	-
Article - Replace special education vans.....	120,000	-	120,000	120,000	120,000	-	-
Article - High School floors, science, café, stairs.....	57,897	99,603	157,500	152,055	152,055	-	-
Article - School carpeting.....	33,078	-	33,078	33,078	33,000	78	-
Article - School technology.....	100,000	-	100,000	100,000	99,941	59	-
Article - Study Hatherly, Cushing, Wampatuck.....	80,000	-	80,000	80,000	80,000	-	-
Article - Design High School locker rooms.....	45,000	-	45,000	45,000	42,234	2,766	-
Article - High School expansion tanks.....	32,000	-	32,000	31,743	31,743	-	-
Article - School technology.....	-	-	-	110,000	-	110,000	-
Article - Wampatuck fire doors.....	-	-	-	78,300	-	78,300	-
Total Education.....	1,074,938	38,021,203	39,096,141	39,253,547	38,739,021	510,303	4,223

(Continued)

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

YEAR ENDED JUNE 30, 2019

	Budgeted Amounts				Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance to Final Budget
	Amounts Carried Forward From Prior Year	Current Year		Final Budget			
		Initial Budget	Original Budget				
Public Works							
Public Works							
Personal services.....	-	1,689,195	1,689,195	1,648,195	1,634,415		13,780
Purchase of services.....	19,482	468,266	487,748	487,397	437,738	27,433	22,226
Materials and supplies.....	903	209,793	210,696	211,568	196,759	4,088	10,721
Capital outlay.....	260,065	387,500	647,565	647,565	311,847	280,851	54,867
Article - DPW survey equipment.....	8,127	-	8,127	8,127	5,615	2,512	-
Article - Stormwater compliance.....	34,572	-	34,572	34,572	31,120	3,452	-
Article - Stormwater compliance.....	50,000	-	50,000	50,000	12,397	37,603	-
Article - FEMA Hurricane Sandy Town share.....	66,238	-	66,238	-	-	-	-
Article - Roadway improvements.....	96,609	-	96,609	96,610	-	96,610	-
Article - Cudworth cemetery.....	24,889	-	24,889	24,889	7,100	17,789	-
Article - Foreshore protection.....	159,004	-	159,004	159,004	11,650	147,354	-
Article - DPW vehicles.....	21	-	21	-	-	-	-
Article - Road and sidewalk improvements.....	220,565	-	220,565	220,565	-	220,565	-
Article - Foreshore protection.....	4,843	-	4,843	4,844	-	4,844	-
Article - Cudworth cemetery.....	50,000	-	50,000	50,000	-	50,000	-
Article - Replace vehicles.....	200,000	-	200,000	200,000	200,000	-	-
Article - Replace vehicles.....	70,000	-	70,000	70,000	70,000	-	-
Article - Replace vehicles.....	70,000	-	70,000	66,224	65,524	700	-
Article - Replace vehicles.....	5,900	-	5,900	1,314	1,314	-	-
Article - Expand Cudworth cemetery.....	140,000	-	140,000	140,000	129	139,871	-
Article - Replace vehicles.....	24,686	-	24,686	24,492	24,492	-	-
Article - Replace vehicles.....	70,000	-	70,000	69,071	69,071	-	-
Article - Replace vehicles.....	45,000	-	45,000	40,369	40,369	-	-
Article - Replace vehicles.....	-	-	-	45,000	38,813	6,187	-
Article - Stormwater compliance.....	-	-	-	50,000	-	50,000	-
Article - Road and sidewalk improvements.....	-	-	-	300,000	-	300,000	-
Article - Equipment replacement.....	-	-	-	135,000	-	135,000	-
Article - Cudworth cemetery.....	-	-	-	16,000	-	16,000	-
Total.....	1,620,904	2,754,754	4,375,658	4,800,806	3,158,353	1,540,859	101,594
Facilities							
Personal services.....	-	325,941	325,941	325,941	325,859	-	82
Purchase of services.....	22,054	352,684	374,738	429,738	416,969	5,389	7,380
Materials and supplies.....	16,399	204,997	221,396	236,396	215,306	1,899	19,191
Capital outlay.....	32,140	124,000	156,140	78,040	39,338	21,959	16,743
Article - Town hall ventilation.....	35,000	-	35,000	-	-	-	-
Article - Police station demolition.....	120,973	-	120,973	120,973	88,145	32,828	-
Article - ADA transition plan.....	50,000	-	50,000	50,000	42,150	7,850	-
Article - Security upgrades.....	-	-	-	265,449	-	265,449	-
Total.....	276,566	1,007,622	1,284,188	1,506,537	1,127,767	335,374	43,396
Snow and Ice							
Personal services.....	-	105,102	105,102	105,102	91,251	-	13,851
Purchase of services.....	16,990	176,909	193,899	193,899	159,764	-	34,135
Materials and supplies.....	-	215,102	215,102	215,102	199,724	11,264	4,114
Total.....	16,990	497,113	514,103	514,103	450,739	11,264	52,100
Emergency Storm Clean Up							
Purchase of services.....	59,778	-	59,778	150,707	45,418	-	105,289
Materials and supplies.....	54,980	-	54,980	59,722	44,067	-	15,655
Total.....	114,758	-	114,758	210,429	89,485	-	120,944
Street Lights and Beacons							
Purchase of services.....	8,531	120,000	128,531	130,031	128,986	1,045	-
Total Public Works.....	2,037,749	4,379,489	6,417,238	7,161,906	4,955,330	1,888,542	318,034
Human Services							
Board of Health							
Personal services.....	-	258,336	258,336	213,336	209,900	-	3,436
Purchase of services.....	-	14,300	14,300	14,300	10,052	-	4,248
Materials and supplies.....	-	1,735	1,735	1,735	1,022	-	713
Capital outlay.....	-	125	125	125	-	-	125
Total.....	-	274,496	274,496	229,496	220,974	-	8,522
Council on Aging							
Personal services.....	-	203,300	203,300	194,927	176,562	-	18,365
Purchase of services.....	-	17,060	17,060	18,060	16,516	-	1,544
Materials and supplies.....	-	2,200	2,200	2,200	2,122	-	78
Capital outlay.....	-	500	500	500	144	180	176
Article - Senior Center design and engineering.....	983,650	-	983,650	983,650	876,615	107,035	-
Total.....	983,650	223,060	1,206,710	1,199,337	1,071,959	107,215	20,163
Veterans' Benefits/Services							
Personal services.....	-	78,241	78,241	78,241	77,977	-	264
Purchase of services.....	5,811	124,950	130,761	130,761	80,610	1,658	48,493
Materials and supplies.....	-	1,250	1,250	1,250	1,081	-	169
Total.....	5,811	204,441	210,252	210,252	159,668	1,658	48,926

(Continued)

