

TOWN OF TEWKSBURY, MASSACHUSETTS

ANNUAL COMPREHENSIVE FINANCIAL REPORT



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

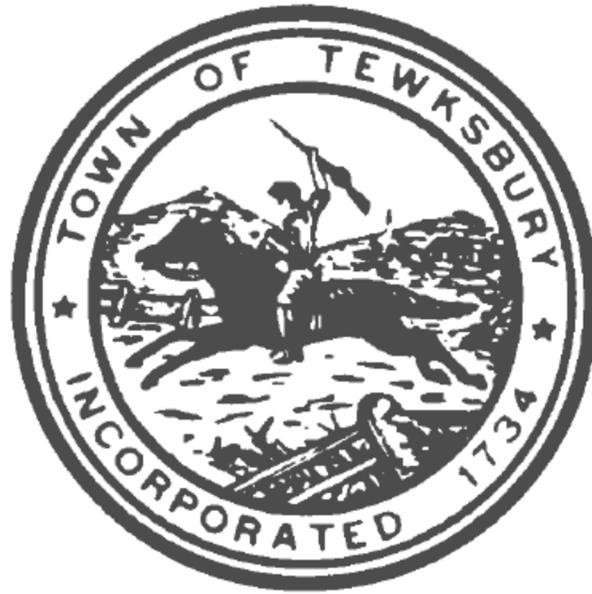
On the cover: Tewksbury Town Hall



Tewksbury Fire Department

TOWN OF TEWKSBURY, MASSACHUSETTS

ANNUAL COMPREHENSIVE FINANCIAL REPORT



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

Prepared by the Finance Department

TOWN OF TEWKSBURY, MASSACHUSETTS
ANNUAL COMPREHENSIVE FINANCIAL REPORT

JUNE 30, 2022

TABLE OF CONTENTS

Introductory Section	1
Letter of Transmittal	3
Principal Executive Officers as of June 30, 2022	7
Organizational Chart	8
Financial Section	9
Independent Auditor's Report	11
Management's Discussion and Analysis	14
Basic Financial Statements.....	26
Statement of net position.....	27
Statement of activities	28
Governmental funds – balance sheet.....	30
Reconciliation of the governmental funds balance sheet total fund balances to the statement of net position..	31
Governmental funds – statement of revenues, expenditures and changes in fund balances	32
Reconciliation of the statement of revenues, expenditures and changes in fund balances of governmental funds to the statement of activities.....	33
Proprietary funds – statement of net position.....	34
Proprietary funds – statement of revenues, expenses and changes in net position.....	35
Proprietary funds – statement of cash flows	36
Fiduciary funds – statement of fiduciary net position	37
Fiduciary funds – statement of changes in fiduciary net position.....	38
Notes to basic financial statements.....	39
Required Supplementary Information	77
General Fund Budgetary Schedule	78
Schedule of revenues, expenditures and changes in fund balance – general fund – budget and actual	79
Pension Plan Schedules	83
Schedule of the Town's proportionate share of the net pension liability	84
Schedule of the Town's contributions	85
Schedule of the special funding amounts of the net pension liability	86
Other Postemployment Benefits Plan Schedules	87
Schedule of changes in the Town's net other postemployment benefits liability and related ratios	88

Schedule of the Town's contributions	89
Schedule of investment returns	90
Notes to Required Supplementary Information	91
Combining Statements	95
Nonmajor Governmental Funds	96
Nonmajor governmental funds - combining balance sheet	98
Nonmajor governmental funds - combining statement of revenues, expenditures and changes in fund balances	102
Statistical Section	107
Net position by component – last ten years	109
Changes in net position – last ten years	110
Fund balances, governmental funds – last ten years	112
Changes in fund balances, governmental funds – last ten years	113
Assessed value and actual value of taxable property by classification and tax rates – last ten years	114
Principal taxpayers – current year and nine years ago	115
Property tax levies and collections – last ten years	116
Ratios of outstanding debt by type – last ten years	117
Ratios of general bonded debt outstanding – last ten years	118
Direct and overlapping governmental activities debt – as of June 30, 2022	119
Computation of legal debt margin – last ten years	120
Demographic and economic statistics – last ten years	121
Principal employers – current year and nine years ago	122
Full-time equivalent Town employees by function – last ten years	123
Operating indicators by function/program – last ten years	124
Capital asset statistics by function/program – last ten years	125

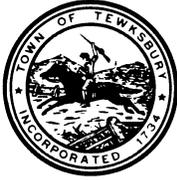
Introductory Section



Members of the Tewksbury Police Department with trading cards

Introductory Section

This page intentionally left blank.



OFFICE OF THE TOWN MANAGER

TOWN OF TEWKSBURY

TOWN HALL

1009 MAIN ST

TEWKSBURY, MASSACHUSETTS 01876

RICHARD A. MONTUORI
TOWN MANAGER

(978) 640-4300

FAX (978) 640-4302

Letter of Transmittal

January 27, 2023

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

State law requires the Town of Tewksbury to publish at the close of each year a complete set of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) that are audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue this Annual Comprehensive Financial Report (ACFR) of the Town of Tewksbury, Massachusetts, for the year ending June 30, 2022, for your consideration.

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

The ACFR is designed to be used by the elected and appointed officials of Tewksbury 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 Tewksbury to review and understand.

The Town of Tewksbury'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 Tewksbury for the year ended June 30, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion on the Town of Tewksbury's financial statements for the year ended June 30, 2022, and that they are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Town of Tewksbury 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 Tewksbury'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 Tewksbury's MD&A can be found immediately following the report of the independent auditors.

Profile of Town

The Town of Tewksbury was incorporated in 1734 and occupies a land area of approximately 21 square miles. The Town is bordered by the Towns of Dracut to the north, Andover to the northeast, Wilmington to the southeast, Billerica to the southwest, and the City of Lowell to the west. Tewksbury is located in Middlesex County approximately 21 miles north of Boston. Bordered by two major highway systems, Routes 93 and 495, and a number of secondary roadways including Routes 38 and 133, Tewksbury provides an excellent location for its residents and its businesses.

Local legislative decisions are made by an open town meeting consisting of all the registered voters in the Town. Subject to the legislative decisions made by the town meeting, the affairs of the Town are administered by a five member Select Board who appoint a Town Manager to manage day-to-day and financial matters. The annual town census for 2020 lists the Town's population as 31,342.

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

The Town of Tewksbury provides general governmental services for the area within its boundaries, including police and fire protection, public education in grades kindergarten through 12, maintenance of streets and infrastructure, solid waste collection and disposal, water and sewer services, health and human services, parks and recreation, community development, administrative and financial services.

The Lowell Regional Transit Authority provides bus coverage throughout the Town to surrounding communities. Electricity and natural gas are supplied by National Grid. The Tewksbury Housing Authority provides public housing for eligible low income families, the elderly and the handicapped.

The Town manages its risk through a combination of self-insured programs and premium based coverage with commercial insurance carriers. The Town is self-insured for its health insurance and workers' compensation activities. The Town is exposed to various risks of loss related to general liability, property and casualty, workers' compensation and unemployment compensation claims. Buildings and property are fully insured against fire, theft and natural disaster to the extent that losses exceed the Town's deductible per incident. These deductibles vary by type of incident, none of which exceed \$150,000.

Budgetary Controls

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

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 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 Finance 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 is a mature community with industrial and commercial activity concentrated along the major interstates that border the Town. Retail trade is concentrated along Route 38. Several nationally known companies have chosen to locate in the Town.

The Town continues to focus on providing high-end services while maintaining its economic health. The per capita income is higher than state averages, and the unemployment rate has been low. The Town remains a very desirable community given its close proximity to Boston and quality of services provided.

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, and Green Communities.

The Town has also enhanced its revenue flexibility by establishing four enterprise funds. This has allowed the Town to shift 100% of the operating cost and capital improvements to the users of water, sewer, cable and stormwater services so that no tax support goes towards providing operational support for these services.

Major Initiatives

The Town continues to invest in its buildings and other infrastructure to maintain high quality public services. The ongoing aging of buildings and infrastructure has led the Town to undertake several major capital projects. In the current year, the Town completed the construction of the new Center fire station, they continued construction of the new Center elementary school which is scheduled to be completed during fiscal year 2023, and they completed the design for the new DPW/school maintenance facility which is projected to cost approximately \$30 million. This project was approved at the October 2022 special town meeting and will fit within the levy without a debt exclusion.

On March 11, 2021, the United States Federal Government established the American Rescue Plan Act (ARPA) to enhance the United States' recovery from the economic and health effects of the COVID-19 pandemic. This Act requires that the payment from these funds be used to cover costs related to; public health; negative economic impacts; services to disproportionately impacted communities; premium pay; infrastructure; revenue replacement; or administration. These funds can only be used to cover costs incurred between March 3, 2021, and December

31, 2024. The Town was awarded \$9.3 million of this federal funding which it is using to fund water infrastructure projects.

The Town dedicates operational budget and capital funds to roadway improvements. This includes coordinating sewer and water projects so as not to waste resources on paving the same area repeatedly and utilizing Massachusetts Department of Transportation Chapter 90 funds for major repairs and drainage improvements to roads throughout Town. In the last five years, the Town has invested \$6.8 million in improving its roads, sidewalks and drainage. The Town dedicated an additional \$750,000 to roads and sidewalks at the October 2022 special town meeting. The Town's Fire and Police Departments are also consistently successful in obtaining state and federal grants for equipment such as stretchers, safety equipment, dewatering pumps and emergency medical supplies, training as well as construction funds for improvements to existing facilities.

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 Manager and the 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 Tewksbury'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.

Awards and Acknowledgements

This is the first year that the Town of Tewksbury will submit an annual comprehensive financial report (ACFR) to the Government Finance Officers Association (GFOA) with hopes of being awarded a Certificate of Achievement for Excellence in Financial Reporting. The Certificate of Achievement is a prestigious national award recognized conformance with the highest standards for preparation of a state and local government financial report.

In order to receive this prestigious award, a government had to publish an easily readable and efficiently organized ACFR that satisfied both generally accepted accounting principles and applicable legal requirements.

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

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

Respectfully submitted,



Richard Montuori
Town Manager



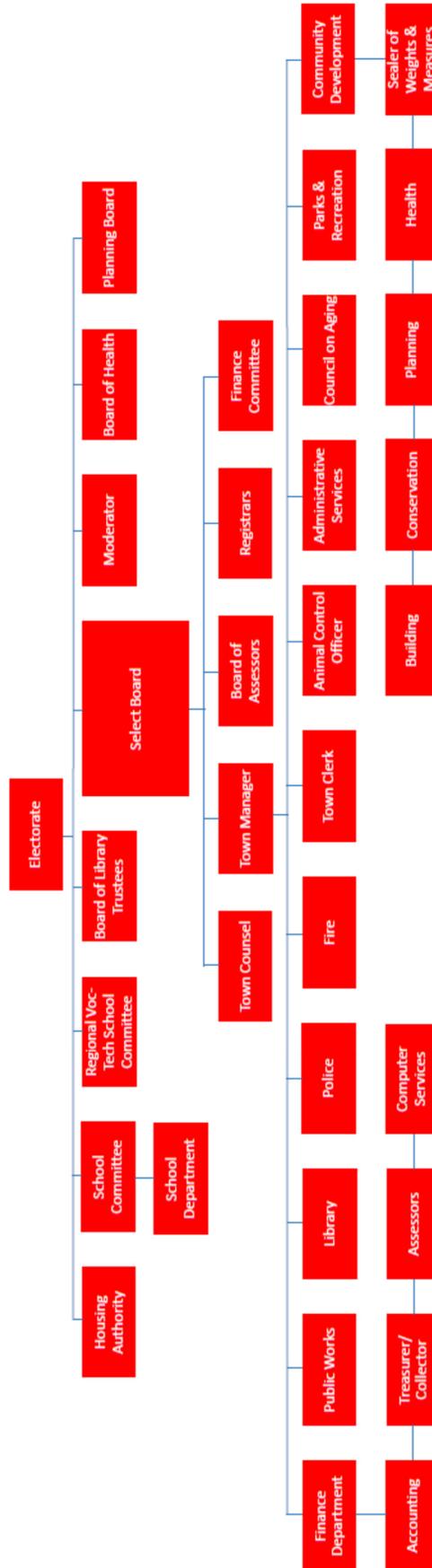
Al Rego
Town Accountant

Town of Tewksbury, Massachusetts

Principal Executive Officers as of June 30, 2022

TITLE	NAME	SELECTION	TERM EXPIRES
Select Board, Chair	Todd R. Johnson	Elected	2024
Select Board, Vice Chair	James F. Mackey III	Elected	2024
Select Board, Clerk	Mark Kratman	Elected	2025
Select Board	Jay J. Kelly	Elected	2023
Select Board	Jayne Elizabeth Wellman	Elected	2025
Town Manager	Richard Montuori	Appointed	Indefinite
Assistant Town Manager	Steven Sadwick	Appointed	Indefinite
Town Accountant	Albano Rego	Appointed	Indefinite
Treasurer / Collector	Kelly Odams	Appointed	Indefinite
Town Clerk	Denise Graffeo	Appointed	Indefinite
Director of Assessing	Joanne Foley	Appointed	Indefinite
Superintendent of Schools	Brenda Theriault-Regan	Appointed	Indefinite
School Business Manager	David A. Libby	Appointed	Indefinite
Fire Chief	Joseph Kearns	Appointed	Indefinite
Police Chief	Ryan M. Columbus	Appointed	Indefinite
Director of Public Works	Brian Gilbert	Appointed	Indefinite

Town of Tewksbury, Massachusetts Organizational Chart



Financial Section



Center Elementary School

Financial Section

This page intentionally left blank.

Independent Auditor's Report

To the Honorable Select Board
Town of Tewksbury, Massachusetts

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Tewksbury, Massachusetts, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town of Tewksbury, Massachusetts' basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Tewksbury, Massachusetts, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Tewksbury, Massachusetts and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As discussed in Note 4 to the financial statements, in the year ending June 30, 2022, the Town adopted new accounting guidance, Government Accounting Standards Board (GASB) Statement No. 87, Leases. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Tewksbury, Massachusetts' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Tewksbury, Massachusetts' ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who

considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Tewksbury, Massachusetts' basic financial statements. The accompanying combining statements, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 27, 2023, on our consideration of the Town of Tewksbury, Massachusetts' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Tewksbury, Massachusetts' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Tewksbury, Massachusetts' internal control over financial reporting and compliance.



January 27, 2023

Management's Discussion and Analysis

Management's Discussion and Analysis

As management of the Town of Tewksbury (Town), we offer readers of these financial statements this narrative overview and analysis of the financial activities for the year ended June 30, 2022. The Town complies with financial reporting requirements issued by the Governmental Accounting Standards Board (GASB). Management's discussion and analysis are part of these requirements.

Financial Highlights

- The Town's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the most recent year by \$127.7 million (net position).
- As required by GASB Statement #68, the Town recognized their total net pension liability of \$99.4 million along with deferred outflows related to pension of \$11.7 million and deferred inflows related to pension of \$17.5 million on the statement of net position.
- The Town recognized their total net other postemployment benefits (OPEB) liability of \$110.6 million along with deferred outflows related to OPEB of \$26.2 million and deferred inflows related to OPEB of \$580,000 on the statement of net position.
- The government's total net position increased by \$18.6 million.
- As of the close of the current year, the Town's governmental funds reported a combined ending fund balance of \$62.2 million, a decrease of \$36.7 million in comparison with the prior year.
- At the end of the current year, unassigned fund balance for the general fund was \$25.9 million, or 20.3% percent of total government expenditures.
- The Town contributed an additional \$859,000 to its other postemployment benefits (OPEB) trust fund, which had a balance of \$7.8 million at the end of the current year.
- The Town implemented GASB Statement No. 87, *Leases*, during the year. This statement redefines a lease as a right to use another entity's asset over a definitive period of time. The Town recorded \$2.0 million in lease receivables as of June 30, 2022. No restatement of beginning net position was required.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town of Tewksbury'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.

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

The *statement of activities* presents information showing how the government's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of the 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 (i.e. uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions that are primarily 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, finance, planning and development, facilities, public safety, education, public works, sanitation, council on aging, community services, culture and recreation, library and interest.

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 Tewksbury adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Proprietary funds. The Town of Tewksbury maintains two types of proprietary funds:

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, cable and stormwater operations.

Internal service funds are an accounting device used to accumulate and allocate costs internally among various functions. The Town uses internal service funds to account for health insurance activities and workers compensation benefits. Because these services primarily benefit governmental rather than business-type activities, they have been included within *governmental activities* in the government-wide financial statements.