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

YEAR ENDED JUNE 30, 2019

	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			
Commission on Disabilities							
Purchase of services.....	242	5,000	5,242	5,242	1,082	3,230	930
Materials and supplies.....	289	-	289	289	159	-	130
Total.....	531	5,000	5,531	5,531	1,241	3,230	1,060
FACTS Substance Abuse Program							
Personal services.....	-	53,097	53,097	-	-	-	-
Purchase of services.....	-	9,610	9,610	-	-	-	-
Materials and supplies.....	-	2,150	2,150	-	-	-	-
Total.....	-	64,857	64,857	-	-	-	-
Total Human Services.....	989,992	771,854	1,761,846	1,644,616	1,453,842	112,103	78,671
Culture and Recreation							
Library							
Personal services.....	-	787,970	787,970	800,116	800,115	-	1
Purchase of services.....	359	122,722	123,081	129,681	129,273	25	383
Materials and supplies.....	-	125,000	125,000	125,000	124,999	-	1
Capital outlay.....	-	500	500	500	329	-	171
Total.....	359	1,036,192	1,036,551	1,055,297	1,054,716	25	556
Recreation							
Personal services.....	-	155,932	155,932	155,932	155,931	-	1
Purchase of services.....	-	1,045	1,045	1,045	908	-	137
Materials and supplies.....	-	150	150	150	130	-	20
Capital outlay.....	-	500	500	500	500	-	-
Article - Club boats.....	2,300	-	2,300	-	-	-	-
Article - Turf carpet replacement.....	445,000	-	445,000	445,000	-	445,000	-
Total.....	447,300	157,627	604,927	602,627	157,469	445,000	158
Beautification							
Materials and supplies.....	271	23,650	23,921	23,921	23,736	-	185
Historical Buildings							
Purchase of services.....	-	18,000	18,000	18,000	11,332	-	6,668
Total Culture and Recreation.....	447,930	1,235,469	1,683,399	1,699,845	1,247,253	445,025	7,567
Debt Service							
Principal.....	-	4,392,080	4,392,080	4,388,172	4,180,638	-	207,534
Interest.....	4,830	3,100,669	3,105,499	3,143,407	3,139,312	4,095	-
Article - Transfer station debt paydown.....	647	-	647	-	-	-	-
Total Debt Service.....	5,477	7,492,749	7,498,226	7,531,579	7,319,950	4,095	207,534
Non-Contributory Pension.....	-	27,880	27,880	27,880	12,149	-	15,731
Plymouth County Retirement.....	-	4,730,553	4,730,553	4,730,553	4,730,553	-	-
Workers' Compensation.....	-	210,000	210,000	210,000	210,000	-	-
Unemployment Insurance.....	786	65,000	65,786	65,786	50,702	-	15,084
Contributory Group Insurance.....	-	6,025,850	6,025,850	5,965,930	5,884,537	-	81,393
Employee Benefits.....	-	797,986	797,986	797,986	788,197	-	9,789
State and county charges.....	-	768,417	768,417	768,417	746,604	-	21,813
TOTAL EXPENDITURES.....	6,414,310	77,941,749	84,356,059	85,796,842	80,085,696	4,776,276	934,870
EXCESS (DEFICIENCY) OF REVENUES							
OVER (UNDER) EXPENDITURES.....	(6,414,310)	(669,302)	(7,083,612)	(8,524,395)	(1,282,365)	(4,776,276)	2,465,754
OTHER FINANCING SOURCES (USES):							
Transfers in.....	-	1,796,158	1,796,158	2,076,209	2,094,896	-	18,687
Transfers out.....	-	(1,139,882)	(1,139,882)	(2,313,024)	(2,313,024)	-	-
TOTAL OTHER FINANCING SOURCES (USES).....	-	656,276	656,276	(236,815)	(218,128)	-	18,687
NET CHANGE IN FUND BALANCE.....	(6,414,310)	(13,026)	(6,427,336)	(8,761,210)	(1,500,493)	(4,776,276)	2,484,441
BUDGETARY FUND BALANCE, Beginning of year.....	-	9,331,020	9,331,020	9,331,020	9,331,020	-	-
BUDGETARY FUND BALANCE, End of year.....	\$ (6,414,310)	\$ 9,317,994	\$ 2,903,684	\$ 569,810	\$ 7,830,527	\$ (4,776,276)	\$ 2,484,441

(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 CONTRIBUTORY RETIREMENT SYSTEM**

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, 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 CONTRIBUTORY RETIREMENT SYSTEM

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, 2019.....	\$ 4,730,553	\$ (4,730,553)	-	\$ 18,804,079	25.16%
June 30, 2018.....	4,530,275	(4,530,275)	-	18,691,905	24.24%
June 30, 2017.....	4,373,651	(4,373,651)	-	17,776,831	24.60%
June 30, 2016.....	4,141,767	(4,141,767)	-	17,496,350	23.67%
June 30, 2015.....	3,912,145	(3,912,145)	-	16,863,952	23.20%

Note: this schedule is intended to present information for 10 years.
Until a 10-year trend is compiled, information is presented for those years for which information is available.

See notes to required supplementary information.

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

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

<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>
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
Total OPEB Liability			
Service Cost.....	\$ 1,957,066	\$ 2,015,778	\$ 1,694,878
Interest.....	2,256,740	2,905,100	2,643,829
Changes of benefit terms.....	-	-	-
Differences between expected and actual experience....	-	-	-
Changes of assumptions.....	16,839,537	-	17,509,406
Benefit payments.....	<u>(2,363,041)</u>	<u>(2,694,490)</u>	<u>(2,583,400)</u>
Net change in total OPEB liability.....	18,690,302	2,226,388	19,264,713
Total OPEB liability - beginning.....	<u>65,659,808</u>	<u>84,350,110</u>	<u>86,576,498</u>
Total OPEB liability - ending (a).....	<u>\$ 84,350,110</u>	<u>\$ 86,576,498</u>	<u>\$ 105,841,211</u>
Plan fiduciary net position			
Employer contributions.....	\$ 137,473	\$ 90,605	\$ 94,611
Employer contributions for OPEB payments.....	2,363,041	2,694,490	2,583,400
Net investment income.....	6,740	14,097	25,325
Benefit payments.....	<u>(2,363,041)</u>	<u>(2,694,490)</u>	<u>(2,583,400)</u>
Net change in plan fiduciary net position.....	144,213	104,702	119,936
Plan fiduciary net position - beginning of year.....	<u>675,922</u>	<u>820,135</u>	<u>924,837</u>
Plan fiduciary net position - end of year (b).....	<u>\$ 820,135</u>	<u>\$ 924,837</u>	<u>\$ 1,044,773</u>
Net OPEB liability - ending (a)-(b).....	<u>\$ 83,529,975</u>	<u>\$ 85,651,661</u>	<u>\$ 104,796,438</u>
Plan fiduciary net position as a percentage of the total OPEB liability.....	0.97%	1.07%	0.99%
Covered-employee payroll.....	\$ 45,656,152	\$ 49,673,355	\$ 47,442,764
Net OPEB liability as a percentage of covered-employee payroll.....	182.95%	172.43%	220.89%

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.

**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, 2019.....	\$ 6,999,138	\$ (2,670,011)	\$ 4,329,127	\$ 47,490,207	5.62%
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

<u>Year</u>	<u>Annual money-weighted rate of return, net of investment expense</u>
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**A. Budgetary Information**

Municipal Law requires the adoption of a balanced budget that is approved by the Town's Advisory Committee (Committee) and the Board of Selectmen (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 Board of Selectmen.

The Town adopts an annual budget for the general fund in conformity with the guidelines described above. The original 2019 approved budget for the general fund includes \$79.1 million in current year appropriations and other amounts to be raised and \$6.4 million in encumbrances and appropriations carried over from previous years. During the year, additional appropriations were approved totaling \$2.3 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.

B. 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, 2019, is presented below:

Net change in fund balance - budgetary basis.....	\$ (1,500,493)
<u>Perspective differences:</u>	
Activity of the stabilization fund recorded in the general fund for GAAP.....	1,297,947
Workers' Compensation Fund.....	(27,048)
<u>Basis of accounting differences:</u>	
Net change in recording 60 day receipts.....	(196,291)
Recognition of revenue for on-behalf payments.....	9,163,885
Recognition of expenditures for on-behalf payments.....	<u>(9,163,885)</u>
Net change in fund balance - GAAP basis.....	<u>\$ (425,885)</u>

NOTE B – PENSION PLAN

Pension Plan Schedules

A. 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.

B. 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.

C. 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.

D. Changes in Assumptions

The following changes in assumptions were included in the January 1, 2019 actuarial valuation:

- The discount rate was reduced to 7.875%; it was previously 8.00%.

E. Changes in Plan Provisions – None.

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

A. 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.

B. 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 on the following page.

Valuation date.....	July 1, 2018
Actuarial cost method.....	Entry Age Normal as a Percentage of Payroll
Asset valuation method.....	Market Value of Assets as of the June 30, 2019.
Discount rate.....	3.10%
	The selected discount rate is based on the prescribed discount interest rate methodology under GASB No. 74/75 using an average of three 20-year bond indices (e.g., Bond Buyer-20 Bond GO - 3.50%, S&P Municipal Bond 20 Year High Grade Rate Index - 2.79%, and Fidelity GA AA 20 Years - 3.13%) as of June 30, 2019. Prior discount rate used in July 1, 2017 to June 30, 2018 GASB 74/75 implementation was 3.5%.
Inflation.....	2.75% as of June 30, 2018 and for future periods.
Salary increases.....	3.00% annually as of June 30, 2019 and for future periods.
Healthcare cost trend rate.....	8.0% decreasing 0.5% for periods starting in 2020. Ultimate trend of 5.0% starting July 1, 2026.
Mortality.....	RP 2014 Healthy Male and Female Tables are based on the Employee and Healthy Annuitant Tables for both pre & post retirement projected with mortality improvements using the most current Society of Actuaries Mortality Improvement Scale MP-2018.

C. 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.

D. Changes in Assumptions – The discount rate decreased from 3.50% to 3.10%.

E. Changes in Plan Provisions – None.

Combining and Individual Fund Statements

The combining and individual fund financial 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.

Individual fund statements offer more descriptive account information.

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.