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 other postemployment benefits fund is used to account for assets accumulated to provide funding for future other postemployment benefits (OPEB) liabilities. The private purpose trust fund is reported in the fiduciary funds financial statements under the caption "private purpose trust fund".

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

Government-wide Financial Analysis

As noted earlier net position may serve, over time, as a useful indicator of a government's financial position. The assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$127.7 million at the close of 2022.

Governmental Activities – The key elements of the governmental activities are as follows:

	2022	2021
Assets:		
Current assets.....	\$ 100,085,125	\$ 131,106,219
Noncurrent assets (excluding capital).....	1,707,832	-
Capital assets, non depreciable.....	101,692,533	48,601,905
Capital assets, net of accumulated depreciation....	117,613,991	119,101,106
Total assets.....	321,099,481	298,809,230
Deferred outflows of resources.....	36,126,961	9,507,089
Liabilities:		
Current liabilities (excluding debt).....	20,721,801	13,843,765
Noncurrent liabilities (excluding debt).....	201,941,625	175,264,481
Current debt.....	6,600,813	8,371,843
Noncurrent debt.....	79,206,033	84,646,846
Total liabilities.....	308,470,272	282,126,935
Deferred inflows of resources.....	18,571,304	10,785,825
Net position:		
Net investment in capital assets.....	133,530,837	82,512,242
Restricted.....	7,850,479	6,722,604
Unrestricted.....	(111,196,450)	(73,831,287)
Total net position.....	\$ 30,184,866	\$ 15,403,559

For the Town's governmental activities, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$30.2 million at the close of 2022.

A significant portion of the Town's net position, \$133.5 million, reflects its net investment in capital assets (i.e. land, buildings, infrastructure, machinery and equipment) 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 Town's investment in its capital assets is reported net of its related debt, it should be noted that the resources needed to pay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Town's net position, \$7.9 million represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position resulted in a \$111.2 million deficit, due mainly to the cumulative effect of recording \$107.0 million of net other postemployment benefit liability along with \$91.2 million of net pension liability through June 30, 2022.

	2022	2021
Program Revenues:		
Charges for services..... \$	7,635,750	\$ 5,620,502
Operating grants and contributions.....	31,411,006	33,379,563
Capital grants and contributions.....	9,642,993	18,360,108
General Revenues:		
Real estate and personal property taxes, net of tax refunds payable.....	101,169,112	97,254,060
Tax and other liens.....	131,888	138,576
Motor vehicle and other excise taxes.....	5,053,012	5,233,247
Hotel/motel tax.....	956,263	657,734
Meals tax.....	725,821	504,819
Community preservation tax.....	1,184,254	1,320,210
Penalties and interest on taxes.....	354,458	426,296
Payments in lieu of taxes.....	31,107	85,276
Grants and contributions not restricted to specific programs.....	3,579,959	3,443,574
Unrestricted investment income (loss).....	(151,118)	1,054,760
Gain on sale of capital assets.....	184,237	-
Total revenues.....	161,908,742	167,478,725
Expenses:		
General government.....	3,310,696	3,703,357
Finance.....	1,292,841	1,438,945
Planning and development.....	1,065,739	1,238,299
Facilities.....	873,559	964,964
Public safety.....	25,078,247	22,832,777
Education.....	99,569,618	93,218,803
Public works.....	4,569,026	5,178,149
Sanitation.....	2,367,004	2,510,872
Council on aging.....	602,862	524,302
Community services.....	461,581	470,205
Culture and recreation.....	578,235	431,907
Library.....	1,648,958	1,791,980
Interest.....	2,131,630	2,605,633
Total expenses.....	143,549,996	136,910,193
Excess (Deficiency) before transfers.....	18,358,746	30,568,532
Transfers.....	(3,577,439)	(3,639,969)
Change in net position.....	14,781,307	26,928,563
Net position, beginning of year.....	15,403,559	(11,525,004)
Net position, end of year..... \$	30,184,866	\$ 15,403,559

Due to the implementation of GASB Statement #87, *Leases*, the Town recorded a lease receivable of \$2.0 million related to cell phone tower rental revenue. Amounts anticipated after fiscal year 2023 of \$1.7 million have been recorded as noncurrent assets.

The governmental activities net position increased by \$14.8 million during the current year. This was due to \$912,000 in state highway capital grants, \$8.7 million in Massachusetts School Business Authority (MSBA) funding, along with better than expected budgetary results; offset by the recognition of an additional \$5.2 million for the net other postemployment benefits liability net of deferred outflows/inflows and \$993,000 for the net pension liability net of deferred outflows/inflows.

Governmental expenses totaled \$143.5 million, of which \$48.7 million (33.9%) was directly supported by program revenues consisting of charges for services, operating and capital grants and contributions. General revenues totaled \$113.2 million, primarily from property taxes, motor vehicle and other excise, and grants and contributions not restricted to specific programs.

Charges for services represent 4.7% of governmental activities resources. The Town can exercise more control over this category of revenue than any other. Fees charged for services rendered that are set by Town Meeting, the Select Board, Town boards and commissions, and the Town Manager are included in this category. Charges for services have increased by \$2.0 million from the prior year which was mainly due to programs such as extended day, adult education, preschool and school lunch being operational for the full fiscal year.

Operating grants and contributions account for 19.4% of the governmental activities resources. Most of these resources apply to education operations. These resources offset costs within the school department in addition to their general fund operating budget.

Capital grants and contributions account for 6.0% of the governmental activities resources. The Town receives state reimbursement for highway projects and MSBA funding for school construction. The decrease from prior year is mainly due to the MSBA school construction funding.

Property taxes are the most significant revenue source for the Town's governmental activities. They comprise 62.6% of all resources.

Motor vehicle and other taxes comprise 3.1% of the governmental activity's resources.

Education is by far the largest governmental activity of the Town. A total of \$99.6 million was expended for education, of which \$38.0 million was funded by program revenues. The remaining \$61.6 million was funded by taxes and other revenue. Education expenses increased \$6.4 million due to an increase to the Town's budgeted expenses, \$5.6 million for their share of net postemployment benefits and \$1.5 million in related expenses to education programs and services including school lunch and extended day.

Public safety is the second largest activity of the Town. \$20.3 million of general revenues were needed to cover 2022 operating expenses. Expenses increased due to an increase to the Town's budgeted expenses and the recognition of an additional \$2.0 million in other postemployment benefits.

Business-type activities - The key elements of the business-type activities are as follows:

	2022	2021
Assets:		
Current assets.....	\$ 31,501,370	\$ 30,994,445
Capital assets, non depreciable.....	951,379	1,885,529
Capital assets, net of accumulated depreciation....	134,886,057	138,016,934
Total assets.....	167,338,806	170,896,908
Deferred outflows of resources.....	2,701,269	1,878,998
Liabilities:		
Current liabilities (excluding debt).....	1,158,572	1,784,240
Noncurrent liabilities (excluding debt).....	11,817,989	10,263,107
Current debt.....	8,169,211	8,834,907
Noncurrent debt.....	49,886,006	57,461,462
Total liabilities.....	71,031,778	78,343,716
Deferred inflows of resources.....	1,447,836	678,128
Net position:		
Net investment in capital assets.....	79,224,311	79,888,475
Unrestricted.....	18,336,150	13,865,587
Total net position.....	\$ 97,560,461	\$ 93,754,062
	2022	2021
Program Revenues:		
Charges for services.....	\$ 16,898,996	\$ 17,555,891
Operating grants and contributions.....	193,283	-
General Revenues:		
Unrestricted investment income (loss).....	(278,759)	182,735
Total revenues.....	16,813,520	17,738,626
Expenses:		
Water.....	8,718,500	7,782,795
Sewer.....	6,819,252	7,063,597
Cable.....	370,479	261,805
Stormwater.....	676,329	474,220
Total expenses.....	16,584,560	15,582,417
Excess (Deficiency) before transfers.....	228,960	2,156,209
Transfers.....	3,577,439	3,639,969
Change in net position.....	3,806,399	5,796,178
Net position, beginning of year.....	93,754,062	87,957,884
Net position, end of year.....	\$ 97,560,461	\$ 93,754,062

For the Town's business type activities, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$97.6 million at the close of 2022.

Business type net position of \$79.2 million (81.2%) represents investments in capital assets, net of any related debt. The remaining \$18.3 million (18.8%) is available to be used for the ongoing operation of the Town's water, sewer, cable and stormwater enterprises.

Business-type activities net position increased by \$3.8 million during the current year.

The water enterprise fund decreased \$592,000 from the prior year. This was due to a slight decrease in revenue along with an increase in net other postemployment benefits.

The sewer enterprise fund increased \$3.4 million from the prior year. The primary reason for the increase is the fact that the rates are designed to support principal payments on long-term debt along with a subsidy by the tax rate. This is consistent with the prior year.

The cable enterprise fund increased \$248,000 from the prior year. The enterprise fund reported operating revenue of \$636,000 which is slightly higher than the prior year. Operating expenses totaled \$370,000 along with a loss on investment income resulted in total ending net position of \$2.4 million at June 30, 2022.

The stormwater enterprise fund increased \$727,000 which is less than the prior year increase of \$1 million. Fiscal year 2022 was the second full year of operations for the stormwater enterprise fund. Operating revenues decreased in the current year by \$297,000 along with an increase in operating expense of \$202,000. The additional expenses were for a stormwater analysis project which funded using \$193,000 of state grant funds.

Financial Analysis of the Governmental Funds

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

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

At the end of the current year, the Town's governmental funds reported combined ending fund balances totaling \$62.2 million. Of this amount \$36.2 million is for the general fund, \$5.9 million is for the elementary school construction fund, and \$20.1 million is comprised of nonmajor governmental funds. Cumulatively there was a decrease of \$36.7 million in fund balances from the prior year mainly related to the timing of expenditures in the school construction fund.

The general fund is the chief operating fund of the Town. At the end of the current year, unassigned fund balance of the general fund was \$25.9 million while total fund balance was \$36.2 million. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and the total fund balance to total fund expenditures. Unassigned fund balance represents 20.3% of the total general fund expenditures, while total fund balance represents 28.3% of that same amount.

Financial Summary

- Tax revenue continues to be the most significant revenue source for the Town, representing 74.1% of total general fund revenue. Tax revenue increased in accordance with the provisions of the Massachusetts law, which limits such increase to 2 ½% over the preceding year plus an allowance for new growth and excluded debt.

- Intergovernmental revenue represents 17.6% of total general fund revenues. This includes state aid and \$6.5 million in payments made by the State to the Massachusetts Teachers' Retirement Association for teachers' pension benefits.
- Motor vehicle revenue represents 3.6% of the total general fund revenues, a slight decrease from the prior year.
- Charges for services revenue totaled approximately \$1.7 million, which was slightly higher than the prior year.
- Education continues to be the largest category of general fund expenditures, representing 54.6% in 2022. The Town is committed to providing a high-quality education through its public schools. Expenditures in education increased by \$3.9 million or 5.9%. This increase was mainly due to an increase to the Town's budgeted operating expenditures and additional capital outlay.
- Public safety and public works represent a combined 14.4% of general fund expenditures. This reflects the Town's commitment to providing a safe, secure environment and essential public services.
- Debt service costs in 2022 equaled 6.9% of total general fund expenditures, reflecting the Town's ongoing commitment to its school building program, public safety facilities, and recreation and cultural facilities.

The elementary school construction fund was established after the Town authorized at their May 2020 Annual Town Meeting, the construction of the new elementary school totaling \$98.5 million. The Town has been approved to receive assistance from the Massachusetts School Building Authority (MSBA) for 58.77% of eligible construction costs. The elementary school construction fund reported a fund balance of \$5.9 million. The Town received \$8.7 million in reimbursements from the MSBA and expended \$46.2 million in the current year.

There was a decrease of \$4.4 million in the nonmajor governmental funds, which reported \$15.5 million in revenues, \$19.9 million in expenditures and \$70,000 in other financing sources.

General Fund Budgetary Highlights

There was a \$7.5 million increase from the original budget to the final amended budget. During the fall and spring Special Town Meetings, appropriation increases for stabilization, snow and ice and various Town and School functions were approved.

General fund revenues came in approximately \$3.8 million more than budgeted. Of this increase, \$922,000 was in real estate and personal property taxes, \$532,000 was in hotel/motel tax, \$427,000 was in motor vehicle and other excise taxes and \$538,000 was in department and other.

General fund expenditures, including encumbrances, came in \$3.5 million less than budgeted.

Capital Asset and Debt Administration

In conjunction with the annual operating budget the Town of Tewksbury 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.

Capital Assets

The Town of Tewksbury’s investment in capital assets for its governmental and business-type activities as of June 30, 2022, amounts to \$355.1 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, water and sewer system improvements, machinery and equipment, computer equipment, park facilities, roads, highways, and bridges. The Town’s investment in capital assets increased \$47.6 million in 2022. The following table shows the breakdown of the Town’s capital assets:

Capital Asset	Governmental Activities	Business Type Activities	Total
Land.....	\$ 1,832,494	\$ 204,000	\$ 2,036,494
Construction in progress.....	98,956,739	747,379	99,704,118
Artwork.....	903,300	-	903,300
Land improvements.....	2,932,281	-	2,932,281
Buildings.....	78,129,760	5,898,099	84,027,859
Building improvements.....	10,223,578	672,542	10,896,120
Machinery and equipment.....	5,711,080	683,175	6,394,255
Computer software.....	47,309	-	47,309
Infrastructure.....	20,569,983	127,632,241	148,202,224
Total.....	\$ 219,306,524	\$ 135,837,436	\$ 355,143,960

Major capital asset events during the current year included the following:

- The Town capitalized \$56.0 million in construction in progress, of which \$55.9 million related to the governmental activities, \$98,000 related to the water enterprise fund, and \$49,000 related to the sewer enterprise fund. The governmental activities construction in progress additions included \$46.2 million for the construction of the new elementary school and \$7.2 million for the construction of the new Center fire station.
- The Town capitalized \$3.4 million in infrastructure, of which \$1.1 million related to the governmental activities, \$1.4 million related to water enterprise activities, \$273,000 related to the sewer enterprise activities, \$162,000 related to the cable enterprise fund and \$505,000 related to the stormwater enterprise fund.

Debt Administration

The Town maintains an “AA+” bond rating from Standard & Poor’s. The Town continues to maintain strong market access for both note and bond sales. At the end of the year, the Town had total bonded debt outstanding and unamortized bond premiums of \$143.9 million of which \$85.8 million is related to governmental activities, \$14.8 million is related to water projects and \$43.2 million is for sewer projects. The entire amount is classified as general obligation debt and is backed by the full faith and credit of the Town.

The Town’s long-term debt decreased by \$15.2 million in the current year due to debt payments and applied unamortized premiums.

Please refer to notes 5, 7 and 8 for further discussion of the major capital and debt activity.

Requests for Information

This financial report is designed to provide a general overview of the Town of Tewksbury'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 Town Accountant, Town Hall Annex, 11 Town Hall Avenue, Tewksbury, Massachusetts 01876.

This page intentionally left blank.