Capital Projects Funds:

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

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

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

Permanent Fund:

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

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

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET**

JUNE 30, 2019

	Special Revenue Funds					
	School Lunch	School Gifts and Grants	School Revolving	Town Gifts	Town Grants	Town Revolving
ASSETS						
Cash and cash equivalents.....	\$ 167,205	\$ 419,985	\$ 991,527	\$ 647,037	\$ 780,375	\$ 5,829,224
Receivables, net of uncollectibles:						
Intergovernmental.....	-	132,383	-	-	427,387	-
Special assessments.....	-	-	-	-	-	3,763
TOTAL ASSETS.....	\$ 167,205	\$ 552,368	\$ 991,527	\$ 647,037	\$ 1,207,762	\$ 5,832,987
LIABILITIES						
Warrants payable.....	\$ 1,515	\$ 76,628	\$ 7,333	\$ 3,592	\$ 645,746	\$ 323,514
Accrued payroll.....	2,827	3,335	-	-	5,256	56,142
Due to other funds.....	-	-	-	-	-	-
Notes payable.....	-	-	-	-	-	-
TOTAL LIABILITIES.....	4,342	79,963	7,333	3,592	651,002	379,656
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue.....	-	-	-	-	-	3,763
FUND BALANCES						
Nonspendable.....	-	-	-	-	-	-
Restricted.....	162,863	472,405	984,194	643,445	556,760	5,449,568
Unassigned.....	-	-	-	-	-	-
TOTAL FUND BALANCES.....	162,863	472,405	984,194	643,445	556,760	5,449,568
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....	\$ 167,205	\$ 552,368	\$ 991,527	\$ 647,037	\$ 1,207,762	\$ 5,832,987

(Continued)

Special Revenue Funds				Capital Project Funds			Permanent Funds	Total Nonmajor Governmental Funds
Highway Improvements	Title V Program	Affordable Housing	Subtotal	Library Renovation	Middle School Construction	Subtotal	Town Trust Funds	
\$ -	\$ 48,098	\$ 1,120,250	\$ 10,003,701	\$ -	\$ 2,166,869	\$ 2,166,869	\$ 374,124	\$ 12,544,694
1,031,823	140,338	-	1,731,931	-	-	-	-	1,731,931
-	1,000	-	4,763	-	-	-	-	4,763
<u>\$ 1,031,823</u>	<u>\$ 189,436</u>	<u>\$ 1,120,250</u>	<u>\$ 11,740,395</u>	<u>\$ -</u>	<u>\$ 2,166,869</u>	<u>\$ 2,166,869</u>	<u>\$ 374,124</u>	<u>\$ 14,281,388</u>
\$ -	\$ -	\$ -	\$ 1,058,328	\$ -	\$ 114,552	\$ 114,552	\$ 740	\$ 1,173,620
-	-	-	67,560	-	-	-	162	67,722
14,610	-	-	14,610	14,580	-	14,580	-	29,190
-	200,000	-	200,000	186,000	-	186,000	-	386,000
<u>14,610</u>	<u>200,000</u>	<u>-</u>	<u>1,340,498</u>	<u>200,580</u>	<u>114,552</u>	<u>315,132</u>	<u>902</u>	<u>1,656,532</u>
<u>1,017,213</u>	<u>1,000</u>	<u>-</u>	<u>1,021,976</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,021,976</u>
-	-	-	-	-	-	-	27,051	27,051
-	-	1,120,250	9,389,485	-	2,052,317	2,052,317	346,171	11,787,973
-	(11,564)	-	(11,564)	(200,580)	-	(200,580)	-	(212,144)
-	(11,564)	1,120,250	9,377,921	(200,580)	2,052,317	1,851,737	373,222	11,602,880
<u>\$ 1,031,823</u>	<u>\$ 189,436</u>	<u>\$ 1,120,250</u>	<u>\$ 11,740,395</u>	<u>\$ -</u>	<u>\$ 2,166,869</u>	<u>\$ 2,166,869</u>	<u>\$ 374,124</u>	<u>\$ 14,281,388</u>

(Concluded)

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

JUNE 30, 2019

	Special Revenue Funds					
	School Lunch	School Gifts and Grants	School Revolving	Town Gifts	Town Grants	Town Revolving
REVENUES:						
Fees and rentals.....	\$ -	\$ -	\$ -	\$ -	\$ 2,360	\$ -
Licenses and permits.....	-	-	-	-	-	273,380
Intergovernmental.....	197,260	1,735,413	-	-	1,164,806	199,936
Departmental and other.....	818,872	-	1,673,469	-	-	2,166,196
Special assessments.....	-	-	-	-	-	-
Contributions and donations.....	-	-	147,750	454,121	5,828	226,219
Investment income.....	36	-	-	-	85	6,750
TOTAL REVENUES.....	1,016,168	1,735,413	1,821,219	454,121	1,173,079	2,872,481
EXPENDITURES:						
Current:						
General government.....	-	-	-	3,414	52,950	776,071
Public safety.....	-	-	-	11,628	154,347	79,366
Education.....	959,818	1,761,160	1,444,599	-	-	-
Public works.....	-	-	-	35	1,147,633	375,863
Human services.....	-	-	-	3,667	218,331	217,278
Culture and recreation.....	-	-	-	10,190	53,962	457,944
TOTAL EXPENDITURES.....	959,818	1,761,160	1,444,599	28,934	1,627,223	1,906,522
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	56,350	(25,747)	376,620	425,187	(454,144)	965,959
OTHER FINANCING SOURCES (USES):						
Premium from issuance of bonds.....	-	-	-	-	-	74,268
Proceeds from the sale of capital assets.....	-	-	-	-	-	-
Transfers in.....	-	-	-	-	-	123,142
Transfers out.....	-	-	-	-	(13,933)	(999,855)
TOTAL OTHER FINANCING SOURCES (USES).....	-	-	-	-	(13,933)	(802,445)
NET CHANGE IN FUND BALANCES.....	56,350	(25,747)	376,620	425,187	(468,077)	163,514
FUND BALANCES AT BEGINNING OF YEAR.....	106,513	498,152	607,574	218,258	1,024,837	5,286,054
FUND BALANCES AT END OF YEAR.....	\$ 162,863	\$ 472,405	\$ 984,194	\$ 643,445	\$ 556,760	\$ 5,449,568

(Continued)

Special Revenue Funds				Capital Project Funds			Permanent Funds	Total Nonmajor Governmental Funds
Highway Improvements	Title V Program	Affordable Housing	Subtotal	Library Renovation	Middle School Construction	Subtotal	Town Trust Funds	
\$ -	\$ -	\$ -	\$ 2,360	\$ -	\$ -	\$ -	\$ -	\$ 2,360
-	-	-	273,380	-	-	-	-	273,380
590,254	-	-	3,887,669	-	-	-	-	3,887,669
-	-	-	4,658,537	-	-	-	400	4,658,937
-	575	-	575	-	-	-	-	575
-	-	-	833,918	298,279	-	298,279	50,354	1,182,551
-	-	26,263	33,134	-	-	-	2,141	35,275
<u>590,254</u>	<u>575</u>	<u>26,263</u>	<u>9,689,573</u>	<u>298,279</u>	<u>-</u>	<u>298,279</u>	<u>52,895</u>	<u>10,040,747</u>
-	-	17,616	850,051	-	-	-	-	850,051
-	-	-	245,341	-	-	-	78,468	323,809
-	-	-	4,165,577	-	902,992	902,992	-	5,068,569
599,355	-	-	2,122,886	-	-	-	-	2,122,886
-	20,523	-	459,799	-	-	-	-	459,799
-	-	-	522,096	50,443	-	50,443	34,431	606,970
<u>599,355</u>	<u>20,523</u>	<u>17,616</u>	<u>8,365,750</u>	<u>50,443</u>	<u>902,992</u>	<u>953,435</u>	<u>112,899</u>	<u>9,432,084</u>
<u>(9,101)</u>	<u>(19,948)</u>	<u>8,647</u>	<u>1,323,823</u>	<u>247,836</u>	<u>(902,992)</u>	<u>(655,156)</u>	<u>(60,004)</u>	<u>608,663</u>
-	-	-	74,268	-	-	-	-	74,268
-	-	161,792	161,792	-	-	-	-	161,792
-	-	-	123,142	-	-	-	-	123,142
-	(6,858)	-	(1,020,646)	-	-	-	-	(1,020,646)
-	(6,858)	161,792	(661,444)	-	-	-	-	(661,444)
(9,101)	(26,806)	170,439	662,379	247,836	(902,992)	(655,156)	(60,004)	(52,781)
<u>9,101</u>	<u>15,242</u>	<u>949,811</u>	<u>8,715,542</u>	<u>(448,416)</u>	<u>2,955,309</u>	<u>2,506,893</u>	<u>433,226</u>	<u>11,655,661</u>
<u>\$ -</u>	<u>\$ (11,564)</u>	<u>\$ 1,120,250</u>	<u>\$ 9,377,921</u>	<u>\$ (200,580)</u>	<u>\$ 2,052,317</u>	<u>\$ 1,851,737</u>	<u>\$ 373,222</u>	<u>\$ 11,602,880</u>

(Concluded)

Agency Fund

The Agency Fund is used to account for assets held in a purely custodial capacity. The Town's Agency Fund activity consists primarily of performance bonds, security deposits and fees collected on-behalf of other governments.