Basic Financial Statements

STATEMENT OF NET POSITION

JUNE 30, 2022

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
CURRENT:			
Cash and cash equivalents.....	\$ 35,178,370	\$ 13,271,719	\$ 48,450,089
Restricted cash and cash equivalents.....	1,040,177	-	1,040,177
Investments.....	50,152,192	12,153,988	62,306,180
Receivables, net of allowance for uncollectibles:			
Real estate and personal property taxes.....	835,344	-	835,344
Tax liens.....	1,090,797	-	1,090,797
Community preservation fund surtax.....	7,740	-	7,740
Motor vehicle and other excise taxes.....	535,457	-	535,457
User charges.....	-	5,882,380	5,882,380
Departmental and other.....	2,035,946	-	2,035,946
Intergovernmental - other.....	4,308,734	193,283	4,502,017
Community preservation state share.....	398,700	-	398,700
Lease receivables.....	271,166	-	271,166
Tax foreclosures.....	1,726,102	-	1,726,102
Working capital deposit.....	2,504,400	-	2,504,400
Total current assets.....	100,085,125	31,501,370	131,586,495
NONCURRENT:			
Receivables, net of allowance for uncollectibles:			
Lease receivables.....	1,707,832	-	1,707,832
Capital assets, nondepreciable.....	101,692,533	951,379	102,643,912
Capital assets, net of accumulated depreciation.....	117,613,991	134,886,057	252,500,048
Total noncurrent assets.....	221,014,356	135,837,436	356,851,792
TOTAL ASSETS.....	321,099,481	167,338,806	488,438,287
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows for refunding debt.....	-	892,286	892,286
Deferred outflows related to pensions.....	10,783,980	961,335	11,745,315
Deferred outflows related to other postemployment benefits.....	25,342,981	847,648	26,190,629
TOTAL DEFERRED OUTFLOWS OF RESOURCES.....	36,126,961	2,701,269	38,828,230
LIABILITIES			
CURRENT:			
Warrants payable.....	7,810,059	228,026	8,038,085
Accrued payroll.....	4,629,403	27,106	4,656,509
Health claims payable.....	1,128,899	-	1,128,899
Tax refunds payable.....	11,200	-	11,200
Accrued interest.....	408,093	808,540	1,216,633
Other liabilities.....	1,831,493	20,000	1,851,493
Unearned revenue.....	3,863,006	-	3,863,006
Landfill closure.....	117,148	-	117,148
Compensated absences.....	922,500	74,900	997,400
Bonds payable.....	6,600,813	8,169,211	14,770,024
Total current liabilities.....	27,322,614	9,327,783	36,650,397
NONCURRENT:			
Landfill closure.....	2,273,755	-	2,273,755
Compensated absences.....	1,412,700	105,700	1,518,400
Net pension liability.....	91,228,967	8,132,580	99,361,547
Net other postemployment benefits liability.....	107,026,203	3,579,709	110,605,912
Bonds payable.....	79,206,033	49,886,006	129,092,039
Total noncurrent liabilities.....	281,147,658	61,703,995	342,851,653
TOTAL LIABILITIES.....	308,470,272	71,031,778	379,502,050
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to lease receivables.....	1,978,998	-	1,978,998
Deferred inflows related to pensions.....	16,030,684	1,429,051	17,459,735
Deferred inflows related to other postemployment benefits.....	561,622	18,785	580,407
TOTAL DEFERRED INFLOWS OF RESOURCES.....	18,571,304	1,447,836	20,019,140
NET POSITION			
Net investment in capital assets.....	133,530,837	79,224,311	212,755,148
Restricted for:			
Permanent funds:			
Expendable.....	30,056	-	30,056
Nonexpendable.....	27,941	-	27,941
Gifts and grants.....	3,608,473	-	3,608,473
Community preservation.....	4,184,009	-	4,184,009
Unrestricted.....	(111,196,450)	18,336,150	(92,860,300)
TOTAL NET POSITION.....	\$ 30,184,866	\$ 97,560,461	\$ 127,745,327

See notes to basic financial statements.

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:					
<i>Governmental Activities:</i>					
General government.....	\$ 3,310,696	\$ 937,230	\$ 1,254,116	\$ -	\$ (1,119,350)
Finance.....	1,292,841	513,813	182,595	-	(596,433)
Planning and development.....	1,065,739	1,009,800	10,710	-	(45,229)
Facilities.....	873,559	40,995	18,695	-	(813,869)
Public safety.....	25,078,247	3,741,676	1,004,060	-	(20,332,511)
Education.....	99,569,618	1,268,916	27,971,660	8,730,531	(61,598,511)
Public works.....	4,569,026	51,346	821,942	912,462	(2,783,276)
Sanitation.....	2,367,004	-	-	-	(2,367,004)
Council on aging.....	602,862	68,011	76,536	-	(458,315)
Community services.....	461,581	-	-	-	(461,581)
Culture and recreation.....	578,235	-	16,356	-	(561,879)
Library.....	1,648,958	3,963	54,336	-	(1,590,659)
Interest.....	2,131,630	-	-	-	(2,131,630)
Total Governmental Activities.....	143,549,996	7,635,750	31,411,006	9,642,993	(94,860,247)
<i>Business-Type Activities:</i>					
Water.....	8,718,500	8,195,049	-	-	(523,451)
Sewer.....	6,819,252	6,857,444	-	-	38,192
Cable.....	370,479	636,152	-	-	265,673
Stormwater.....	676,329	1,210,351	193,283	-	727,305
Total Business-Type Activities.....	16,584,560	16,898,996	193,283	-	507,719
Total Primary Government.....	\$ 160,134,556	\$ 24,534,746	\$ 31,604,289	\$ 9,642,993	\$ (94,352,528)

See notes to basic financial statements.

(Continued)

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2022

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Changes in net position:			
Net (expense) revenue from previous page.....	\$ (94,860,247)	\$ 507,719	\$ (94,352,528)
<i>General revenues:</i>			
Real estate and personal property taxes, net of tax refunds payable.....	101,169,112	-	101,169,112
Tax and other liens.....	131,888	-	131,888
Motor vehicle and other excise taxes.....	5,053,012	-	5,053,012
Hotel/motel tax.....	956,263	-	956,263
Meals tax.....	725,821	-	725,821
Community preservation tax.....	1,184,254	-	1,184,254
Penalties and interest on taxes.....	354,458	-	354,458
Payments in lieu of taxes.....	31,107	-	31,107
Grants and contributions not restricted to specific programs.....	3,579,959	-	3,579,959
Unrestricted investment income (loss).....	(151,118)	(278,759)	(429,877)
Gain on sale of capital assets.....	184,237	-	184,237
<i>Transfers, net</i>	<u>(3,577,439)</u>	<u>3,577,439</u>	<u>-</u>
Total general revenues and transfers.....	<u>109,641,554</u>	<u>3,298,680</u>	<u>112,940,234</u>
Change in net position.....	14,781,307	3,806,399	18,587,706
<i>Net position:</i>			
Beginning of year.....	<u>15,403,559</u>	<u>93,754,062</u>	<u>109,157,621</u>
End of year.....	\$ <u><u>30,184,866</u></u>	\$ <u><u>97,560,461</u></u>	\$ <u><u>127,745,327</u></u>

See notes to basic financial statements.

(Concluded)

**GOVERNMENTAL FUNDS
BALANCE SHEET**

JUNE 30, 2022

	General	Elementary School Construction	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents.....	\$ 7,722,567	\$ 6,610,679	\$ 14,323,150	\$ 28,656,396
Investments.....	34,538,779	2,672,347	9,869,647	47,080,773
Receivables, net of uncollectibles:				
Real estate and personal property taxes.....	835,344	-	-	835,344
Tax liens.....	1,082,904	-	7,893	1,090,797
Community preservation fund surtax.....	-	-	7,740	7,740
Motor vehicle and other excise taxes.....	535,457	-	-	535,457
Departmental and other.....	888,703	-	464,313	1,353,016
Intergovernmental - other.....	-	2,863,809	1,444,925	4,308,734
Community preservation state share.....	-	-	398,700	398,700
Lease receivables.....	1,978,998	-	-	1,978,998
Tax foreclosures.....	1,726,102	-	-	1,726,102
Restricted assets:				
Cash and cash equivalents.....	-	-	1,040,177	1,040,177
TOTAL ASSETS.....	\$ 49,308,854	\$ 12,146,835	\$ 27,556,545	\$ 89,012,234
LIABILITIES				
Warrants payable.....	\$ 1,269,355	\$ 6,235,593	\$ 90,477	\$ 7,595,425
Accrued payroll.....	4,398,257	-	231,146	4,629,403
Tax refunds payable.....	11,200	-	-	11,200
Other liabilities.....	706,840	-	1,041,778	1,748,618
Unearned revenue.....	-	-	3,863,006	3,863,006
TOTAL LIABILITIES.....	6,385,652	6,235,593	5,226,407	17,847,652
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue.....	4,712,138	-	2,275,884	6,988,022
Deferred inflows related to lease receivables.....	1,978,998	-	-	1,978,998
TOTAL DEFERRED INFLOWS OF RESOURCES.....	6,691,136	-	2,275,884	8,967,020
FUND BALANCES				
Nonspendable.....	-	-	27,941	27,941
Restricted.....	-	5,911,242	21,195,038	27,106,280
Committed.....	7,096,319	-	-	7,096,319
Assigned.....	3,233,462	-	-	3,233,462
Unassigned.....	25,902,285	-	(1,168,725)	24,733,560
TOTAL FUND BALANCES.....	36,232,066	5,911,242	20,054,254	62,197,562
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....	\$ 49,308,854	\$ 12,146,835	\$ 27,556,545	\$ 89,012,234

See notes to basic financial statements.

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

JUNE 30, 2022

Total governmental fund balances.....		\$ 62,197,562
Capital assets (net) used in governmental activities are not financial resources and, therefore, are not reported in the funds.....		219,306,524
Accounts receivable are not available to pay for current-period expenditures and, therefore, are unavailable in the funds.....		6,988,022
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.....		19,534,655
The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.....		11,354,315
In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.....		(408,093)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Bonds payable.....	(85,806,846)	
Net pension liability.....	(91,228,967)	
Net other postemployment benefits liability.....	(107,026,203)	
Landfill closure.....	(2,390,903)	
Compensated absences.....	<u>(2,335,200)</u>	
Net effect of reporting long-term liabilities.....		<u>(288,788,119)</u>
Net position of governmental activities.....		<u>\$ 30,184,866</u>

See notes to basic financial statements.

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

YEAR ENDED JUNE 30, 2022

	General	Elementary School Construction	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:				
Real estate and personal property taxes, net of tax refunds.....	\$ 101,132,349	\$ -	\$ -	\$ 101,132,349
Motor vehicle and other excise taxes.....	4,962,502	-	-	4,962,502
Hotel/motel tax.....	956,263	-	-	956,263
Meals tax.....	725,821	-	-	725,821
Charges for services.....	1,744,735	-	116,738	1,861,473
Penalties and interest on taxes.....	354,458	-	-	354,458
Fees and rentals.....	956,768	-	645,595	1,602,363
Payments in lieu of taxes.....	31,107	-	-	31,107
Licenses and permits.....	1,114,506	-	-	1,114,506
Fines and forfeitures.....	49,394	-	-	49,394
Intergovernmental - state aid.....	17,562,699	8,730,531	-	26,293,230
Intergovernmental - Teachers Retirement.....	6,460,293	-	-	6,460,293
Intergovernmental - other.....	-	-	10,601,930	10,601,930
Departmental and other.....	693,403	-	2,476,050	3,169,453
Community preservation taxes.....	-	-	1,134,161	1,134,161
Community preservation state match.....	-	-	477,970	477,970
Contributions and donations.....	-	-	19,601	19,601
Investment income (loss).....	(184,961)	-	(3,651)	(188,612)
TOTAL REVENUES.....	136,559,337	8,730,531	15,468,394	160,758,262
EXPENDITURES:				
Current:				
General government.....	2,264,986	-	497,785	2,762,771
Finance.....	1,163,388	-	17,497	1,180,885
Planning and development.....	816,557	-	169,347	985,904
Facilities.....	891,180	-	18,748	909,928
Public safety.....	14,518,379	-	9,047,039	23,565,418
Education.....	69,816,224	46,212,597	7,303,361	123,332,182
Public works.....	3,774,482	-	2,260,809	6,035,291
Sanitation.....	2,504,967	-	-	2,504,967
Council on aging.....	435,338	-	121,674	557,012
Community services.....	349,838	-	-	349,838
Culture and recreation.....	-	-	30,190	30,190
Library.....	1,483,607	-	82,594	1,566,201
Pension benefits.....	7,031,700	-	-	7,031,700
Pension benefits - Teachers Retirement.....	6,460,293	-	-	6,460,293
Property and liability insurance.....	429,292	-	-	429,292
Employee benefits.....	5,345,228	-	-	5,345,228
State and county charges.....	1,805,089	-	-	1,805,089
Debt service:				
Principal.....	5,579,155	-	230,000	5,809,155
Interest.....	3,196,659	-	110,400	3,307,059
TOTAL EXPENDITURES.....	127,866,362	46,212,597	19,889,444	193,968,403
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	8,692,975	(37,482,066)	(4,421,050)	(33,210,141)
OTHER FINANCING SOURCES (USES):				
Proceeds from the sale of capital assets.....	197,624	-	-	197,624
Transfers in.....	201,339	-	611,483	812,822
Transfers out.....	(3,973,922)	-	(541,339)	(4,515,261)
TOTAL OTHER FINANCING SOURCES (USES).....	(3,574,959)	-	70,144	(3,504,815)
NET CHANGE IN FUND BALANCES.....	5,118,016	(37,482,066)	(4,350,906)	(36,714,956)
FUND BALANCES AT BEGINNING OF YEAR.....	31,114,050	43,393,308	24,405,160	98,912,518
FUND BALANCES AT END OF YEAR.....	\$ 36,232,066	\$ 5,911,242	\$ 20,054,254	\$ 62,197,562

See notes to basic financial statements.

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

YEAR ENDED JUNE 30, 2022

Net change in fund balances - total governmental funds.....		\$ (36,714,956)
<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.....	57,195,047	
Depreciation expense.....	<u>(5,578,147)</u>	
Net effect of reporting capital assets.....		51,616,900
<p>The Statement of Activities reports the <i>gain</i> on the sale of capital assets whereas the governmental funds report the entire proceeds of the sale.....</p>		
		(13,387)
<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>		
		928,749
<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>		
Net amortization of premium from issuance of bonds.....	1,131,205	
Debt service principal payments.....	<u>5,809,155</u>	
Net effect of reporting long-term debt.....		6,940,360
<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.....	356,400	
Net change in accrued interest on long-term debt.....	44,412	
Net change in deferred outflow/(inflow) of resources related to pensions.....	(5,314,951)	
Net change in net pension liability.....	4,321,570	
Net change in deferred outflow/(inflow) of resources related to other postemployment benefits...	26,128,342	
Net change in net other postemployment benefits liability.....	(31,285,462)	
Net change in landfill closure.....	<u>137,963</u>	
Net effect of recording long-term liabilities.....		(5,611,726)
<p>The net activity of internal service funds is reported with Governmental Activities.....</p>		
		<u>(2,364,633)</u>
Change in net position of governmental activities.....		<u>\$ 14,781,307</u>

See notes to basic financial statements.

PROPRIETARY FUNDS
STATEMENT OF NET POSITION

JUNE 30, 2022

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Fund
	Water	Sewer	Cable	Stormwater	Total	
ASSETS						
CURRENT:						
Cash and cash equivalents.....	\$ 6,960,569	\$ 4,377,104	\$ 1,391,169	\$ 542,877	\$ 13,271,719	\$ 6,521,974
Investments.....	2,937,314	7,887,958	1,078,923	249,793	12,153,988	3,071,419
Receivables, net of allowance for uncollectibles:						
User charges.....	3,222,551	2,276,414	-	383,415	5,882,380	-
Departmental and other.....	-	-	-	-	-	682,930
Intergovernmental - other.....	-	-	-	193,283	193,283	-
Working capital deposit.....	-	-	-	-	-	2,504,400
Total current assets.....	<u>13,120,434</u>	<u>14,541,476</u>	<u>2,470,092</u>	<u>1,369,368</u>	<u>31,501,370</u>	<u>12,780,723</u>
NONCURRENT:						
Capital assets, non depreciable.....	827,879	123,500	-	-	951,379	-
Capital assets, net of accumulated depreciation.....	43,742,659	90,169,407	481,555	492,436	134,886,057	-
Total noncurrent assets.....	<u>44,570,538</u>	<u>90,292,907</u>	<u>481,555</u>	<u>492,436</u>	<u>135,837,436</u>	<u>-</u>
TOTAL ASSETS.....	<u>57,690,972</u>	<u>104,834,383</u>	<u>2,951,647</u>	<u>1,861,804</u>	<u>167,338,806</u>	<u>12,780,723</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred loss on refunding.....	-	892,286	-	-	892,286	-
Deferred outflows related to pensions.....	659,796	242,534	59,005	-	961,335	-
Deferred outflows related to other postemployment benefits.....	788,654	53,369	5,625	-	847,648	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES.....	<u>1,448,450</u>	<u>1,188,189</u>	<u>64,630</u>	<u>-</u>	<u>2,701,269</u>	<u>-</u>
LIABILITIES						
CURRENT:						
Warrants payable.....	95,757	20,767	9,279	102,223	228,026	214,634
Accrued payroll.....	19,461	5,107	2,538	-	27,106	-
Health claims payable.....	-	-	-	-	-	1,128,899
Accrued interest.....	164,827	643,713	-	-	808,540	-
Other liabilities.....	-	20,000	-	-	20,000	82,875
Compensated absences.....	53,200	9,100	12,600	-	74,900	-
Bonds payable.....	1,798,154	6,371,057	-	-	8,169,211	-
Total current liabilities.....	<u>2,131,399</u>	<u>7,069,744</u>	<u>24,417</u>	<u>102,223</u>	<u>9,327,783</u>	<u>1,426,408</u>
NONCURRENT:						
Compensated absences.....	82,500	19,600	3,600	-	105,700	-
Net pension liability.....	5,581,655	2,051,760	499,165	-	8,132,580	-
Net other postemployment benefits liability.....	3,330,572	225,383	23,754	-	3,579,709	-
Bonds payable.....	13,026,649	36,859,357	-	-	49,886,006	-
Total noncurrent liabilities.....	<u>22,021,376</u>	<u>39,156,100</u>	<u>526,519</u>	<u>-</u>	<u>61,703,995</u>	<u>-</u>
TOTAL LIABILITIES.....	<u>24,152,775</u>	<u>46,225,844</u>	<u>550,936</u>	<u>102,223</u>	<u>71,031,778</u>	<u>1,426,408</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to pensions.....	980,804	360,534	87,713	-	1,429,051	-
Deferred inflows related to other postemployment benefits.....	17,477	1,183	125	-	18,785	-
TOTAL DEFERRED INFLOWS OF RESOURCES.....	<u>998,281</u>	<u>361,717</u>	<u>87,838</u>	<u>-</u>	<u>1,447,836</u>	<u>-</u>
NET POSITION						
Net investment in capital assets.....	30,295,541	47,954,779	481,555	492,436	79,224,311	-
Unrestricted.....	3,692,825	11,480,232	1,895,948	1,267,145	18,336,150	11,354,315
TOTAL NET POSITION.....	<u>\$ 33,988,366</u>	<u>\$ 59,435,011</u>	<u>\$ 2,377,503</u>	<u>\$ 1,759,581</u>	<u>\$ 97,560,461</u>	<u>\$ 11,354,315</u>

See notes to basic financial statements.