AGENCY FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

YEAR ENDED JUNE 30, 2019

	June 30, 2018	Additions	Deletions	June 30, 2019
ASSETS				
CURRENT:				
Cash and cash equivalents.....	\$ 1,617,466	\$ 707,942	\$ (523,793)	\$ 1,801,615
Receivables, net of allowance for uncollectibles:				
Departmental and other.....	89,459	73,161	(89,459)	73,161
TOTAL ASSETS.....	<u>\$ 1,706,925</u>	<u>\$ 781,103</u>	<u>\$ (613,252)</u>	<u>\$ 1,874,776</u>
LIABILITIES				
Warrants payable.....	\$ 4,470	\$ 23,086	\$ (4,470)	\$ 23,086
Liabilities due depositors.....	1,093,673	41,704	-	1,135,377
Other liabilities.....	608,782	716,313	(608,782)	716,313
TOTAL LIABILITIES.....	<u>\$ 1,706,925</u>	<u>\$ 781,103</u>	<u>\$ (613,252)</u>	<u>\$ 1,874,776</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.



Emergency repairs to the Glades Road seawall were conducted in December 2018 after a sudden undermining occurred.

Statistical Section

Statistical Section

This part of the Town of Scituate's comprehensive annual 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 basic financial statements for the relevant year.

Net Position By Component

Last Ten Years

	2010	2011	2012	2013	2014 (1)	2015	2016	2017 (2)	2018	2019
Governmental activities										
Net investment in capital assets.....	\$ 54,816,911	\$ 54,601,696	\$ 55,977,544	\$ 56,560,454	\$ 57,977,964	\$ 58,009,621	\$ 74,483,888	\$ 93,697,063	\$ 104,186,614	\$ 107,165,990
Restricted.....	8,814,140	7,488,133	8,573,833	8,821,398	10,144,946	14,966,255	11,052,873	14,171,118	12,110,522	12,973,132
Unrestricted.....	27,219	1,208,526	413,970	(2,073,085)	(37,686,872)	(39,543,990)	(41,330,572)	(94,512,877)	(95,111,346)	(97,350,067)
Total governmental activities net position.....	\$ 63,658,270	\$ 63,298,355	\$ 64,965,347	\$ 63,308,767	\$ 30,436,038	\$ 33,431,886	\$ 44,206,189	\$ 13,355,304	\$ 21,185,790	\$ 22,789,055
Business-type activities										
Net investment in capital assets.....	\$ 35,539,137	\$ 25,231,111	\$ 26,572,988	\$ 27,524,735	\$ 28,948,580	\$ 30,168,211	\$ 33,793,072	\$ 37,113,868	\$ 37,620,238	\$ 39,174,972
Unrestricted.....	4,725,581	15,346,008	14,228,936	13,527,535	15,231,833	15,476,554	12,603,082	8,026,012	7,816,611	8,443,495
Total business-type activities net position.....	\$ 40,264,718	\$ 40,577,119	\$ 40,801,924	\$ 41,052,270	\$ 44,180,413	\$ 45,644,765	\$ 46,396,154	\$ 45,139,880	\$ 45,436,849	\$ 47,618,467
Primary government										
Net investment in capital assets.....	\$ 90,356,048	\$ 79,832,807	\$ 82,550,532	\$ 84,085,189	\$ 86,926,544	\$ 88,177,832	\$ 108,276,960	\$ 130,810,931	\$ 141,806,852	\$ 146,340,962
Restricted.....	8,814,140	7,488,133	8,573,833	8,821,398	10,144,946	14,966,255	11,052,873	14,171,118	12,110,522	12,973,132
Unrestricted.....	4,752,800	16,554,534	14,642,906	11,454,450	(22,455,039)	(24,067,436)	(28,727,490)	(86,486,865)	(87,294,735)	(88,906,572)
Total primary government net position.....	\$ 103,922,988	\$ 103,875,474	\$ 105,767,271	\$ 104,361,037	\$ 74,616,451	\$ 79,076,651	\$ 90,602,343	\$ 58,495,184	\$ 66,622,639	\$ 70,407,522

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

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

Source: Audited Financial Statements

Changes in Net Position

Last Ten Years

	2010	2011	2012	2013	2014	2015	2016	2017	2018 (1)	2019
Expenses										
Governmental activities:										
General government.....	\$ 3,029,468	\$ 4,100,908	\$ 4,028,115	\$ 3,547,721	\$ 3,980,838	\$ 4,637,844	\$ 5,725,030	\$ 6,914,696	\$ 5,019,630	\$ 5,643,145
Public safety.....	11,032,931	10,685,593	11,419,469	11,836,261	12,110,134	13,035,851	12,021,614	13,961,543	12,795,431	14,130,874
Education.....	44,749,466	47,030,121	50,335,558	51,504,431	54,373,306	49,681,533	53,391,065	58,266,053	60,797,560	62,671,600
Public works.....	5,137,546	4,788,925	4,075,881	6,041,795	5,345,710	6,644,331	6,661,476	6,772,113	7,642,737	8,123,398
Human services.....	642,460	925,841	944,959	1,121,401	1,208,709	1,109,054	1,168,070	1,278,792	1,224,449	1,335,260
Culture and recreation.....	3,209,034	1,895,769	1,946,222	2,007,788	2,096,100	2,122,181	2,286,926	2,138,607	2,342,960	2,695,966
Community Preservation.....	-	286,425	59,513	2,480	721,633	155,246	130,760	224,085	669,199	554,272
Interest.....	565,702	925,853	415,187	651,163	566,494	994,681	2,879,164	2,734,823	2,504,115	2,669,249
Total government activities expenses.....	68,366,607	70,639,435	73,224,904	76,713,040	80,402,924	78,380,721	84,264,105	92,290,712	92,996,081	97,823,764
Business-type activities:										
Water.....	3,577,516	2,833,254	2,783,605	2,878,148	2,388,501	2,921,574	4,054,625	3,868,646	3,810,808	4,360,612
Sewer.....	2,887,913	3,555,004	3,151,632	2,932,595	2,848,214	3,375,871	3,128,287	2,974,792	2,883,573	2,912,077
Transfer Station.....	1,082,597	1,090,272	1,135,450	1,086,630	1,187,936	1,086,167	1,375,061	1,207,292	1,234,424	1,314,007
Widow's Walk Golf Course.....	1,137,195	1,043,504	1,093,077	1,133,478	966,552	1,064,074	1,156,122	1,086,376	1,034,992	1,113,660
Waterways.....	993,410	1,055,143	1,022,866	952,822	920,502	952,933	1,459,517	1,168,291	855,452	962,302
Total business-type activities expenses.....	9,678,631	9,577,177	9,186,630	8,983,673	8,311,705	9,400,619	11,173,612	10,305,397	9,819,249	10,662,658
Total primary government expenses.....	\$ 78,045,238	\$ 80,216,612	\$ 82,411,534	\$ 85,696,713	\$ 88,714,629	\$ 87,781,340	\$ 95,437,717	\$ 102,596,109	\$ 102,815,330	\$ 108,486,422
Program Revenues										
Governmental activities:										
Education charges for services.....	\$ 2,107,151	\$ 1,975,725	\$ 2,068,233	\$ 1,989,005	\$ 1,969,243	\$ 1,953,724	\$ 2,110,824	\$ 2,251,687	\$ 2,470,152	\$ 2,472,917
Public works charges for services.....	1,385,721	21,373	132,668	497,826	590,965	654,143	660,659	670,351	733,935	491,996
Culture and recreation charges for services.....	588,397	392,099	429,036	408,533	401,894	435,018	434,336	447,629	501,107	521,642
Other charges for services.....	737,027	1,550,241	2,097,650	2,205,136	2,130,181	3,032,230	3,387,990	3,152,396	3,573,853	3,707,787
Operating grants and contributions.....	15,955,756	15,283,108	16,542,324	15,220,665	16,949,683	13,015,067	16,097,906	24,218,440	19,742,143	18,840,563
Capital grant and contributions.....	2,346,192	1,956,834	1,612,713	958,424	1,344,565	4,496,678	7,304,433	13,532,885	3,745,605	1,256,738
Total government activities program revenues.....	23,120,244	21,179,380	22,882,624	21,279,589	23,386,531	23,586,860	29,996,148	44,273,388	30,766,795	27,291,643
Business-type activities:										
Charges for services - water.....	2,511,499	2,709,682	2,618,625	3,031,977	2,421,697	4,173,754	4,696,834	4,149,827	3,629,529	5,045,558
Charges for services - sewer.....	1,602,906	1,643,983	1,682,559	1,778,510	1,732,988	1,415,916	2,137,487	2,109,666	2,045,042	3,008,321
Charges for services - transfer station.....	1,093,206	1,231,388	1,373,639	1,228,419	1,201,259	1,202,974	1,168,672	1,105,277	1,259,774	1,380,824
Charges for services - Widow's Walk golf course.....	1,229,438	1,090,684	1,262,340	1,244,651	1,209,170	1,255,771	1,350,468	1,111,370	1,098,286	1,188,747
Charges for services - waterways.....	1,007,672	1,074,928	993,395	977,575	1,036,067	1,043,516	1,119,575	1,182,537	1,165,960	1,208,633
Operating grants and contributions.....	132,208	35,300	16,237	1,725	238,088	213,160	184,361	137,679	69,760	-
Capital grant and contributions.....	571,042	1,309,128	692,556	188,126	6,430,626	688,590	480,722	-	-	-
Total business-type activities program revenues.....	8,147,971	9,095,093	8,639,351	8,450,983	14,269,895	9,993,981	11,138,119	9,796,356	9,268,351	11,832,083
Total primary government program revenues.....	\$ 31,268,215	\$ 30,274,473	\$ 31,521,975	\$ 29,730,572	\$ 37,656,426	\$ 33,580,841	\$ 41,134,267	\$ 54,069,744	\$ 40,035,146	\$ 39,123,726
Net (Expense)/Revenue										
Governmental activities.....	\$ (45,246,363)	\$ (49,460,055)	\$ (50,342,280)	\$ (55,433,451)	\$ (57,016,393)	\$ (54,793,861)	\$ (54,267,957)	\$ (48,017,324)	\$ (62,229,286)	\$ (70,532,121)
Business-type activities.....	(1,530,660)	(482,084)	(547,279)	(532,690)	5,958,190	593,362	(35,493)	(509,041)	(550,898)	1,169,425
Total primary government net expense.....	\$ (46,777,023)	\$ (49,942,139)	\$ (50,889,559)	\$ (55,966,141)	\$ (51,058,203)	\$ (54,200,499)	\$ (54,303,450)	\$ (48,526,365)	\$ (62,780,184)	\$ (69,362,696)
General Revenues and other Changes in Net Position										
Governmental activities:										
Real estate and personal property taxes, net of tax refunds payable.....	\$ 42,533,323	\$ 43,632,211	\$ 46,614,390	\$ 48,002,624	\$ 50,035,148	\$ 51,463,244	\$ 57,633,851	\$ 60,149,945	\$ 61,860,468	\$ 63,772,350
Motor vehicle and other excise taxes.....	2,145,931	2,305,255	2,328,915	2,530,107	2,818,956	3,026,616	3,198,586	3,357,113	3,499,736	3,596,786
Community preservation taxes.....	-	992,107	1,070,846	1,105,543	1,158,916	1,201,728	1,355,633	1,428,997	1,488,590	1,548,124
Penalties and interest on taxes.....	367,174	465,049	535,272	447,439	640,163	446,774	487,036	523,966	408,710	335,999
Payments in lieu of taxes.....	-	-	-	-	-	19,601	20,370	19,907	16,798	18,914
Grants and contributions not restricted to specific programs.....	1,738,954	1,803,153	1,799,495	1,806,527	1,933,158	1,938,534	2,305,361	2,279,401	2,419,774	2,346,541
Unrestricted investment income.....	188,874	102,462	74,257	55,527	88,567	186,336	611,498	542,053	526,030	810,987
Gain on sale of capital assets.....	-	32,277	32,690	-	-	-	-	-	206,432	161,792
Miscellaneous.....	-	219,218	284,355	576,098	679,700	311,551	71,543	119,997	324,069	342,682
Transfers.....	(880,065)	(751,332)	(730,948)	(746,994)	(768,508)	(804,675)	(679,618)	(660,771)	(690,835)	(798,789)
Total governmental activities.....	46,094,191	48,800,400	52,009,272	53,776,871	56,586,100	57,789,709	65,004,260	67,760,608	70,059,772	72,135,386
Business-type activities:										
Boat excise taxes.....	n/a	43,153	41,136	36,042	39,821	40,363	40,695	39,761	40,378	43,108
Unrestricted investment income.....	-	-	-	-	-	25,952	66,569	89,895	116,654	170,296
Transfers.....	880,065	751,332	730,948	746,994	768,508	804,675	679,618	660,771	690,835	798,789
Total business-type activities.....	880,065	794,485	772,084	783,036	808,329	870,990	786,882	790,427	847,867	1,012,193
Total primary government.....	\$ 46,974,256	\$ 49,594,885	\$ 52,781,356	\$ 54,559,907	\$ 57,394,429	\$ 58,660,699	\$ 65,791,142	\$ 68,551,035	\$ 70,907,639	\$ 73,147,579
Changes in Net Position										
Governmental activities.....	\$ 847,828	\$ (659,655)	\$ 1,666,992	\$ (1,656,580)	\$ (430,293)	\$ 2,995,848	\$ 10,736,303	\$ 19,743,284	\$ 7,830,486	\$ 1,603,265
Business-type activities.....	(650,595)	312,401	224,805	250,346	6,766,519	1,464,352	751,389	281,386	296,969	2,181,618
Total primary government.....	\$ 197,233	\$ (347,254)	\$ 1,891,797	\$ (1,406,234)	\$ 6,336,226	\$ 4,460,200	\$ 11,487,692	\$ 20,024,670	\$ 8,127,455	\$ 3,784,883

n/a = Boat excise taxes prior to 2011 are not available.
Source: Audited Financial Statements

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

Fund Balances, Governmental Funds

Last Ten Years

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
General Fund										
Reserved.....	\$ 1,961,484	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved.....	1,715,555	-	-	-	-	-	-	-	-	-
Restricted.....	-	86,767	86,767	454,518	530,298	5,649,548	501,782	510,884	510,884	456,219
Committed.....	-	-	327,128	959,038	1,936,899	2,083,919	2,547,389	3,255,428	5,501,817	4,180,351
Assigned.....	-	1,260,786	1,255,617	1,308,703	1,025,883	1,662,421	949,163	1,360,521	912,493	595,925
Unassigned.....	-	5,276,801	6,863,867	6,645,152	6,966,806	6,646,114	7,701,937	8,486,498	6,427,932	7,694,737
Total general fund.....	\$ 3,677,039	\$ 6,624,354	\$ 8,533,379	\$ 9,367,411	\$ 10,459,886	\$ 16,042,002	\$ 11,700,271	\$ 13,613,331	\$ 13,353,126	\$ 12,927,232
All Other Governmental Funds										
Reserved.....	\$ 9,362,759	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds.....	2,841,657	-	-	-	-	-	-	-	-	-
Capital projects funds.....	(1,661,998)	-	-	-	-	-	-	-	-	-
Permanent funds.....	402,398	-	-	-	-	-	-	-	-	-
Nonspendable.....	-	27,051	27,051	27,051	27,051	27,051	27,051	27,051	27,051	27,051
Restricted.....	-	11,925,417	14,708,235	17,065,311	15,336,177	81,168,008	67,934,831	27,684,536	21,872,899	24,283,818
Unassigned.....	-	-	(851,672)	(177,208)	(144,534)	(3,418)	-	(4,749,946)	(4,772,426)	(212,144)
Total all other governmental funds...	\$ 10,944,816	\$ 11,952,468	\$ 13,883,614	\$ 16,915,154	\$ 15,218,694	\$ 81,191,641	\$ 67,961,882	\$ 22,961,641	\$ 17,127,524	\$ 24,098,725

The Town implemented GASB 54 in year 2011, fund balances prior to year 2011 have been reported in the pre-GASB 54 format.