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

YEAR ENDED JUNE 30, 2022

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Fund
	Water	Sewer	Cable	Stormwater	Total	
OPERATING REVENUES:						
Employee contributions.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,645,810
Employer contributions.....	-	-	-	-	-	8,447,687
Charges for services.....	8,195,049	6,857,444	636,152	1,210,351	16,898,996	-
Other operating revenues.....	-	-	-	-	-	45,026
TOTAL OPERATING REVENUES	8,195,049	6,857,444	636,152	1,210,351	16,898,996	16,138,523
OPERATING EXPENSES:						
Cost of services and administration.....	3,811,250	2,122,719	119,991	663,702	6,717,662	-
Salaries and wages.....	1,877,973	618,546	219,386	-	2,715,905	-
Depreciation.....	2,612,092	3,014,011	31,102	12,627	5,669,832	-
Employee benefits.....	-	-	-	-	-	18,665,650
TOTAL OPERATING EXPENSES	8,301,315	5,755,276	370,479	676,329	15,103,399	18,665,650
OPERATING INCOME (LOSS)	(106,266)	1,102,168	265,673	534,022	1,795,597	(2,527,127)
NONOPERATING REVENUES (EXPENSES):						
Investment income (loss).....	(68,956)	(191,584)	(17,990)	(229)	(278,759)	37,494
Interest expense.....	(417,185)	(1,063,976)	-	-	(1,481,161)	-
Intergovernmental - other.....	-	-	-	193,283	193,283	-
TOTAL NONOPERATING REVENUES (EXPENSES), NET	(486,141)	(1,255,560)	(17,990)	193,054	(1,566,637)	37,494
INCOME (LOSS) BEFORE TRANSFERS	(592,407)	(153,392)	247,683	727,076	228,960	(2,489,633)
TRANSFERS:						
Transfers in.....	-	3,577,439	-	-	3,577,439	125,000
CHANGE IN NET POSITION	(592,407)	3,424,047	247,683	727,076	3,806,399	(2,364,633)
NET POSITION AT BEGINNING OF YEAR	34,580,773	56,010,964	2,129,820	1,032,505	93,754,062	13,718,948
NET POSITION AT END OF YEAR	\$ 33,988,366	\$ 59,435,011	\$ 2,377,503	\$ 1,759,581	\$ 97,560,461	\$ 11,354,315

See notes to basic financial statements.

PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2022

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Fund
	Water	Sewer	Cable	Stormwater	Total	
CASH FLOWS FROM OPERATING ACTIVITIES:						
Receipts from customers and users.....	\$ 7,871,455	\$ 6,742,638	\$ 636,152	\$ 1,202,957	\$ 16,453,202	\$ 7,645,810
Receipts from interfund services provided.....	-	-	-	-	-	8,128,018
Payments to vendors.....	(2,216,715)	(2,207,786)	(49,660)	(645,127)	(5,119,288)	-
Payments to employees.....	(2,714,389)	(690,224)	(225,823)	-	(3,630,436)	-
Payments for interfund services used.....	-	-	-	-	-	(18,331,381)
NET CASH FROM OPERATING ACTIVITIES.....	2,940,351	3,844,628	360,669	557,830	7,703,478	(2,557,553)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:						
Transfers in.....	-	3,577,439	-	-	3,577,439	125,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:						
Acquisition and construction of capital assets.....	(705,869)	(194,147)	(199,726)	(505,063)	(1,604,805)	-
Principal payments on bonds and notes.....	(1,812,318)	(5,464,980)	-	-	(7,277,298)	-
Interest expense.....	(552,039)	(1,700,168)	-	-	(2,252,207)	-
NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES.....	(3,070,226)	(7,359,295)	(199,726)	(505,063)	(11,134,310)	-
CASH FLOWS FROM INVESTING ACTIVITIES:						
Sale (purchase) of investments, net.....	3,957,257	3,898,320	973,889	49,970	8,879,436	4,135,741
Investment income.....	(68,956)	(191,584)	(17,990)	(229)	(278,759)	37,494
NET CASH FROM INVESTING ACTIVITIES.....	3,888,301	3,706,736	955,899	49,741	8,600,677	4,173,235
NET CHANGE IN CASH AND CASH EQUIVALENTS.....	3,758,426	3,769,508	1,116,842	102,508	8,747,284	1,740,682
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR.....	3,202,143	607,596	274,327	440,369	4,524,435	4,781,292
CASH AND CASH EQUIVALENTS AT END OF YEAR.....	\$ 6,960,569	\$ 4,377,104	\$ 1,391,169	\$ 542,877	\$ 13,271,719	\$ 6,521,974
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH						
FROM OPERATING ACTIVITIES:						
Operating income (loss).....	\$ (106,266)	\$ 1,102,168	\$ 265,673	\$ 534,022	\$ 1,795,597	\$ (2,527,127)
Adjustments to reconcile operating income to net cash from operating activities:						
Depreciation.....	2,612,092	3,014,011	31,102	12,627	5,669,832	-
Deferred (outflows)/inflows related to pensions.....	325,241	119,602	29,050	-	473,893	-
Deferred (outflows)/inflows related to other postemployment benefits.....	(794,593)	(55,415)	(5,611)	-	(855,619)	-
User charges.....	(323,594)	(114,806)	-	(7,394)	(445,794)	-
Departmental and other.....	-	-	-	-	-	(378,895)
Working capital deposit.....	-	-	-	-	-	14,200
Warrants payable.....	(400,857)	(57,633)	4,314	18,575	(435,601)	20,488
Accrued payroll.....	(41,823)	(8,963)	(2,126)	-	(52,912)	-
Health claims payable.....	-	-	-	-	-	236,794
Other liabilities.....	-	-	-	-	-	76,987
Compensated absences.....	-	(7,300)	1,300	-	(6,000)	-
Net pension liability.....	(343,710)	(190,869)	19,438	-	(515,141)	-
Net other postemployment benefits.....	2,013,861	43,833	17,529	-	2,075,223	-
Total adjustments.....	3,046,617	2,742,460	94,996	23,808	5,907,881	(30,426)
NET CASH FROM OPERATING ACTIVITIES.....	\$ 2,940,351	\$ 3,844,628	\$ 360,669	\$ 557,830	\$ 7,703,478	\$ (2,557,553)
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:						
Change in the deferred loss on debt refunding.....	-	(329,163)	-	-	(329,163)	-

See notes to basic financial statements.

FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2022

	Other Postemployment Benefit Trust Fund	Private Purpose Trust Fund
ASSETS		
Cash and cash equivalents.....	-	278
Investments:		
Investments in Pension Reserve Investment Trust.....	7,751,970	-
Other investments.....	-	3,543
TOTAL ASSETS.....	7,751,970	3,821
NET POSITION		
Restricted for other postemployment benefits.....	7,751,970	-
Held in trust for other purposes.....	-	3,821
TOTAL NET POSITION.....	7,751,970	3,821

See notes to basic financial statements.

FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

YEAR ENDED JUNE 30, 2022

	Other Postemployment Benefit Trust Fund	Private Purpose Trust Fund
<u>ADDITIONS:</u>		
Contributions:		
Employer contributions.....	\$ 858,932	\$ -
Employer contributions for other postemployment benefit payments....	5,191,328	-
Total contributions.....	6,050,260	-
Investment income (loss).....	(276,322)	2
Less: investment expense.....	(43,692)	-
Net investment income (loss).....	(320,014)	2
TOTAL ADDITIONS.....	5,730,246	2
<u>DEDUCTIONS:</u>		
Other postemployment benefit payments.....	5,191,328	-
NET INCREASE (DECREASE) IN NET POSITION.....	538,918	2
NET POSITION AT BEGINNING OF YEAR.....	7,213,052	3,819
NET POSITION AT END OF YEAR.....	\$ 7,751,970	\$ 3,821

See notes to basic financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of the Town of Tewksbury, 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 is a Massachusetts municipal corporation that is governed by an elected Select Board and an appointed Town Manager.

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. It has been determined that there are no component units that meet the requirements for inclusion in the Town's basic financial statements.

Joint Ventures

A joint venture is an organization (resulting from a contractual arrangement) that is owned, operated or governed by two or more participants as a separate and specific activity subject to joint control in which the participants retain an ongoing financial interest or ongoing financial responsibility. Joint control means that no single participant has the ability to unilaterally control the financial or operating policies of the joint venture.

The Town has entered into a joint venture for the Shawsheen Valley Technical High School along with other municipalities to pool resources and share the costs, risk and rewards of providing goods or services to venture participants directly, or for the benefit of the general public or specified recipients. The Town has no equity interest in this joint venture. The Town's assessment for 2022 was \$6,843,037. Complete financial statements for the Shawsheen Valley Technical High School can be obtained by contacting their administrative offices at 100 Cook Street, Billerica, Massachusetts 01821.

The Town is a member of the North Middlesex Regional Emergency Communication Center District (District) that provides public safety field personnel with professional communications services in addition to dispatching police, fire and emergency medical services to the towns of Tewksbury and Dracut. The Town does not have an equity interest in the North Middlesex Regional Emergency Communication Center District and the 2022 assessment was \$400,000.

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* are primarily supported by taxes and intergovernmental revenues.

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

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

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

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

Government-Wide Financial Statements

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

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

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

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

For the most part, the effect of interfund activity has been removed from the government-wide financial statements. However, the effect of interfund services provided and used between functions is not eliminated, as

the elimination of these charges would distort the direct costs and program revenues reported for the functions affected.

Fund Financial Statements

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

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

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

The following major governmental funds are reported:

The *general fund* which 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 *elementary school construction fund* is used to account for the building of the new \$98.5 million elementary school.

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

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

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

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the

proprietary funds' principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The following major proprietary funds are reported:

The *sewer enterprise fund* accounts for the Town's sewer activities.

The *water enterprise fund* accounts for the Town's water activities.

The *cable enterprise fund* accounts for the Town's cable activities.

The *stormwater enterprise fund* accounts for the Town's management of the roadway drainage systems.

The *internal service fund* is used to account for the financing of services provided by one department to other departments or governmental units. This fund is used to account for risk financing activities related to the Town's health insurance and workers' compensation.

Fiduciary funds are used to account for financial resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements 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 following fiduciary fund types are reported:

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

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

D. Cash and Investments

Government-Wide and Fund Financial Statements

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

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, 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 second and fourth quarter of every 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 these boats. The tax calculation is the fair value of the boat multiplied by \$10 per \$1,000 of value; with a maximum taxable value of \$50,000.

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

Water and Sewer User Charges

Water and sewer user fees are levied tri-annually for individual and commercial meter readings. These fees are subject to penalties and interest if they are not paid by the respective due date. Water and sewer liens are processed in December of 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.

Stormwater User Charges

Stormwater user fees are levied tri-annually for small residential and commercial / large residential properties. These fees are subject to penalties and interest if they are not paid by the respective due date. Stormwater liens are processed in December of every year and included as a lien on the property owner's tax bill. Stormwater 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 consist primarily of ambulance and Veteran's receivables which are recorded as receivables in the year accrued. The allowance for uncollectibles is estimated based on historical trends and specific account analysis.

Intergovernmental

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

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

Right to Use Lease Receivables

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

G. Inventories

Government-Wide and Fund Financial Statements

Inventories 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.

H. Capital Assets

Government-Wide and Proprietary Fund Financial Statements

Capital assets, which include land, land improvements, buildings, building improvements, machinery and equipment, library and school books, computer software, and infrastructure (e.g., roads, water mains, sewer mains, and similar items), are reported in the governmental 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 are recorded at the estimated fair market value at the date of donation.

All purchases and construction costs in excess of \$35,000 are capitalized at the date of acquisition or construction, respectively, with expected useful lives of greater than one year.

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

<u>Capital Asset Type</u>	<u>Estimated Useful Life (in years)</u>
Land improvements.....	5 - 50
Buildings.....	5 - 50
Building improvements.....	5 - 50
Machinery and equipment.....	3 - 20
Library and school books.....	3 - 10
Computer software.....	5 - 10
Infrastructure.....	10 - 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 net 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 assets that applies to future periods and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The Town reports deferred outflows for refunding debt, deferred outflows of resources related to pensions, and deferred outflows of resources related to other postemployment benefits in this category.

In addition to liabilities, the statement of net 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 assets that applies to future periods and so will *not* be recognized as an inflow of resources (revenue) until that time. The Town reports deferred inflows of resources related to lease receivables, deferred inflows of resources related to pensions and deferred inflows of resources related to other postemployment benefits in this category.

Governmental Fund Financial Statements

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

J. Unearned and Unavailable Revenue

Unearned revenue at the government-wide and fund financial statement level represents resources that have been received, but not yet earned.

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, i.e. receivables that are not considered to be available to liquidate liabilities of the current period. Unavailable revenue is recognized as revenue in the conversion to the government-wide (full accrual) financial statements.

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.

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.

Fund Financial Statements

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

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

Net position reported as “net investment in capital assets” includes capital assets, net of accumulated depreciation, less the principal balance of outstanding debt used to acquire capital assets. Unspent proceeds of capital related debt are not considered to be capital assets. Outstanding debt related to future reimbursements from the state’s school building program is not considered to be capital related debt.

Net position is reported as restricted when amounts 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:

“Community preservation” represents amounts held for uses restricted by law for community preservation purposes.

“Permanent funds – expendable” represents the endowment and the amount of realized and unrealized investment earnings of donor restricted trusts that support governmental programs.

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

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

Sometimes the Town will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption

must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Financial Statements (Fund Balances)

Governmental fund equity is classified as fund balance. Fund balance is further classified 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. Town Meeting is the highest level of decision making authority that can, by Town Meeting vote, commit funds for a specific purpose. Once voted, the limitation imposed by the vote remains in place until the funds are used for their intended purpose or a vote is taken to rescind the commitment.

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

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

The Town's spending policy is to spend restricted fund balance first, followed by committed, assigned and unassigned fund balance. Most governmental funds are designated for one purpose at the time of their creation. Therefore, any expenditure from the fund will be allocated to the applicable fund balance classifications in the order of the aforementioned spending policy. The general fund and certain other funds may have more than one purpose.

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 Middlesex County Retirement System and the Massachusetts Teachers' Retirement System. Additions to/deductions from the Systems' 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.

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. Fund Deficits

Individual fund deficits exist at June 30, 2022, within the Town other funds and Town capital projects nonmajor governmental funds. These deficits will be funded with bond proceeds and available funds in the subsequent year.

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, and 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 fair value of the position in the Pool is the same as the value of the Pool shares.

Custodial Credit Risk – Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a formal deposit policy for custodial credit risk. At year-end, the carrying amount of deposits totaled \$32,116,488 and the bank balance totaled \$36,827,333. Of the bank balance, \$1,856,921 was covered by Federal Depository Insurance, \$1,152,734 was covered by Depositor's Insurance Fund, and \$33,817,678 was exposed to custodial credit risk because it was uninsured and uncollateralized.

Investments

As of June 30, 2022, the Town of Tewksbury had the following investments:

<u>Investment Type</u>	<u>Fair value</u>	<u>Maturities</u>	
		<u>Under 1 Year</u>	<u>1-5 Years</u>
<u>Debt securities:</u>			
U.S. treasury notes.....	\$ 33,589,475	\$ 33,589,475	\$ -
Government sponsored enterprises.....	23,291,110	13,540,280	9,750,830
Total debt securities.....	56,880,585	\$ 47,129,755	\$ 9,750,830
<u>Other investments:</u>			
Equity securities.....	5,219,832		
International securities.....	209,306		
Money market mutual funds.....	15,041,822		
Pension Reserve Investment Management.....	7,751,970		
MMDT - Cash portfolio.....	2,332,234		
Total investments.....	\$ 87,435,749		

The Town participates in MMDT, which maintains a cash portfolio and a short-term bond fund with combined average maturities of approximately 3 months.

All of the Town's OPEB trust assets are invested in the State Retirees Benefit Trust Fund (SRBTF), which was established under the provisions of Massachusetts General Laws Chapter 32A, Section 24. SRBTF assets are

administered by the Pension Reserve Investment Management Board (PRIM). As of June 30, 2022, the value of these investments totaled \$7,751,970.

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 the possession of an outside party. Of the Town’s investments, \$56,880,585 of debt securities, \$5,219,832 in equity securities, and \$209,306 in international securities are exposed to custodial credit risk because the related securities are uninsured, unregistered, and held by the counterparty. As of June 30, 2022, the Town’s investments in MMDT, which totaled \$2,332,234, are not subject to custodial credit risk exposure because they are not evidenced by securities that exist in physical or book-entry form. The Town does not have a formal investment policy for custodial credit risk.

Interest Rate Risk

The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

The Town has not adopted a formal policy related to Credit Risk. The investment ratings are as follows:

<u>Quality Rating</u>	<u>Government Sponsored Enterprises</u>
AA+.....	\$ <u>23,291,110</u>

Additionally, the Town holds \$2,332,234 in MMDT which are unrated.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the Town’s investment in a single issuer. The Town places no limit on the amount the government may invest in any one issuer. As of June 30, 2022, the Town’s investments with a single issuer that represents 5 percent or more of the Town’s total investments are as follows:

<u>Issuer</u>	<u>Percentage of Total Investments</u>
Federal Farm Credit Banks.....	8%
Federal Home Loan Mortgage Corporation.....	22%

Fair Value of Investments

The Town holds investments that are measured at fair value on a recurring basis. Because investing is not a core part of the Town’s mission, the Town determines that the disclosures related to these investments only need to be

disaggregated by major type. The Town chooses a tabular format for disclosing the levels within the fair value hierarchy.

The following table presents financial assets at June 30, 2022, that the Town measures fair value on a recurring basis, by level, within the fair value hierarchy:

Investment Type	June 30, 2022	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments measured at fair value:				
<u>Debt securities:</u>				
U.S. treasury notes.....	\$ 33,589,475	\$ 33,589,475	\$ -	-
Government sponsored enterprises.....	23,291,110	23,291,110	-	-
Total debt securities.....	56,880,585	56,880,585	-	-
<u>Other investments:</u>				
Equity securities.....	5,219,832	5,219,832	-	-
International securities.....	209,306	-	-	209,306
Money market mutual funds.....	15,041,822	15,041,822	-	-
Total other investments.....	20,470,960	20,261,654	-	209,306
Total investments measured at fair value.....	77,351,545	\$ 77,142,239	\$ -	\$ 209,306
Investments measured at amortized cost:				
MMDT - Cash portfolio.....	2,332,234			
Investments measured at net asset value:				
Pension Reserve Investment Management..	7,751,970			
Total investments.....	\$ 87,435,749			

U.S. treasury notes, government sponsored enterprises, equity securities, and money market mutual funds classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Investments classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities’ relationship to benchmark quoted prices. The Town does not have any investments in categories 2. Investments classified in Level 3 are valued using significant unobservable inputs. International securities are classified in Level 3 of the fair value hierarchy and are valued using significant unobservable inputs.

MMDT cash portfolio investments are valued at amortized cost. Under the amortized cost method, an investment is valued initially at its cost and 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 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 the Advisor.

PRIM investments are valued using the net asset value method. This investment pool was established by the Treasurer of the Commonwealth of Massachusetts, who serves as Trustee. PRIM is administered by the Pension Reserves Investment Management Board. The fair values of the positions in each investment Pool are the same as the value of each Pool's shares. The Town does not have the ability to control any of the investment decisions relative to its funds in PRIM.

NOTE 3 – RECEIVABLES

At June 30, 2022, receivables for the individual major governmental funds and nonmajor, internal service, and fiduciary 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.....	\$ 949,561	\$ (114,217)	\$ 835,344
Tax liens.....	1,090,797	-	1,090,797
Community preservation fund surtax.....	7,740	-	7,740
Motor vehicle and other excise taxes.....	795,378	(259,921)	535,457
Departmental and other.....	2,450,577	(414,631)	2,035,946
Intergovernmental - other.....	4,308,734	-	4,308,734
Community preservation state share.....	398,700	-	398,700
Lease receivables.....	1,978,998	-	1,978,998
	<u>\$ 11,980,485</u>	<u>\$ (788,769)</u>	<u>\$ 11,191,716</u>
Total.....	\$ <u>11,980,485</u>	\$ <u>(788,769)</u>	\$ <u>11,191,716</u>

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

At June 30, 2022, receivables for the water, sewer and stormwater enterprise funds are as follows:

	Gross Amount	Allowance for Uncollectibles	Net Amount
<u>Receivables:</u>			
Water user charges.....	\$ 3,222,551	\$ -	\$ 3,222,551
Sewer user charges.....	2,276,414	-	2,276,414
Stormwater user charges.....	383,415	-	383,415
Stormwater intergovernmental.....	193,283	-	193,283
	<u>\$ 6,075,663</u>	<u>\$ -</u>	<u>\$ 6,075,663</u>
Total.....	\$ <u>6,075,663</u>	\$ <u>-</u>	\$ <u>6,075,663</u>

Governmental funds report *deferred inflows of resources* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current year, the various components of *deferred inflows of resources* 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.....	\$ 490,189	\$ -	\$ 490,189
Tax liens.....	1,082,904	7,893	1,090,797
Community preservation fund surtax.....	-	7,740	7,740
Motor vehicle and other excise taxes.....	535,457	-	535,457
Departmental and other.....	877,486	451,800	1,329,286
Intergovernmental - highway improvements.....	-	1,409,751	1,409,751
Community preservation state share.....	-	398,700	398,700
Leases.....	1,978,998	-	1,978,998
Tax foreclosures.....	1,726,102	-	1,726,102
Total.....	<u>\$ 6,691,136</u>	<u>\$ 2,275,884</u>	<u>\$ 8,967,020</u>

NOTE 4 – LEASES

Change in Accounting Principle

During the year 2022, the Town adopted Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. This statement redefines a lease as a right to use another entity’s asset over a definitive period of time. The Town recorded \$2.0 million in lease receivables as of June 30, 2022.

The Town has several lease agreements with wireless carriers who lease space for their antennas on Town owned property. The Town is scheduled to receive lease payments through 2031. In 2022, the Town received approximately \$311,000 of lease revenue.

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

Year ended June 30:	Governmental Activities		
	Lease Revenues	Interest	Total
2023.....	\$ 271,166	\$ 48,778	\$ 319,944
2024.....	287,508	41,160	328,668
2025.....	254,137	33,767	287,904
2026.....	268,891	26,753	295,644
2027.....	207,903	20,361	228,264
2028.....	219,315	14,853	234,168
2029.....	231,214	9,026	240,240
2030.....	145,483	4,217	149,700
2031.....	93,381	1,306	94,687
Total.....	<u>\$ 1,978,998</u>	<u>\$ 200,221</u>	<u>\$ 2,179,219</u>

NOTE 5 – CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 1,845,881	\$ -	\$ (13,387)	\$ 1,832,494
Construction in progress.....	45,852,724	55,850,729	(2,746,714)	98,956,739
Artwork.....	903,300	-	-	903,300
Total capital assets not being depreciated....	<u>48,601,905</u>	<u>55,850,729</u>	<u>(2,760,101)</u>	<u>101,692,533</u>
<u>Capital assets being depreciated:</u>				
Land improvements.....	3,182,796	884,949	-	4,067,745
Buildings.....	124,748,531	-	-	124,748,531
Building improvements.....	14,726,772	1,592,507	-	16,319,279
Machinery and equipment.....	15,488,332	538,248	(112,938)	15,913,642
Library and school books.....	98,762	-	(98,762)	-
Computer software.....	403,620	-	-	403,620
Infrastructure.....	52,530,607	1,075,328	(411,480)	53,194,455
Total capital assets being depreciated.....	<u>211,179,420</u>	<u>4,091,032</u>	<u>(623,180)</u>	<u>214,647,272</u>
<u>Less accumulated depreciation for:</u>				
Land improvements.....	(956,888)	(178,576)	-	(1,135,464)
Buildings.....	(43,545,595)	(3,073,176)	-	(46,618,771)
Building improvements.....	(5,452,651)	(643,050)	-	(6,095,701)
Machinery and equipment.....	(9,242,628)	(1,072,872)	112,938	(10,202,562)
Library and school books.....	(65,977)	(32,785)	98,762	-
Computer software.....	(334,410)	(21,901)	-	(356,311)
Infrastructure.....	(32,480,165)	(555,787)	411,480	(32,624,472)
Total accumulated depreciation.....	<u>(92,078,314)</u>	<u>(5,578,147)</u>	<u>623,180</u>	<u>(97,033,281)</u>
Total capital assets being depreciated, net.....	<u>119,101,106</u>	<u>(1,487,115)</u>	<u>-</u>	<u>117,613,991</u>
Total governmental activities capital assets, net.....	<u>\$ 167,703,011</u>	<u>\$ 54,363,614</u>	<u>\$ (2,760,101)</u>	<u>\$ 219,306,524</u>

Capital asset activity for the business-type activities for the year ended June 30, 2022, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Water:				
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 204,000	\$ -	\$ -	\$ 204,000
Construction in progress.....	1,406,908	98,379	(881,408)	623,879
Total capital assets not being depreciated....	1,610,908	98,379	(881,408)	827,879
<u>Capital assets being depreciated:</u>				
Buildings.....	22,455,883	-	-	22,455,883
Building improvements.....	4,424,989	-	-	4,424,989
Machinery and equipment.....	3,726,146	100,000	-	3,826,146
Infrastructure.....	93,392,015	1,388,898	(666,303)	94,114,610
Total capital assets being depreciated.....	123,999,033	1,488,898	(666,303)	124,821,628
<u>Less accumulated depreciation for:</u>				
Buildings.....	(16,176,066)	(381,718)	-	(16,557,784)
Building improvements.....	(3,570,260)	(182,187)	-	(3,752,447)
Machinery and equipment.....	(3,571,967)	(54,282)	-	(3,626,249)
Infrastructure.....	(55,814,887)	(1,993,905)	666,303	(57,142,489)
Total accumulated depreciation.....	(79,133,180)	(2,612,092)	666,303	(81,078,969)
Total capital assets being depreciated, net.....	44,865,853	(1,123,194)	-	43,742,659
Total water activities capital assets, net.....	\$ 46,476,761	\$ (1,024,815)	\$ (881,408)	\$ 44,570,538
Sewer:				
<u>Capital assets not being depreciated:</u>				
Construction in progress.....	\$ 274,621	\$ 49,320	\$ (200,441)	\$ 123,500
<u>Capital assets being depreciated:</u>				
Machinery and equipment.....	963,276	72,500	-	1,035,776
Infrastructure.....	144,670,270	272,768	(326,381)	144,616,657
Total capital assets being depreciated.....	145,633,546	345,268	(326,381)	145,652,433
<u>Less accumulated depreciation for:</u>				
Machinery and equipment.....	(505,090)	(81,543)	-	(586,633)
Infrastructure.....	(52,290,306)	(2,932,468)	326,381	(54,896,393)
Total accumulated depreciation.....	(52,795,396)	(3,014,011)	326,381	(55,483,026)
Total capital assets being depreciated, net.....	92,838,150	(2,668,743)	-	90,169,407
Total sewer activities capital assets, net.....	\$ 93,112,771	\$ (2,619,423)	\$ (200,441)	\$ 90,292,907

	Beginning Balance	Increases	Decreases	Ending Balance
Cable:				
<u>Capital assets being depreciated:</u>				
Machinery and equipment.....	\$ -	\$ 37,928	\$ -	\$ 37,928
Infrastructure.....	321,549	161,798	-	483,347
Total capital assets being depreciated.....	321,549	199,726	-	521,275
<u>Less accumulated depreciation for:</u>				
Machinery and equipment.....	-	(3,793)	-	(3,793)
Infrastructure.....	(8,618)	(27,309)	-	(35,927)
Total accumulated depreciation.....	(8,618)	(31,102)	-	(39,720)
Total cable activities capital assets, net.....	\$ 312,931	\$ 168,624	\$ -	\$ 481,555
Stormwater:				
<u>Capital assets being depreciated:</u>				
Infrastructure.....	\$ -	\$ 505,063	\$ -	\$ 505,063
<u>Less accumulated depreciation for:</u>				
Infrastructure.....	-	(12,627)	-	(12,627)
Total stormwater activities capital assets, net.....	\$ -	\$ 492,436	\$ -	\$ 492,436

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

Governmental Activities:

General government.....	\$ 481,490
Public safety.....	784,289
Education.....	2,915,935
Public works.....	911,950
Culture and recreation.....	484,483
Total depreciation expense - governmental activities.....	\$ 5,578,147

Business-Type Activities:

Water.....	\$ 2,612,092
Sewer.....	3,014,011
Cable.....	31,102
Stormwater.....	12,627
Total depreciation expense - business-type activities.....	\$ 5,669,832

NOTE 6 – INTERFUND TRANSFERS

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

Transfers Out:	Transfers In:				
	General fund	Nonmajor governmental funds	Internal service fund	Sewer enterprise fund	Total
General fund.....	\$ -	\$ 271,483	\$ 125,000	\$ 3,577,439	\$ 3,973,922 (1)
Nonmajor governmental funds.....	201,339	340,000	-	-	541,339 (2)
Total.....	\$ 201,339	\$ 611,483	\$ 125,000	\$ 3,577,439	\$ 4,515,261

- (1) Represents budgeted transfers from the general fund to the sewer enterprise fund for debt service costs, the nonmajor capital project fund for short term bond paydown and the internal service fund.
- (2) Represents transfers from nonmajor governmental funds to the general fund from tax title revolving funds and to close out old gift and grant funds. Also represents transfers from the nonmajor community preservation fund to the nonmajor Town capital projects fund.

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 water and sewer enterprise funds, respectively.

At June 30, 2022, the Town had the following short-term debt outstanding:

Type	Purpose	Rate (%)	Due Date	Balance at June 30, 2021	Renewed/ Issued	Retired/ Redeemed	Balance at June 30, 2022
Governmental Funds:							
BAN	Municipal Purpose.....	0.53%	07/15/21	\$ 271,483	\$ -	\$ (271,483)	\$ -

NOTE 8 – LONG-TERM DEBT

Under the provisions of Chapter 44, Section 10, Municipal Law authorizes indebtedness up to a limit of 5% of the equalized valuation. Debt issued in accordance with this section of the law is designated as being "inside the debt

limit". In addition, however, debt may be authorized in excess of that limit for specific purposes. Such debt, when issued, is designated as being "outside the debt limit".