Changes in Fund Balances, Governmental Funds

Last Ten Years

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues:										
Real estate and personal property taxes, net of tax refunds.....	\$ 42,007,719	\$ 43,516,682	\$ 46,526,693	\$ 47,666,579	\$ 49,925,979	\$ 51,176,629	\$ 57,169,767	\$ 59,718,484	\$ 61,421,377	\$ 63,312,152
Tax liens.....	-	-	-	-	-	415,491	472,610	488,116	314,720	308,466
Motor vehicle and other excise taxes.....	2,125,130	2,283,729	2,329,038	2,449,218	2,837,763	3,025,388	3,188,658	3,350,152	3,190,904	3,420,299
Meals tax.....	-	-	-	-	-	-	-	-	261,318	264,699
Penalties and interest.....	367,174	420,610	498,556	351,965	403,063	422,000	451,408	483,632	436,937	335,999
Fees.....	139,064	197,399	204,034	1,338,592	419,408	504,848	547,967	526,908	353,052	479,535
Licenses and permits.....	515,326	707,500	715,175	880,443	812,414	812,387	932,531	937,395	982,280	1,058,858
Fines and forfeitures.....	131,502	103,033	80,716	95,779	99,660	68,513	76,842	100,863	44,011	40,619
Intergovernmental.....	19,475,135	17,824,475	20,153,547	17,685,685	19,680,358	18,044,124	25,491,847	40,191,793	24,962,762	21,189,673
Departmental and other.....	3,995,975	3,853,829	4,248,297	3,742,481	4,650,874	5,066,629	5,221,152	5,184,107	6,121,907	5,927,777
Community Preservation surtax.....	994,875	1,002,872	1,084,819	1,108,110	1,166,312	1,203,127	1,355,659	1,431,186	1,487,827	1,565,051
Contributions.....	434,265	145,106	122,159	197,296	170,014	696,070	540,353	423,760	458,024	1,182,551
Investment income.....	188,874	123,988	91,962	76,516	110,983	186,336	611,498	542,053	526,030	810,987
Total Revenues.....	70,375,039	70,179,223	76,054,996	75,592,664	80,276,828	81,621,542	96,060,292	113,378,449	100,561,149	99,896,666
Expenditures:										
General government.....	4,466,531	3,194,069	3,107,961	2,545,387	2,937,204	3,476,258	4,382,143	5,286,726	3,812,998	4,096,545
Public safety.....	6,259,459	7,170,482	7,828,098	8,041,331	7,994,485	9,040,139	8,470,823	8,993,964	9,275,776	9,848,368
Education.....	28,679,173	31,902,376	34,919,094	35,331,405	37,517,551	38,165,191	39,023,838	40,319,297	41,818,256	42,173,191
Public works.....	4,028,324	3,066,742	2,314,451	4,090,780	3,302,530	4,380,677	4,164,282	4,017,645	4,742,981	4,882,104
Human services.....	449,892	490,552	499,515	618,433	712,977	800,743	836,664	892,884	943,859	992,888
Culture and recreation.....	1,684,405	1,388,571	1,425,568	1,494,656	1,533,887	1,535,932	1,413,092	1,413,092	966,689	1,557,245
Community preservation.....	1,004,551	286,425	59,513	2,480	721,633	126,257	81,681	130,627	523,953	601,566
Pension benefits.....	9,208,255	9,759,069	9,972,581	10,751,535	10,965,723	7,824,380	10,295,660	12,827,599	13,481,397	13,632,959
Employee benefits.....	5,148,440	5,508,818	5,728,968	5,637,665	5,512,439	5,602,474	5,912,537	6,341,097	6,780,470	6,760,949
State and county charges.....	547,726	520,678	472,015	445,762	476,139	499,806	561,038	690,039	698,143	746,604
Capital outlay.....	6,680,329	3,643,219	4,979,559	3,521,008	6,325,715	9,252,829	31,225,154	70,717,211	16,289,170	7,973,652
Debt service:										
Principal.....	1,488,858	1,463,858	1,474,328	1,413,858	1,767,879	1,581,856	4,459,856	4,423,512	4,302,159	4,180,638
Principal - current refunding.....	-	-	-	-	-	-	4,818,188	564,514	-	-
Interest.....	692,885	771,919	579,727	488,798	584,080	533,531	2,835,437	3,285,814	3,237,379	3,139,312
Total Expenditures.....	70,338,828	69,166,778	73,361,378	74,383,098	80,352,242	87,638,261	114,524,737	159,339,507	106,873,230	100,585,721
Excess (deficiency) of revenues over (under) expenditures.....	36,211	1,012,445	2,693,618	1,209,566	(75,414)	(6,016,719)	(18,464,445)	(45,961,058)	(6,312,081)	(689,055)
Other Financing Sources (Uses):										
Issuance from bonds and notes.....	-	3,245,470	1,859,021	3,403,000	-	68,258,000	-	3,500,000	500,000	6,133,000
Issuance from refunding bonds.....	-	-	-	-	-	4,205,000	529,100	-	-	-
Premium from issuance of bonds and notes.....	-	148,644	18,480	-	-	5,300,269	-	34,648	202,153	590,268
Premium from issuance of refunding bonds.....	-	-	-	-	-	613,188	35,414	-	-	-
Capital lease financing.....	-	-	-	-	239,937	-	1,008,059	-	-	1,148,100
Proceeds from the sale of capital assets.....	-	-	-	-	-	-	-	-	206,432	161,792
Transfers in.....	2,734,441	1,045,494	271,053	234,649	1,103,283	1,438,009	6,741,065	645,070	942,636	1,017,610
Transfers out.....	-	(1,796,826)	(1,002,001)	(981,643)	(1,871,791)	(2,242,684)	(7,420,683)	(1,305,841)	(1,633,471)	(1,816,399)
Total other financing sources (uses).....	2,734,441	2,642,782	1,146,553	2,656,006	(528,571)	77,571,782	892,955	2,873,877	217,750	7,234,371
Net change in fund balance.....	\$ 2,770,652	\$ 3,855,227	\$ 3,840,171	\$ 3,865,572	\$ (603,985)	\$ 71,555,063	\$ (17,571,490)	\$ (43,087,181)	\$ (6,094,331)	\$ 6,545,316
Debt service as a percentage of noncapital expenditures.....	3.43%	3.41%	3.00%	2.69%	3.18%	8.85%	9.44%	8.70%	8.32%	7.90%

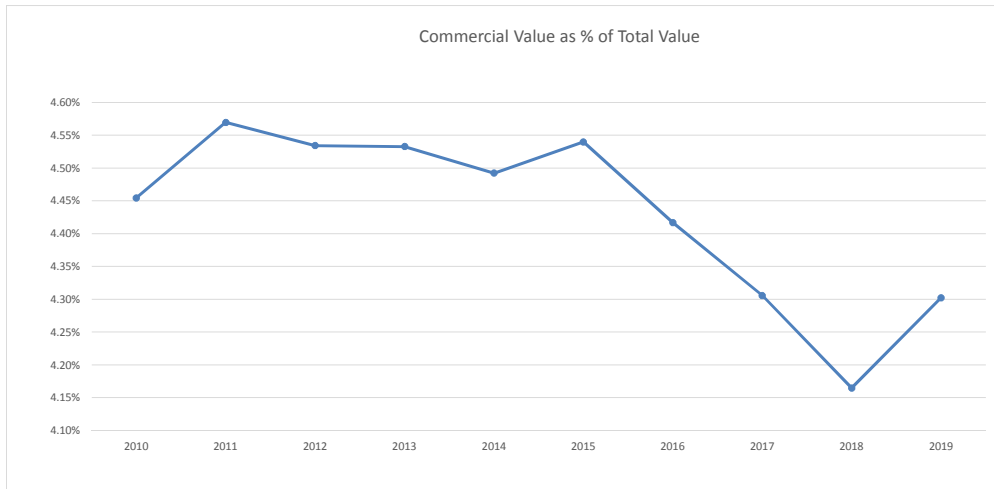
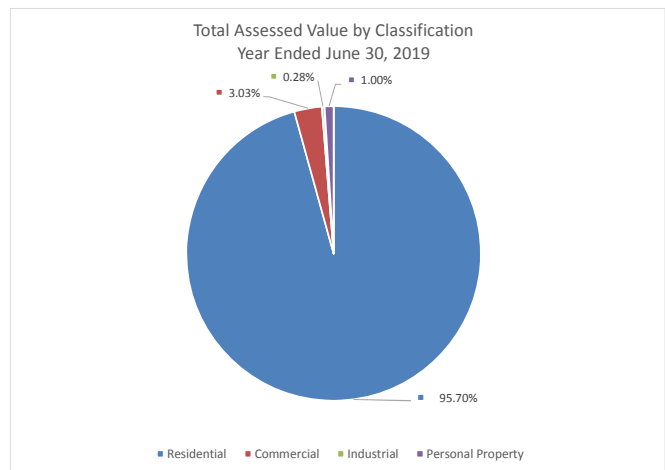
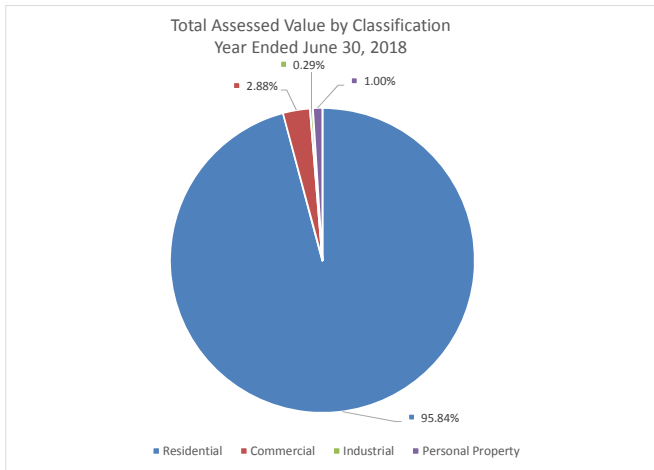
Notes:

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

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

Last Ten Years

Year	Assessed and Actual Values and Tax Rates									
	Residential Value	Residential Tax Rate	Commercial Value	Industrial Value	Personal Property	Total Commercial Value	Commercial Tax Rate	Commercial % of Total Value	Total Direct Rate	Total Town Value
2010	\$3,804,980,088	\$10.56	\$130,039,832	\$5,585,400	\$41,772,270	\$177,397,502	\$10.56	4.45%	\$ 10.56	\$3,982,377,590
2011	\$3,675,696,207	\$11.25	\$127,662,193	\$5,585,400	\$42,758,110	\$176,005,703	\$11.25	4.57%	\$ 11.25	\$3,851,701,910
2012	\$3,610,700,846	\$12.34	\$127,007,544	\$5,181,100	\$39,308,800	\$171,497,444	\$12.34	4.53%	\$ 12.34	\$3,782,198,290
2013	\$3,608,700,390	\$12.72	\$126,075,000	\$5,181,100	\$40,087,220	\$171,343,320	\$12.72	4.53%	\$ 12.72	\$3,780,043,710
2014	\$3,654,706,380	\$13.05	\$125,105,420	\$9,112,700	\$37,686,890	\$171,905,010	\$13.05	4.49%	\$ 13.05	\$3,826,611,390
2015	\$3,763,130,865	\$13.10	\$125,426,835	\$12,415,000	\$41,124,550	\$178,966,385	\$13.10	4.54%	\$ 13.10	\$3,942,097,250
2016	\$3,901,948,229	\$14.14	\$126,200,871	\$12,415,000	\$41,692,030	\$180,307,901	\$14.14	4.42%	\$ 14.14	\$4,082,256,130
2017	\$4,091,047,873	\$14.09	\$126,931,317	\$12,397,200	\$44,743,570	\$184,072,087	\$14.09	4.31%	\$ 14.09	\$4,275,119,960
2018	\$4,258,651,412	\$13.95	\$127,874,848	\$12,738,600	\$44,453,220	\$185,066,668	\$13.95	4.16%	\$ 13.95	\$4,443,718,080
2019	\$4,450,617,970	\$13.74	\$140,706,810	\$12,877,900	\$46,501,060	\$200,085,770	\$13.74	4.30%	\$ 13.74	\$4,650,703,740



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	2019			2010		
		Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value	Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value
Columbia Gas (Prev. Bay State Gas Company)	Utility	\$ 16,439,220	1	0.35%	\$ 8,826,850	2	0.23%
Massachusetts Electric Company	Utility	11,894,180	2	0.26%			
Abbott P M/Chamberlain Management	Real Estate	9,318,300	3	0.20%	8,281,400	4	0.22%
Kent Village Associates	Housing	6,907,700	4	0.15%	5,778,800	6	0.15%
Greenbush Station, LLC	Housing	5,311,300	5	0.11%			
Scituate Solar, LLC	Real Estate	5,164,500	6	0.11%			
Comcast of Massachusetts	Utility	5,017,060	7	0.11%			
Hatherly Country Club	Country Club	4,788,800	8	0.10%	3,822,880	9	0.10%
South Shore Real Estate	Real Estate	4,591,900	9	0.10%			
Kerns, Kevin P & Lisa M Trust	Real Estate	3,947,300	10	0.08%			
Herring Brook	Real Estate						
Verizon New England Inc.	Utility				9,087,900	1	0.24%
National Grid	Utility				8,382,110	3	0.22%
Rolling Lakes II, LLC	Real Estate				7,344,700	5	0.19%
HCRI Massachusetts Property Inc., Trust	Nursing Home				4,283,000	7	0.11%
Suburban Realty Trust	Real Estate				3,926,600	8	0.10%
Harborside Village Inc.	Mobile Homes				3,427,600	10	0.09%
Totals		\$ 73,380,260		1.58%	\$ 63,161,840		1.66%

Source: Official Statements, Town of Scituate

Property Tax Levies and Collections

Last Ten Years

Year	Total Tax Levy	Less Abatements & Exemptions	Net Tax Levy	Net as % of Total	First Year Current Tax Collections	Percent of Net Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Net Tax Levy
2010	\$42,053,907	\$152,088	\$41,901,819	99.64%	\$40,930,180	97.68%	\$489,615	\$41,419,795	98.85%
2011	\$43,334,646	\$115,758	\$43,218,888	99.73%	\$42,119,403	97.46%	\$400,032	\$42,519,435	98.38%
2012	\$46,672,324	\$249,523	\$46,422,801	99.47%	\$45,433,883	97.87%	\$434,613	\$45,868,496	98.81%
2013	\$48,082,156	\$144,913	\$47,937,243	99.70%	\$46,882,580	97.80%	\$543,692	\$47,426,272	98.93%
2014	\$49,937,279	\$114,882	\$49,822,397	99.77%	\$49,062,343	98.47%	\$466,423	\$49,528,766	99.41%
2015	\$51,671,474	\$112,627	\$51,558,847	99.78%	\$50,540,571	98.03%	\$449,771	\$50,990,342	98.90%
2016	\$57,723,102	\$275,943	\$57,447,159	99.52%	\$56,591,303	98.51%	\$593,285	\$57,184,588	99.54%
2017	\$60,236,440	\$250,001	\$59,986,439	99.58%	\$59,115,718	98.55%	\$588,786	\$59,704,504	99.53%
2018	\$61,989,867	\$249,617	\$61,740,250	99.60%	\$60,833,576	98.53%	\$599,949	\$61,433,525	99.50%
2019	\$63,900,669	\$250,000	\$63,650,669	99.61%	\$62,883,787	98.80%	\$0	\$62,883,787	98.80%



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)	Capital Leases	General Obligation Bonds (1)	Capital Leases				
2010	\$ 16,829,570	\$ -	\$ 30,117,542	\$ 134,305	\$ 47,081,417	5.75%	18,297	\$ 2,573
2011	14,878,322	-	31,721,353	116,999	46,716,674	5.38%	17,985	2,598
2012	15,263,015	-	30,443,774	65,028	45,771,817	5.07%	18,234	2,510
2013	17,252,157	-	33,747,274	70,717	51,070,148	5.45%	18,648	2,739
2014	15,484,278	206,248	30,557,908	91,624	46,340,058	4.77%	18,847	2,459
2015	87,553,879	176,890	42,946,188	127,924	130,804,881	12.96%	18,847	6,940
2016	82,697,642	1,036,495	38,750,175	156,270	122,640,582	11.71%	18,535	6,617
2017	81,273,722	789,204	34,867,935	140,265	117,071,126	10.77%	18,515	6,323
2018	76,996,618	686,572	31,372,085	93,995	109,149,270	9.67%	18,760	5,818
2019	79,015,481	983,913	37,561,759	177,187	117,738,340	10.05%	18,495	6,366

(1) Presented net of original issuance discounts and premiums.