Details related to the outstanding indebtedness at June 30, 2022, and the debt service requirements are shown:

Bonds and Notes Payable Schedule – Governmental Funds

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2022
General Obligation Bonds Payable:				
Municipal Purpose Bonds of 2015.....	2035	\$ 7,600,000	2.50-5.00	\$ 4,940,000
Municipal Purpose Refunding Bonds of 2016.....	2025	1,055,000	2.00-5.00	345,000
Municipal Purpose Bonds of 2017.....	2036	4,100,000	2.00-5.00	2,870,000
Municipal Purpose Refunding Bonds of 2017.....	2026	680,000	2.00-5.00	300,000
Municipal Purpose Bonds of 2018.....	2038	15,000,000	2.00-5.00	12,000,000
Municipal Purpose Bonds of 2019.....	2039	54,435,000	3.00-5.00	46,260,000
Municipal Purpose Refunding Bonds of 2021.....	2031	15,015,000	3.00-5.00	12,345,000
Total Bonds Payable.....				79,060,000
Add: Unamortized premium on bonds.....				6,746,846
Total Bonds Payable, net.....				\$ 85,806,846

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

Year	General Obligation Bonds Payable		
	Principal	Interest	Total
2023.....	\$ 5,570,000	\$ 3,015,106	\$ 8,585,106
2024.....	5,585,000	2,736,606	8,321,606
2025.....	5,605,000	2,457,356	8,062,356
2026.....	5,505,000	2,191,031	7,696,031
2027.....	5,440,000	1,930,881	7,370,881
2028.....	5,455,000	1,693,081	7,148,081
2029.....	5,465,000	1,456,581	6,921,581
2030.....	5,450,000	1,259,006	6,709,006
2031.....	5,430,000	1,073,850	6,503,850
2032.....	4,055,000	884,813	4,939,813
2033.....	4,055,000	764,225	4,819,225
2034.....	4,055,000	642,650	4,697,650
2035.....	4,055,000	521,075	4,576,075
2036.....	3,675,000	399,025	4,074,025
2037.....	3,470,000	289,800	3,759,800
2038.....	3,470,000	185,700	3,655,700
2039.....	2,720,000	81,600	2,801,600
Total.....	\$ 79,060,000	\$ 21,582,386	\$ 100,642,386

Bonds and Notes Payable Schedule – Water Enterprise Fund

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2022
General Obligation Bonds Payable:				
Water.....	2036	\$ 17,910,000	2.00-6.75	\$ 11,400,000
Water Refunding.....	2029	2,316,695	2.00-3.125	<u>635,000</u>
Subtotal General Obligation Bonds Payable.....				<u>12,035,000</u>
Direct Borrowings Payable:				
Massachusetts Clean Water Trust - Water.....	2027	7,190,614	2.00	<u>2,079,129</u>
Total Bonds Payable.....				14,114,129
Add: Unamortized premium on bonds.....				<u>710,674</u>
Total Bonds Payable, net.....				<u>\$ 14,824,803</u>

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

Year	General Obligation Bonds Payable		
	Principal	Interest	Total
2023.....	\$ 1,295,000	\$ 459,074	\$ 1,754,074
2024.....	1,305,000	394,326	1,699,326
2025.....	1,160,000	329,072	1,489,072
2026.....	975,000	282,680	1,257,680
2027.....	935,000	240,782	1,175,782
2028.....	935,000	206,732	1,141,732
2029.....	930,000	172,782	1,102,782
2030.....	750,000	142,032	892,032
2031.....	625,000	119,532	744,532
2032.....	625,000	100,782	725,782
2033.....	625,000	81,250	706,250
2034.....	625,000	61,718	686,718
2035.....	625,000	41,406	666,406
2036.....	625,000	21,094	646,094
Total.....	<u>\$ 12,035,000</u>	<u>\$ 2,653,262</u>	<u>\$ 14,688,262</u>

Year	Direct Borrowings Payable		
	Principal	Interest	Total
2023.....	\$ 399,361	\$ 37,589	\$ 436,950
2024.....	407,429	29,521	436,950
2025.....	415,660	21,290	436,950
2026.....	424,056	12,893	436,949
2027.....	432,623	4,326	436,949
Total.....	\$ <u>2,079,129</u>	\$ <u>105,619</u>	\$ <u>2,184,748</u>

Bonds and Notes Payable Schedule – Sewer Enterprise Fund

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2022
General Obligation Bonds Payable:				
Sewer Refunding.....	2035	\$ 67,426,705	2.00-3.125	\$ 40,895,000
Add: Unamortized premium on bonds.....				<u>2,335,414</u>
Total Bonds Payable, net.....				\$ <u>43,230,414</u>

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

Year	General Obligation Bonds Payable		
	Principal	Interest	Total
2023.....	\$ 5,665,000	\$ 1,439,768	\$ 7,104,768
2024.....	5,990,000	1,159,834	7,149,834
2025.....	6,230,000	864,269	7,094,269
2026.....	6,060,000	619,700	6,679,700
2027.....	6,135,000	433,850	6,568,850
2028.....	4,560,000	249,400	4,809,400
2029.....	2,910,000	153,900	3,063,900
2030.....	1,655,000	91,650	1,746,650
2031.....	370,000	53,156	423,156
2032.....	340,000	42,056	382,056
2033.....	335,000	31,430	366,430
2034.....	325,000	20,962	345,962
2035.....	320,000	10,400	330,400
Total.....	\$ <u>40,895,000</u>	\$ <u>5,170,375</u>	\$ <u>46,065,375</u>

The Town is subject to various debt limits by statute and may issue additional general obligation debt under the normal debt limit. At June 30, 2022, the Town had the following authorized and unissued debt:

Purpose	Amount
Ames Hill Storage Tank.....	\$ 25,000
Annex Solar Panels.....	85,000
High School.....	10,766,582
Roads.....	3,000,000
Water Treatment Plant.....	42,567
Elementary School.....	38,503,724
New Center Fire Station.....	2,500,000
Water Lines.....	1,500,000
Astle Street Water Tank.....	1,800,000
Total.....	\$ 58,222,873

Changes in Long-term Liabilities

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

	Beginning Balance	Bonds and Notes Issued	Bonds and Notes Redeemed	Other Increases	Other Decreases	Ending Balance	Due Within One Year
Governmental Activities:							
Long-term general obligation bonds payable. \$	84,869,155	\$ -	\$ (5,809,155)	\$ -	\$ -	\$ 79,060,000	\$ 5,570,000
Add: Unamortized premium on bonds.....	7,878,051	-	(1,131,205)	-	-	6,746,846	1,030,813
Total bonds payable.....	92,747,206	-	(6,940,360)	-	-	85,806,846	6,600,813
Landfill closure.....	2,528,866	-	-	-	(137,963)	2,390,903	117,148
Compensated absences.....	2,691,600	-	-	752,900	(1,109,300)	2,335,200	922,500
Net pension liability.....	95,550,537	-	-	4,104,668	(8,426,238)	91,228,967	-
Net other postemployment benefits.....	75,740,741	-	-	37,035,286	(5,749,824)	107,026,203	-
Total governmental activity long-term liabilities.....	\$ 269,258,950	\$ -	\$ (6,940,360)	\$ 41,892,854	\$ (15,423,325)	\$ 288,788,119	\$ 7,640,461
Business-Type Activities:							
Long-term general obligation bonds payable. \$	59,815,845	\$ -	\$ (6,885,845)	\$ -	\$ -	\$ 52,930,000	\$ 5,280,232
Long-term direct borrowings payable.....	2,470,582	-	(391,453)	-	-	2,079,129	2,079,129
Add: Unamortized premium on bonds.....	4,009,942	-	(963,854)	-	-	3,046,088	809,850
Total bonds payable.....	66,296,369	-	(8,241,152)	-	-	58,055,217	8,169,211
Compensated absences.....	186,600	-	-	69,700	(75,700)	180,600	74,900
Net pension liability.....	8,647,721	-	-	236,013	(751,154)	8,132,580	-
Net other postemployment benefits.....	1,504,486	-	-	2,375,659	(300,436)	3,579,709	-
Total business-type activity long-term liabilities.....	\$ 76,635,176	\$ -	\$ (8,241,152)	\$ 2,681,372	\$ (1,127,290)	\$ 69,948,106	\$ 8,244,111

Compensated absence liabilities related to governmental and business-type activities are normally paid from the funds reporting payroll and related expenditures. With the exception of compensated absence liabilities, the governmental long-term liabilities are generally liquidated by the general fund.

NOTE 9 – GOVERNMENTAL FUND BALANCE CLASSIFICATIONS

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

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

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

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

The Town has classified its fund balances with the hierarchy presented on the following page.

	General	Elementary School Construction	Nonmajor Governmental Funds	Total Governmental Funds
Fund Balances:				
Nonspendable:				
Permanent fund principal.....	\$ -	\$ -	\$ 27,941	\$ 27,941
Restricted for:				
Elementary school construction.....	-	5,911,242	-	5,911,242
Town grant funds.....	-	-	257,864	257,864
Town revolving funds.....	-	-	1,100,176	1,100,176
Town gift funds.....	-	-	943,728	943,728
Town receipts reserved.....	-	-	2,593	2,593
Town other funds.....	-	-	295,916	295,916
Town special articles.....	-	-	911	911
School grant funds.....	-	-	2,360,619	2,360,619
School revolving funds.....	-	-	2,048,166	2,048,166
School gift funds.....	-	-	46,262	46,262
School other funds.....	-	-	169,089	169,089
Restricted funds.....	-	-	5,496,225	5,496,225
Street projects.....	-	-	75,000	75,000
Community preservation.....	-	-	3,769,676	3,769,676
Town capital projects.....	-	-	3,670,788	3,670,788
Fire station construction.....	-	-	927,969	927,969
Foster trust fund.....	-	-	30,048	30,048
Cemetery perpetual care.....	-	-	8	8
Committed to:				
Articles and continuing appropriations:				
Town manager.....	775,913	-	-	775,913
Administrative services.....	137,407	-	-	137,407
Town clerk.....	550	-	-	550
Accounting.....	1,146	-	-	1,146
Assessor.....	9,160	-	-	9,160
Treasurer/Collector.....	35,968	-	-	35,968
Town facilities and grounds.....	423,575	-	-	423,575
Library.....	25,201	-	-	25,201
Planning.....	250	-	-	250
Police.....	124,090	-	-	124,090
Fire.....	1,249,607	-	-	1,249,607
Education.....	2,108,964	-	-	2,108,964
DPW administration.....	1,909,085	-	-	1,909,085
Solid waste.....	295,403	-	-	295,403
Assigned to:				
Selectmen.....	16,998	-	-	16,998
Town manager.....	801	-	-	801
Town counsel.....	2,875	-	-	2,875
Administrative services.....	2,963	-	-	2,963
Town clerk.....	940	-	-	940
Elections.....	5,150	-	-	5,150
Computer services.....	3,303	-	-	3,303
Accounting.....	953	-	-	953
Assessor.....	5,335	-	-	5,335
Treasurer/Collector.....	5,645	-	-	5,645
Veterans.....	31,785	-	-	31,785
Community events.....	777	-	-	777
Council on aging.....	2,883	-	-	2,883
Town facilities and grounds.....	71,309	-	-	71,309
Town hall.....	11,978	-	-	11,978
Library.....	2,348	-	-	2,348
Planning.....	6,362	-	-	6,362
Buildings.....	821	-	-	821
Board of health.....	7,604	-	-	7,604
Police.....	60,458	-	-	60,458
Fire.....	103,083	-	-	103,083
Education.....	2,257,028	-	-	2,257,028
DPW administration.....	18,157	-	-	18,157
DPW engineering.....	10,241	-	-	10,241
DPW highway.....	148,804	-	-	148,804
DPW forestry.....	39,548	-	-	39,548
DPW fleet.....	45,751	-	-	45,751
DPW snow and ice.....	19,440	-	-	19,440
Street lighting.....	128,658	-	-	128,658
Solid waste.....	218,756	-	-	218,756
Group insurance.....	385	-	-	385
Property and liability insurance.....	2,323	-	-	2,323
Unassigned.....	25,902,285	-	(1,168,725)	24,733,560
Total Fund Balances.....	\$ 36,232,066	\$ 5,911,242	\$ 20,054,254	\$ 62,197,562

Massachusetts General Law Ch.40 §5B allows for the establishment of Stabilization funds for one or more different purposes. The creation of a fund requires a two-thirds vote of the legislative body and must clearly define the purpose of the fund. Any change to the purpose of the fund along with any additions to or appropriations from the fund requires a two-thirds vote of the legislative body. At year end the unassigned balance of the general fund includes \$9,595,989 of stabilization fund and \$725,000 of special education reserve fund.

NOTE 10 – RISK FINANCING

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Town carries commercial insurance. In addition, the Town is self-insured for damages not covered by 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 its health insurance and workers’ compensation activities. The health insurance and workers’ compensation activities are accounted for in the internal service fund where revenues are recorded when earned and expenses are recorded when the liability is incurred. Incurred But Not Reported claims for workers’ compensation are immaterial and therefore not reported.

Health Insurance

The estimate of Incurred But Not Reported (IBNR) claims is based on a one and one half-month claims paid average. The Town purchases individual stop loss insurance for claims in excess of the coverage provided by the Town in the amount of \$150,000 per claim.

This liability is the best estimate based on available information. Changes in the reported liability since July 1, 2020, are as follows:

	Balance at Beginning of Year	Current Year Claims and Changes in Estimate	Claims Payments	Balance at Year-End
2021.....	\$ 1,035,983	\$ 14,782,395	\$ (14,926,273)	892,105
2022.....	892,105	18,902,444	(18,665,650)	1,128,899

NOTE 11 – PENSION PLAN

Plan Description

The Town is a member of the Middlesex County Retirement System (MCRS), a cost-sharing multiple-employer defined benefit pension plan covering eligible employees of the 71 member units. The MCRS 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 Town is a member of the Massachusetts Teachers’ Retirement System (MTRS), a cost-sharing multi-employer defined benefit plan. MTRS is managed by the Commonwealth of Massachusetts (Commonwealth) on behalf of municipal teachers and municipal teacher retirees. The Commonwealth is a nonemployer contributor and is responsible for 100% of the contributions and future benefit requirements of the MTRS. The MTRS covers certified teachers in cities (except Boston), towns, regional school districts, charter schools, educational

collaboratives and Quincy College. The MTRS is part of the Commonwealth's reporting entity and the audited financial report may be obtained by visiting <https://mtrs.state.ma.us/about/#financial-reports>.

Special Funding Situation

The Commonwealth is a nonemployer contributor and is required by statute to make 100% of all actuarially determined employer contributions on behalf of the Town to the MTRS. Therefore, the Town is considered to be in a special funding situation as defined by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and the Commonwealth is a nonemployer contributor in MTRS. Since the Town does not contribute directly to MTRS, there is no net pension liability to recognize. The total of the Commonwealth provided contributions have been allocated based on each employer's covered payroll to the total covered payroll of employers in MTRS as of the measurement date of June 30, 2021. The Town's portion of the collective pension expense, contributed by the Commonwealth, of \$6,460,293 is reported in the general fund as intergovernmental revenue and employee benefits and other fixed charges in the current fiscal year. The portion of the Commonwealth's collective net pension liability associated with the Town is \$80,506,265 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.

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 MCRS a legislatively mandated actuarially 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 June 30, 2022, was \$9,177,392, 36.50% of covered payroll, actuarially determined as an amount that, when combined with plan member contributions, is expected to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability.

Pension Liabilities

At June 30, 2022, the Town reported a liability of \$99,361,547 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2022. The Town’s proportion of the net pension liability was based on a projection of the Town’s long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At December 31, 2021, the Town’s proportion was 7.411%, which increased from its 6.805% proportion measured at December 31, 2020.

Pension Expense

For the year ended June 30, 2022, the Town recognized a pension expense of \$10,129,525. At June 30, 2022, the Town reported deferred outflows of resources related to pensions of \$11,745,315 and deferred inflows of resources related to pensions of \$17,459,735.

The balances of deferred outflows and inflows at June 30, 2022, consist of the following:

Deferred Category	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Differences between expected and actual experience.....	\$ 1,693,370	\$ -	\$ 1,693,370
Difference between projected and actual earnings, net.....	-	(16,894,248)	(16,894,248)
Changes in assumptions.....	3,537,920	-	3,537,920
Changes in proportion and proportionate share of contributions...	6,514,025	(565,487)	5,948,538
Total deferred outflows/(inflows) of resources.....	\$ 11,745,315	\$ (17,459,735)	\$ (5,714,420)

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

<u>Year ended June 30:</u>	
2023.....	\$ (534,543)
2024.....	(1,963,247)
2025.....	(2,064,903)
2026.....	(1,151,727)
Total.....	\$ (5,714,420)

Actuarial Assumptions

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

- Valuation date..... January 1, 2022
- Actuarial cost method..... Entry Age Normal Cost Method.

Amortization method.....	Prior year's total contribution increased by 6.50% for fiscal 2022 through fiscal 2028, and thereafter the remaining unfunded liability will be amortized on a 4.00% annual increasing basis; ERI liability amortized in level payments.
Remaining amortization period.....	17 years from July 1, 2020, for non-ERI liability, and 2 years from July 1, 2020, for 2010 ERI.
Asset valuation method.....	The difference between the expected return and the actual investment return on a market value basis is recognized over a five year period. Asset value is adjusted as necessary to be within 20% of the market value.
Investment rate of return/ Discount Rate....	7.15%, previously 7.30%.
Inflation rate.....	3.25%
Projected salary increases.....	Varies by length of service with ultimate rates of 4.00% for Group 1, 4.25% for Group 2 and 4.50% for Group 4.
Cost of living adjustment.....	3.0% of the first \$16,000 of retirement income.
Mortality rates:	
Pre-Retirement.....	The RP-2014 Blue Collar Employee Mortality Table projected generationally with Scale MP-2021.
Healthy Retiree.....	The RP-2014 Blue Collar Healthy Annuitant Mortality Table projected generationally with Scale MP-2021.
Disabled Retiree.....	The RP-2014 Blue Collar Healthy Annuitant Mortality Table set forward one year and projected generationally with Scale MP-2021.

Investment Policy

The pension plan's policy in regard to the allocation of invested assets is established by PRIT. Plan assets are managed on a total return basis with a long-term objective of achieving a fully funded status for the benefits provided through the pension plan.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) 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, 2022, are summarized in the table on the following page.

Asset Class	Long-Term Expected Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equity.....	22.00%	6.11%
International developed markets equity..	11.50%	6.49%
International emerging markets equity...	4.50%	8.12%
Core fixed income.....	15.00%	0.38%
High-yield fixed income.....	8.00%	2.48%
Real estate.....	10.00%	3.72%
Timber.....	4.00%	3.44%
Hedge funds, GTAA, risk parity.....	10.00%	2.63%
Private equity.....	15.00%	9.93%
Total.....	100.00%	

Rate of Return

For the year ended December 31, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 19.86%. 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 7.15% at December 31, 2021, and 7.30% at December 31, 2020. 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 table presents the net pension liability, calculated using the discount rate of 7.15%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.15%) or 1-percentage-point higher (8.15%) than the current rate.

	1% Decrease (6.15%)	Current Discount (7.15%)	1% Increase (8.15%)
The Town's proportionate share of the net pension liability.....	\$ 128,527,435	\$ 99,361,547	\$ 74,797,230
MCRS total net pension liability.....	\$ 1,734,275,212	\$ 1,340,727,512	\$ 1,009,270,759

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Middlesex County Retirement System financial report.

Changes in Assumptions

- The net investment return assumption was lowered from 7.30% to 7.15%.
- The mortality projection scale was updated from MP-2017 to MP-2021.

*Changes in Plan Provisions – None***NOTE 12 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS***Plan Description*

The Town of Tewksbury administers a single-employer defined benefit healthcare plan (Plan). The plan provides lifetime healthcare, dental and life insurance for eligible retirees and their spouses through the Town's group health insurance plan, which covers both active and retired members. Chapter 32B of the MGL assigns authority to establish and amend benefit provisions of the plan. Benefit provisions are negotiated between the Town and the unions representing Town employees and are renegotiated each bargaining period. The Plan does not issue a publicly available financial report.

Funding Policy

The contribution requirements of plan members and the Town are established and may be amended by the Town. The required contribution is based on a pay-as-you-go financing requirement. The Town contributes 75 - 85 percent of the cost of current-year premiums for healthcare, dental and life insurance for eligible retired plan members and their spouses. Plan members receiving benefits contribute the remaining 15 - 25 percent of their premium costs for healthcare, dental and life insurance. For 2022, the Town's age-weighted contribution to the plan totaled approximately \$6.1 million. For the year ended June 30, 2022, the Town's average contribution rate was 11.43% 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 Health Care Security Board of Trustees (HCSBT) as Trustees of the OPEB Fund and as such has authorized the OPEB Trust Funds to be invested entirely in the State Retirement Benefits Trust Fund (SRBT Fund). Massachusetts General Law directs the HSCBT to invest the SRBT Fund in the Pension Reserves Investment Trust (PRIT) Fund. The Trustees have adopted a trust agreement detailing their duties and responsibilities as Trustees. The PRIT Fund is subject to oversight by the Pension Reserves Investment Management (PRIM) Board. A nine-member Board of Trustees governs the PRIM Board. The Board of Trustees has the authority to employ an Executive Director, outside investment managers, custodians, consultants, and others as it deems necessary to formulate policies and procedures and to take such other actions as necessary and appropriate to manage the assets of the PRIT Fund.

During 2022, the Town pre-funded future OPEB liabilities totaling approximately \$858,932 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, 2022, the net position of this fund totaled \$7,751,970.

Employees Covered by Benefit Terms

The following table represents the Plan’s membership at June 30, 2022:

Active members.....	735
Inactive employees or beneficiaries currently receiving benefits...	<u>851</u>
Total.....	<u><u>1,586</u></u>

Components of OPEB Liability

The following table represents the components of the Plan’s OPEB liability as of June 30, 2022:

Total OPEB liability.....	\$ 118,357,882
Less: OPEB plan's fiduciary net position.....	<u>(7,751,970)</u>
Net OPEB liability.....	<u><u>\$ 110,605,912</u></u>
The OPEB plan's fiduciary net position as a percentage of the total OPEB liability.....	6.55%

Significant Actuarial Methods and Assumptions

The total OPEB liability in the July 1, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified, that was updated to June 30, 2022:

Valuation date.....	July 1, 2021
Actuarial cost method.....	Entry Age Normal.
Investment rate of return/ Discount rate.....	6.25% per annum (previously 7.50%).
Municipal bond rate.....	4.09% as of June 30, 2022 (source: S&P Municipal Bond 20-Year High Grade Index – SAPIHG).
Inflation.....	2.50% as of June 30, 2022, and for future periods.
Salary increases.....	3.00% annually as of June 30, 2022, and for future periods.
Pre-Retirement Mortality.....	General: RP-2014 Mortality Table for Blue Collar Employees projected generationally with scale MP-2016 for males and females, set forward 1 year for females. Teachers: RP-2014 Mortality Table for White Collar Employees projected generationally with scale MP-2016 for males and females.

Post-Retirement Mortality.....	General: RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year for females Teachers: RP-2014 Mortality Table for White Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females.
Disabled Mortality.....	General: RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year. Teachers: RP-2014 Mortality Table for White Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females.

Rate of Return

For the year ended June 30, 2022, the annual money-weighted rate of return on investments, net of investment expense, was -4.00%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The long-term expected rate of return on OPEB 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 of 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 OPEB plan’s target asset allocation as of June 30, 2022, are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity - Large cap.....	14.50%	4.42%
Domestic equity - Small/mid cap.....	3.50%	4.81%
International equity - Developed markets..	16.00%	4.91%
International equity - Emerging markets...	6.00%	5.58%
Domestic fixed income.....	20.00%	1.00%
International fixed income.....	3.00%	1.04%
Alternatives.....	23.00%	5.98%
Real estate.....	14.00%	6.25%
Total.....	<u>100.00%</u>	

Discount Rate

The discount rate used to measure the total OPEB liability was 6.25% as of June 30, 2022, and 7.50% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions will be

made in accordance with the Plan’s funding policy. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be insufficient to make all projected benefit payments to current plan members. Therefore, the long-term expected rate of return on the OPEB plan assets was applied to the projected benefits payments which the fiduciary net position is expected to be sufficient to cover until fiscal year 2079 and the Municipal Bond Rate is applied thereafter. The Municipal Bond Rate is based on the S&P Municipal Bond 20 – Year High Grade Index ("SAPIHG"), which was 4.09% as of June 30, 2022. The S&P Municipal Bond 20 - Year High Grade Index is the index rate for 20 – Year, tax exempt general obligation municipal bonds with an average rate of AA/Aa or higher.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following table presents the Plan’s net OPEB liability, calculated using the discount rate of 6.25%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.25%) or 1-percentage-point higher (7.25%) than the current rate.

	1% Decrease (5.25%)	Current Discount Rate (6.25%)	1% Increase (7.25%)
Net OPEB liability.....	\$ 126,876,594	\$ 110,605,912	\$ 97,390,977

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Trend

The following table presents the net other postemployment benefit liability and service cost, calculated using the current healthcare trend rate, as well as what the net other postemployment benefit liability and service cost would be if it were calculated using a healthcare trend rate that is 1-percentage-point lower or 1-percentage-point higher.

	1% Decrease	Current Trend	1% Increase
Net OPEB liability.....	\$ 96,043,609	\$ 110,605,912	\$ 128,629,496

Changes in Assumptions

- The discount rate has changed from 7.50% to 6.25%.
- The mortality table has been updated to the RP-2014 Mortality Table projected generationally with scale MP-2016 for males and females.
- Age-adjusted morbidity factors which are used to determine relative healthcare costs by age, and results in a higher percentage of claims to older ages were updated.
- The Getzen model for future healthcare cost increases was adopted.

Changes in Plan Provisions – None

Summary of Significant Accounting Policies

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis as they

are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts (repurchase agreements) that have a maturity at the time of purchase of one year or less, which are reported at cost.

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Plan		
	Total OPEB Liability (a)	Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at June 30, 2021.....	\$ 84,458,279	\$ 7,213,052	\$ 77,245,227
Changes for the year:			
Service cost.....	2,626,015	-	2,626,015
Interest.....	6,340,167	-	6,340,167
Differences between expected and actual experience..	2,820,347	-	2,820,347
Changes in assumptions and other inputs.....	27,304,402	-	27,304,402
Benefit payments.....	(5,191,328)	(5,191,328)	-
Employer contributions.....	-	6,050,260	(6,050,260)
Investment income.....	-	(276,322)	276,322
Net change.....	33,899,603	582,610	33,316,993
Balances at June 30, 2022.....	\$ <u>118,357,882</u>	\$ <u>7,795,662</u>	\$ <u>110,562,220</u>

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

For the year ended June 30, 2022, the Town recognized OPEB expense of \$12,426,984. At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Deferred Category	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Differences between expected and actual experience... \$	2,286,191	\$ (580,407)	\$ 1,705,784
Difference between projected and actual earnings, net..	49,815	-	49,815
Changes in assumptions.....	23,854,623	-	23,854,623
Total deferred outflows/(inflows) of resources.....	\$ <u>26,190,629</u>	\$ <u>(580,407)</u>	\$ <u>25,610,222</u>

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

<u>Year ended June 30:</u>	
2023.....	\$ 6,400,337
2024.....	6,155,872
2025.....	5,572,515
2026.....	5,883,969
2027.....	<u>1,597,529</u>
 Total.....	 \$ <u>25,610,222</u>

NOTE 13 – LANDFILL

In August 2009, the Town entered into a consent decree related to an environmental case associated with the Sutton Brook landfill. The original consent decree, among other matters, obligated the Town to contribute \$10,159,454, over a 30-year period ending in 2040, into a trust established to remedy the environmental impact created by the landfill. In Fiscal 2022, the Town made a payment of \$137,963 which reduced the present value of the obligation to \$2,390,903. Yearly payments on the remaining balance vary based on the cost of monitoring and maintenance of the landfill. The fiscal 2023 payment will be \$117,148.

NOTE 14 – COMMITMENTS

In 2022, the Town has authorized but not yet issued debt of \$58.2 million. Of this amount, \$38.5 million relates to the new elementary school, \$10.8 million relates to the high school project, \$3.0 million relates to various road projects, \$2.5 million relates to the new center fire station, \$1.5 million relates to water lines, \$1.8 million relates to the Astle Street water tank and the remaining \$153,000 relates to the Ames Hill storage tank, solar panels on the Annex Building and the water treatment plant.

The general fund has various commitments for goods and services related to articles and encumbrances totaling \$7,096,319 and \$3,233,462, respectively.

NOTE 15 – CONTINGENCIES

The Town participates in a number of federal award programs. Although the grant programs have been audited in accordance with the provisions of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* through June 30, 2022, these programs are still subject to financial and compliance audits. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although it is expected such amounts, if any, to be immaterial.

Various legal actions and claims are pending. Litigation is subject to many uncertainties, and the outcome of individual litigated matters is not always predictable. Although the amount of liability, if any, at June 30, 2022, cannot be ascertained, management believes any resulting liability should not materially affect the financial position at June 30, 2022.

NOTE 16 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 27, 2023, which is the date the financial statements were available to be issued.

NOTE 17 – IMPLEMENTATION OF NEW GASB PRONOUNCEMENTS

During 2022, the following GASB pronouncements were implemented:

- GASB Statement #87, *Leases*. The annual comprehensive financial report was updated to be in compliance with this pronouncement.
- GASB Statement #89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. This pronouncement did not impact the annual comprehensive financial report.
- GASB Statement #92, *Omnibus 2020*. This pronouncement did not impact the annual comprehensive financial report.
- GASB Statement #93, *Replacement of Interbank Offered Rates*. This pronouncement did not impact the annual comprehensive financial report.
- GASB Statement #97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. This pronouncement did not impact the annual comprehensive financial report.

The following GASB pronouncements will be implemented in the future:

- The GASB issued Statement #91, *Conduit Debt Obligations*, which is required to be implemented in 2023.
- The GASB issued Statement #94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, which is required to be implemented in 2023.
- The GASB issued Statement #96, *Subscription-Based Information Technology Arrangements*, which is required to be implemented in 2023.
- The GASB issued Statement #99, *Omnibus 2022*, which is required to be implemented in 2023.
- The GASB issued Statement #100, *Accounting Changes and Error Corrections*, which is required to be implemented in 2024.
- The GASB issued Statement #101, *Compensated Absences*, which is required to be implemented in 2025.

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

Required Supplementary Information

General Fund Budgetary Schedule

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

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

YEAR ENDED JUNE 30, 2022

	Budgeted Amounts				Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance to Final Budget
	Amounts Carried Forward From Prior Year	Current Year Initial Budget	Original Budget	Final Budget			
REVENUES:							
Real estate and personal property taxes, net of tax refunds.....	\$ -	\$ 99,228,194	\$ 99,228,194	\$ 100,052,569	\$ 100,974,484	\$ -	\$ 921,915
Motor vehicle and other excise taxes.....	-	4,535,625	4,535,625	4,535,625	4,962,502	-	426,877
Hotel/motel tax.....	-	424,142	424,142	424,142	956,263	-	532,121
Meals tax.....	-	349,656	349,656	349,656	725,821	-	376,165
Charges for services.....	-	1,403,105	1,403,105	1,403,105	1,744,735	-	341,630
Penalties and interest on taxes.....	-	294,367	294,367	294,367	354,458	-	60,091
Fees and rentals.....	-	599,949	599,949	599,949	956,768	-	356,819
Payments in lieu of taxes.....	-	37,062	37,062	37,062	31,107	-	(5,955)
Licenses and permits.....	-	795,672	795,672	795,672	1,114,506	-	318,834
Fines and forfeitures.....	-	46,000	46,000	46,000	49,394	-	3,394
Intergovernmental - state aid.....	-	17,396,881	17,396,881	17,396,881	17,562,699	-	165,818
Departmental and other.....	-	155,628	155,628	155,628	693,403	-	537,775
Investment income.....	-	81,004	81,004	81,004	(160,283)	-	(241,287)
TOTAL REVENUES.....	-	125,347,285	125,347,285	126,171,660	129,965,857	-	3,794,197
EXPENDITURES:							
Current:							
General government							
Town Moderator							
Salaries.....	-	450	450	450	450	-	-
Operating.....	-	75	75	75	-	-	75
Total.....	-	525	525	525	450	-	75
Selectmen							
Salaries.....	-	28,553	28,553	28,553	23,400	-	5,153
Operating.....	12,262	142,615	154,877	154,877	124,314	16,998	13,565
Total.....	12,262	171,168	183,430	183,430	147,714	16,998	18,718
Town Manager							
Salaries.....	-	469,647	469,647	490,647	490,047	-	600
Operating.....	20,262	78,170	98,432	123,432	104,780	801	17,851
Capital.....	1,348,857	3,795	1,352,652	1,355,513	579,600	775,913	-
Total.....	1,369,119	551,612	1,920,731	1,969,592	1,174,427	776,714	18,451
Finance Committee							
Salaries.....	-	2,515	2,515	2,515	260	-	2,255
Operating.....	-	679	679	679	345	-	334
Total.....	-	3,194	3,194	3,194	605	-	2,589
Reserve Fund.....							
	-	75,000	75,000	24,466	-	-	24,466
Town Counsel							
Operating.....	21,783	150,000	171,783	171,783	118,083	2,875	50,825
Administrative Services							
Salaries.....	-	113,265	113,265	113,265	110,786	-	2,479
Operating.....	2,950	24,972	27,922	42,922	38,494	2,963	1,465
Capital.....	112,407	-	112,407	137,407	-	137,407	-
Total.....	115,357	138,237	253,594	293,594	149,280	140,370	3,944
Town Clerk							
Salaries.....	-	278,925	278,925	306,246	299,272	-	6,974
Operating.....	1,792	20,661	22,453	22,453	16,135	940	5,378
Capital.....	550	-	550	550	-	550	-
Total.....	2,342	299,586	301,928	329,249	315,407	1,490	12,352
Elections							
Salaries.....	-	31,500	31,500	19,034	15,332	-	3,702
Operating.....	-	13,700	13,700	18,845	10,929	5,150	2,766
Total.....	-	45,200	45,200	37,879	26,261	5,150	6,468
Board of Registrars							
Salaries.....	-	2,850	2,850	2,850	2,850	-	-
Operating.....	-	700	700	700	524	-	176
Total.....	-	3,550	3,550	3,550	3,374	-	176
Computer Services							
Salaries.....	-	123,573	123,573	168,573	144,847	-	23,726
Operating.....	29,929	146,366	176,295	209,774	184,538	3,303	21,933
Total.....	29,929	269,939	299,868	378,347	329,385	3,303	45,659
Total General Government.....	1,550,792	1,708,011	3,258,803	3,395,609	2,264,986	946,900	183,723
Finance							
Accounting							
Salaries.....	-	224,488	224,488	274,488	260,540	-	13,948
Operating.....	12,040	172,311	184,351	184,351	167,202	953	16,196
Capital.....	1,571	-	1,571	1,571	425	1,146	-
Total.....	13,611	396,799	410,410	460,410	428,167	2,099	30,144