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

Source: Audited Financial Statements, U. S. Census

Ratios of General Bonded Debt Outstanding

Last Ten Years

Year	General Obligation Bonds (1)	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property (2)	Per Capita (3)
2010	\$ 46,947,112	\$ -	\$ 46,947,112	1.18%	\$ 2,566
2011	46,599,675	-	46,599,675	1.21%	2,591
2012	45,706,789	-	45,706,789	1.21%	2,507
2013	50,999,431	-	50,999,431	1.35%	2,735
2014	46,042,186	-	46,042,186	1.20%	2,443
2015	130,500,067	-	130,500,067	3.31%	6,924
2016	121,447,817	-	121,447,817	2.98%	6,552
2017	116,141,657	-	116,141,657	2.72%	6,273
2018	108,368,703	-	108,368,703	2.44%	5,777
2019	116,577,240	-	116,577,240	2.51%	6,303

(1) This is the general bonded debt of both governmental and business-type activities, net of original issuance discounts and 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, 2019

<u>Town of Scituate, Massachusetts</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Overlapping Debt and Direct Debt</u>
Debt repaid with property taxes:			
Plymouth County.....\$	1,375,000	6.04%	\$ 83,050
Massachusetts Bay Transportation Authority.....	5,348,582,000	0.076%	4,064,922
South Shore Regional Vocational Technical School District (SSRSD).....	345,000	7.58%	<u>26,151</u>
Estimated share of overlapping debt.....			4,174,123
Town direct debt.....			<u>80,676,394</u>
Total direct and overlapping debt.....			<u>\$ 84,850,517</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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Equalized Valuation.....	\$ 4,326,753,800	\$ 4,326,753,800	\$ 4,137,906,200	\$ 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
Debt Limit -5% of Equalized Valuation.....	\$ 216,337,690	\$ 216,337,690	\$ 206,895,310	\$ 206,895,310	\$ 205,188,380	\$ 205,188,380	\$ 221,680,980	\$ 221,680,980	\$ 240,975,950	\$ 240,975,950
Less:										
Outstanding debt applicable to limit.....	40,378,637	46,445,430	42,612,765	50,875,921	34,685,631	52,276,219	47,277,578	46,005,123	41,854,755	43,708,387
Authorized and unissued debt.....	25,765,797	18,003,396	18,198,557	6,072,096	11,247,288	71,060,704	44,925,917	31,849,339	33,569,914	47,372,958
Legal debt margin.....	\$ 150,193,256	\$ 151,888,864	\$ 146,083,988	\$ 149,947,293	\$ 159,255,461	\$ 81,851,457	\$ 129,477,485	\$ 143,826,518	\$ 165,551,281	\$ 149,894,605
Total debt applicable to the limit as a percentage of the limit.....	30.57%	29.79%	29.39%	27.53%	22.39%	60.11%	41.59%	35.12%	31.30%	37.80%

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
2010	18,297	\$ 819,169,000	\$ 45,176	45	3,277	7.00%
2011	17,985	869,098,000	47,824	45	3,286	5.70%
2012	18,234	902,123,724	49,475	45	3,276	5.30%
2013	18,648	936,404,426	50,215	45	3,286	5.70%
2014	18,847	971,987,794	51,573	45	3,122	5.20%
2015	18,847	1,008,923,330	53,532	45	3,097	4.50%
2016	18,535	1,047,262,416	56,502	48	3,094	2.50%
2017	18,515	1,087,058,388	58,712	55	3,005	4.10%
2018	18,760	1,128,366,607	60,147	57	2,988	3.50%
2019	18,495	1,171,244,538	63,328	47	3,005	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

Employer	Nature of Business	2019			2010		
		Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Town of Scituate	Municipal Government	1,268	1	13.14%	1,185	1	13.22%
Life Care Center	Nursing Home	185	2	1.92%	185	2	2.06%
Scituate Marketplace	Supermarket				100	3	1.12%
Total		<u>1,453</u>		<u>15.06%</u>	<u>1,470</u>		<u>16.40%</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>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Function										
General government.....	26	26	28	28	30	31	32	34	36	36
Police.....	35	35	33	33	33	34	35	35	35	35
Fire.....	53	52	53	53	53	53	55	55	55	55
Education.....	388	365	376	379	396	466	455	450	447	484
Water.....	12	11	12	12	12	13	14	14	14	15
Sewer.....	7	8	8	8	8	8	8	8	8	8
Solid waste.....	4	4	4	4	4	4	4	4	4	4
Public works.....	25	24	25	25	23	27	27	27	28	28
Human services.....	7	7	8	8	8	9	10	10	10	10
Culture and recreation.....	24	24	23	22	22	22	22	22	22	22
Total	<u>580</u>	<u>555</u>	<u>568</u>	<u>572</u>	<u>589</u>	<u>667</u>	<u>662</u>	<u>659</u>	<u>659</u>	<u>697</u>

Source: Town personnel records and various Town departments.

Operating Indicators by Function/Program

Last Ten Years

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government										
Population.....	18,297	17,985	18,234	18,648	18,847	18,847	18,535	18,515	18,760	18,495
Registered voters, annual town election.....	12,924	13,048	13,827	13,941	13,961	14,170	14,117	14,629	14,517	14,623
Town Clerk										
Births.....	140	145	167	161	152	172	118	193	168	107
Marriages.....	49	54	74	78	70	56	63	72	69	31
Deaths.....	200	219	176	167	174	207	130	205	197	121
Police										
MV Accidents investigated by an officer.....	199	232	251	232	252	287	266	259	220	226
Citations issued.....	903	851	712	808	904	199	182	266	69	246
Arrests.....	395	382	285	290	314	241	248	265	197	292
Total Incidents.....	14,688	14,852	14,268	16,480	17,850	16,074	20,548	21,337	22,735	24,565
Fire										
Permits/certificate issued.....	1,015	1,015	942	1,289	1,228	1,270	1,080	958	888	1,264
False alarm.....	290	333	292	342	325	346	448	336	315	344
Fires.....	104	75	118	82	88	79	66	81	75	94
Rescue/EMS incidents.....	1,928	1,895	1,823	1,981	1,925	1,880	1,841	1,896	1,996	1,948
Total Incidents.....	2,846	2,986	2,928	3,256	2,963	3,017	3,140	3,075	3,564	3,192
Building Department										
Building permits issued.....	604	797	789	869	822	926	947	920	812	960
Gas & Plumbing permits issued.....	688	763	785	1,098	1,046	892	884	821	843	915
Electrical permits issued.....	554	589	606	814	844	648	762	669	726	462
Education										
Public school enrollment.....	3,277	3,286	3,276	3,286	3,122	3,097	3,094	3,005	2,988	3,005
High school graduates.....	174	175	208	206	185	205	215	236	227	209
Public Works										
Water										
Service connections.....	7,573	7,624	7,641	7,636	7,659	7,721	7,728	7,753	7,644	7,892
Consumption in millions of gallons.....	638	549	516	545	552	452	455	458	444	514
Daily consumption in millions of gallons.....	1.75	1.50	1.41	1.49	1.51	1.24	1.25	1.35	1.34	1.40
Highway										
Miles of public road.....	101	101	101	101	101	103	103	103	103	103
Human Services										
Board of Health										
Inspections.....	609	612	549	549	590	577	724	877	980	566
Sewage Permits.....	99	106	85	85	69	91	228	195	187	126
Council on Aging										
Total Rides	6,406	6,757	6,860	6,845	6,542	6,976	6,839	6,731	7,195	6,481
Library										
Circulation.....	273,484	279,607	262,136	250,194	236,357	243,490	219,942	216,767	252,705	290,582
Visitors.....	140,155	155,544	153,247	138,640	140,109	155,000	n/a	88,610	200,000	120,205
Volunteer hours of service.....	1,872	1,673	1,369	1,178	770	570	281	350	2,850	8,986

Source: Various Town Departments & annual reports

Capital Asset Statistics by Function/Program

Last Ten Years

<u>Function/Program</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
General Government									
Number of buildings.....	1	1	1	1	1	1	1	1	1
Police *									
Number of stations.....	1	1	1	1	1	1	1	-	-
Fire *									
Number of stations.....	3	3	3	3	3	3	3	2	2
Public Safety Complex & Emerg Ops Ctr.....	-	-	-	-	-	-	-	1	1
Education									
Number of elementary schools.....	4	4	4	4	4	4	4	4	4
Number of middle schools.....	1	1	1	1	1	1	1	1	1
Number of high schools.....	1	1	1	1	1	1	1	1	1
Public Works									
Number of wells.....	6	6	6	6	6	6	6	6	6
Number of water storage tanks.....	2	2	2	2	2	2	2	2	2
Number of pump stations.....	2	2	2	2	2	2	2	2	2
Human Services									
Senior center.....	1	1	1	1	1	1	1	1	1
Culture and Recreation									
Maritime Center.....	1	1	1	1	1	1	1	1	1
Library.....	1	1	1	1	1	1	1	1	1
Scituate Harbor Community Bldg.....	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.