(Continued)

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

YEAR ENDED JUNE 30, 2022

	Budgeted Amounts				Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance to Final Budget
	Amounts Carried Forward From Prior Year	Current Year Initial Budget	Original Budget	Final Budget			
Assessor							
Salaries.....	-	287,795	287,795	287,795	272,997	-	14,798
Operating.....	767	69,777	70,544	70,544	58,690	5,335	6,519
Capital.....	9,160	-	9,160	9,160	-	9,160	-
Total.....	9,927	357,572	367,499	367,499	331,687	14,495	21,317
Treasurer/Collector							
Salaries.....	-	335,210	335,210	338,854	336,039	-	2,815
Operating.....	10,501	65,792	76,293	86,292	67,307	5,645	13,340
Capital.....	36,156	-	36,156	36,156	188	35,968	-
Total.....	46,657	401,002	447,659	461,302	403,534	41,613	16,155
Total Finance.....	70,195	1,155,373	1,225,568	1,289,211	1,163,388	58,207	67,616
Community Services							
Veterans							
Salaries.....	-	110,249	110,249	110,249	93,822	-	16,427
Operating.....	10,123	388,600	398,723	398,723	210,529	31,785	156,409
Total.....	10,123	498,849	508,972	508,972	304,351	31,785	172,836
Community Events							
Operating.....	14,502	38,100	52,602	52,602	45,487	777	6,338
Total Community Services.....	24,625	536,949	561,574	561,574	349,838	32,562	179,174
Council on Aging							
Salaries.....	-	266,017	266,017	258,990	256,962	-	2,028
Operating.....	16,140	152,561	168,701	182,728	178,376	2,883	1,469
Total Council on Aging.....	16,140	418,578	434,718	441,718	435,338	2,883	3,497
Facilities							
Town Facilities and Grounds							
Salaries.....	-	304,839	304,839	313,232	290,854	-	22,378
Operating.....	79,301	212,828	292,129	320,206	202,714	71,309	46,183
Capital.....	268,430	35,000	303,430	568,615	144,231	423,575	809
Total.....	347,731	552,667	900,398	1,202,053	637,799	494,884	69,370
Town Hall							
Salaries.....	-	57,847	57,847	58,174	58,054	-	120
Operating.....	30,455	188,334	218,789	232,911	195,327	11,978	25,606
Total.....	30,455	246,181	276,636	291,085	253,381	11,978	25,726
Total Facilities.....	378,186	798,848	1,177,034	1,493,138	891,180	506,862	95,096
Library							
Salaries.....	-	1,063,437	1,063,437	1,061,437	1,047,408	-	14,029
Operating.....	3,124	388,067	391,191	393,191	378,300	2,348	12,543
Capital.....	18,100	65,000	83,100	83,100	57,899	25,201	-
Total Library.....	21,224	1,516,504	1,537,728	1,537,728	1,483,607	27,549	26,572
Planning and Development							
Planning (Community Development)							
Salaries.....	-	212,327	212,327	212,327	177,849	-	34,478
Operating.....	12,992	27,692	40,684	40,684	29,948	6,362	4,374
Capital.....	13,596	-	13,596	13,596	-	250	13,346
Total.....	26,588	240,019	266,607	266,607	207,797	6,612	52,198
Buildings							
Salaries.....	-	358,754	358,754	358,012	344,573	-	13,439
Operating.....	-	13,854	13,854	14,774	13,319	821	634
Total.....	-	372,608	372,608	372,786	357,892	821	14,073
Board of Health							
Salaries.....	-	265,033	265,033	254,933	222,968	-	31,965
Operating.....	13,270	18,013	31,283	41,383	27,900	7,604	5,879
Total.....	13,270	283,046	296,316	296,316	250,868	7,604	37,844
Total Planning and Development.....	39,858	895,673	935,531	935,709	816,557	15,037	104,115
Public Safety							
Police							
Salaries.....	-	6,841,113	6,841,113	6,874,656	6,831,610	-	43,046
Operating.....	85,572	764,403	849,975	918,732	797,909	60,458	60,365
Capital.....	103,181	336,148	439,329	447,028	320,499	124,090	2,439
Total.....	188,753	7,941,664	8,130,417	8,240,416	7,950,018	184,548	105,850
Fire							
Salaries.....	-	5,570,946	5,570,946	5,726,946	5,682,250	-	44,696
Operating.....	100,671	445,457	546,128	556,127	423,318	103,083	29,726
Capital.....	440,000	71,378	511,378	1,306,378	56,771	1,249,607	-
Total.....	540,671	6,087,781	6,628,452	7,589,451	6,162,339	1,352,690	74,422
Emergency Management							
Operating.....	1,899	-	1,899	1,899	1,899	-	-

(Continued)

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

YEAR ENDED JUNE 30, 2022

	Budgeted Amounts				Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance to Final Budget
	Amounts Carried Forward From Prior Year	Current Year Initial Budget	Original Budget	Final Budget			
Parking Clerk							
Salaries.....	-	4,000	4,000	4,000	4,000	-	-
Operating.....	130	1,200	1,330	1,330	123	-	1,207
Total.....	130	5,200	5,330	5,330	4,123	-	1,207
Northern Middlesex RECC assesment.....	-	490,809	490,809	490,809	400,000	-	90,809
Total Public Safety.....	731,453	14,525,454	15,256,907	16,327,905	14,518,379	1,537,238	272,288
Education							
Salaries.....	-	36,272,546	36,272,546	36,272,546	35,858,445	-	414,101
Operating.....	2,185,663	14,816,386	17,002,049	17,001,507	14,740,358	2,257,028	4,121
Capital.....	3,050,705	850,000	3,900,705	3,900,705	2,005,216	1,834,010	61,479
Health insurance.....	-	8,074,076	8,074,076	8,074,076	7,855,062	219,014	-
Retirement.....	-	1,619,695	1,619,695	1,619,695	1,619,695	-	-
Medicare.....	-	538,080	538,080	538,080	482,525	55,555	-
Unemployment.....	385	150,000	150,385	150,385	1,540	385	148,460
Insurance.....	-	297,070	297,070	297,070	297,070	-	-
Debt Principal.....	-	4,419,155	4,419,155	4,419,155	4,419,155	-	-
Debt Interest.....	-	2,622,533	2,622,533	2,622,533	2,622,533	-	-
Shawsheen Regional Vocational School.....	-	6,843,037	6,843,037	6,843,037	6,843,037	-	-
Essex North Shore Agricultural and Tech School.....	-	142,731	142,731	142,731	113,276	-	29,455
Total Education.....	5,236,753	76,645,309	81,882,062	81,881,520	76,857,912	4,365,992	657,616
Public Works							
DPW Administration							
Salaries.....	-	285,471	285,471	295,498	273,442	-	22,056
Operating.....	24,884	72,223	97,107	97,107	36,120	18,157	42,830
Capital.....	1,904,824	-	1,904,824	2,479,824	570,739	1,909,085	-
Total.....	1,929,708	357,694	2,287,402	2,872,429	880,301	1,927,242	64,886
DPW Engineering							
Salaries.....	-	193,766	193,766	183,766	162,447	-	21,319
Operating.....	3,170	9,586	12,756	12,756	1,377	10,241	1,138
Capital.....	-	-	-	-	-	-	-
Total.....	3,170	203,352	206,522	196,522	163,824	10,241	22,457
DPW Highway							
Salaries.....	-	925,270	925,270	926,360	900,598	-	25,762
Operating.....	168,548	349,910	518,458	518,458	213,824	148,804	155,830
Total.....	168,548	1,275,180	1,443,728	1,444,818	1,114,422	148,804	181,592
DPW Forestry							
Operating.....	37,678	113,255	150,933	150,933	96,910	39,548	14,475
DPW Fleet							
Salaries.....	-	216,956	216,956	216,956	196,928	-	20,028
Operating.....	186,609	406,897	593,506	654,705	449,118	45,751	159,836
Capital.....	4,029	-	4,029	4,029	3,163	-	866
Total.....	190,638	623,853	814,491	875,690	649,209	45,751	180,730
DPW Snow & Ice							
Salaries.....	-	95,000	95,000	197,764	197,764	-	-
Operating.....	190	161,000	161,190	658,426	596,576	19,440	42,410
Total.....	190	256,000	256,190	856,190	794,340	19,440	42,410
Street Lighting							
Operating.....	8,456	473,233	481,689	481,689	75,476	128,658	277,555
Solid Waste							
Operating.....	1,471	2,723,792	2,725,263	2,725,263	2,504,967	218,756	1,540
Capital.....	295,403	-	295,403	295,403	-	295,403	-
Total.....	296,874	2,723,792	3,020,666	3,020,666	2,504,967	514,159	1,540
Total Public Works.....	2,635,262	6,026,359	8,661,621	9,898,937	6,279,449	2,833,843	785,645
Pension Benefits.....	-	7,031,700	7,031,700	7,031,700	7,031,700	-	-
Group Insurance.....	385	4,586,350	4,586,735	4,586,735	4,350,844	385	235,506
Medicare Tax.....	-	265,241	265,241	357,241	344,384	-	12,857
Property and Liability Insurance.....	-	482,662	482,662	482,662	429,292	2,323	51,047
State and County Charges.....	-	1,913,394	1,913,394	1,913,394	1,805,089	-	108,305
Debt Service							
Debt Service Principal.....	-	2,013,599	2,013,599	1,163,255	1,160,000	-	3,255
Debt Service Interest.....	-	572,127	572,127	1,307,706	574,126	-	733,580
Total.....	-	2,585,726	2,585,726	2,470,961	1,734,126	-	736,835
TOTAL EXPENDITURES.....	10,704,873	121,092,131	131,797,004	134,605,742	120,756,069	10,329,781	3,519,892
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(10,704,873)	4,255,154	(6,449,719)	(8,434,082)	9,209,788	(10,329,781)	7,314,089

(Continued)

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

YEAR ENDED JUNE 30, 2022

	Budgeted Amounts				Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance to Final Budget
	Amounts Carried Forward From Prior Year	Current Year Initial Budget	Original Budget	Final Budget			
OTHER FINANCING SOURCES (USES):							
Proceeds from the sale of capital assets.....	-	-	-	-	197,624	-	197,624
Transfers in.....	-	-	-	2,073,406	2,274,745	-	201,339
Transfers out.....	-	(4,352,439)	(4,352,439)	(9,002,457)	(9,002,457)	-	-
TOTAL OTHER FINANCING SOURCES (USES).....	-	(4,352,439)	(4,352,439)	(6,929,051)	(6,530,088)	-	398,963
NET CHANGE IN FUND BALANCE.....	(10,704,873)	(97,285)	(10,802,158)	(15,363,133)	2,679,700	(10,329,781)	7,713,052
BUDGETARY FUND BALANCE, Beginning of year.....	-	22,897,425	22,897,425	22,897,425	22,897,425	-	-
BUDGETARY FUND BALANCE, End of year.....	\$ (10,704,873)	\$ 22,800,140	\$ 12,095,267	\$ 7,534,292	\$ 25,577,125	\$ (10,329,781)	\$ 7,713,052

See notes to required supplementary information.

(Concluded)

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' 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
MIDDLESEX CONTRIBUTORY RETIREMENT SYSTEM**

Year	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Employee payroll	Net pension liability as a percentage of employee payroll	Plan fiduciary net position as a percentage of the total pension liability
December 31, 2021.....	7.411%	\$ 99,361,547	\$ 24,651,278	403.07%	61.14%
December 31, 2020.....	6.805%	104,198,258	24,269,942	429.33%	53.42%
December 31, 2019.....	6.720%	107,519,124	25,881,068	415.44%	49.45%
December 31, 2018.....	6.699%	104,461,551	22,741,155	459.35%	46.40%
December 31, 2017.....	6.906%	98,006,180	21,795,849	449.66%	49.27%
December 31, 2016.....	6.598%	93,491,923	20,571,433	454.47%	45.49%
December 31, 2015.....	6.612%	85,301,248	19,696,238	433.08%	46.13%
December 31, 2014.....	6.748%	81,064,434	18,938,690	428.04%	47.65%

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

See notes to required supplementary information.

SCHEDULE OF THE TOWN'S CONTRIBUTIONS
MIDDLESEX CONTRIBUTORY RETIREMENT SYSTEM

Year	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Employee payroll	Contributions as a percentage of employee payroll
June 30, 2022.....	\$ 9,177,392	\$ (9,177,392)	\$ -	25,144,304	36.50%
June 30, 2021.....	8,797,968	(8,807,233)	(9,265)	24,755,341	35.58%
June 30, 2020.....	8,545,236	(8,553,198)	(7,962)	26,398,689	32.40%
June 30, 2019.....	7,971,708	(7,972,598)	(890)	23,195,978	34.36%
June 30, 2018.....	7,504,649	(7,504,649)	-	22,231,766	33.76%
June 30, 2017.....	6,933,838	(6,933,838)	-	20,982,862	33.05%
June 30, 2016.....	6,586,336	(6,586,336)	-	20,090,163	32.78%
June 30, 2015.....	6,304,010	(6,304,010)	-	19,317,464	32.63%

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

See notes to required supplementary information.

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

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

Year	Commonwealth's 100% Share of the Associated Net Pension Liability	Expense and Revenue Recognized for the Commonwealth's Support	Plan Fiduciary Net Position as a Percentage of the Total Liability
2022.....	\$ 80,506,265	\$ 6,460,293	62.03%
2021.....	100,242,535	12,381,389	50.67%
2020.....	89,796,305	10,889,361	53.95%
2019.....	85,614,939	8,675,834	54.84%
2018.....	80,314,326	8,382,640	54.25%
2017.....	80,992,323	8,261,748	52.73%
2016.....	71,879,600	3,587,027	55.38%
2015.....	55,302,785	3,261,000	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 the Plan's net other postemployment benefit liability and related ratios.

The Schedule of the Town's Contributions presents multi-year trend information on the Town's actual contributions to the other postemployment benefit plan and related ratios.

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

These schedules are intended to present information for ten years. Until a ten-year trend is compiled, information is presented for those years for which information is available.

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

	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022
Total OPEB Liability						
Service Cost.....	\$ 1,491,263	\$ 1,558,371	\$ 1,569,500	\$ 1,624,430	\$ 1,616,778	\$ 2,626,015
Interest.....	6,069,625	6,343,332	5,357,166	5,587,670	6,083,829	6,340,167
Changes of benefit terms.....	-	(1,872,821)	-	-	-	-
Differences between expected and actual experience....	-	(16,038,724)	-	(957,103)	(746,577)	2,820,347
Changes of assumptions.....	-	412,590	-	4,449,161	-	27,304,402
Benefit payments.....	(4,437,801)	(3,502,405)	(3,625,325)	(3,891,220)	(4,249,310)	(5,191,328)
Net change in total OPEB liability.....	3,123,087	(13,099,657)	3,301,341	6,812,938	2,704,720	33,899,603
Total OPEB liability - beginning.....	81,615,850	84,738,937	71,639,280	74,940,621	81,753,559	84,458,279
Total OPEB liability - ending (a).....	<u>\$ 84,738,937</u>	<u>\$ 71,639,280</u>	<u>\$ 74,940,621</u>	<u>\$ 81,753,559</u>	<u>\$ 84,458,279</u>	<u>\$ 118,357,882</u>
Plan fiduciary net position						
Employer contributions.....	\$ 350,000	\$ 852,732	\$ 852,732	\$ 858,932	\$ 858,932	\$ 858,932
Employer contributions for OPEB payments.....	4,437,801	3,502,405	3,625,325	3,891,220	4,249,310	5,191,328
Net investment income.....	162,913	217,163	216,377	98,136	1,638,905	(320,014)
Benefit payments.....	(4,437,801)	(3,502,405)	(3,625,325)	(3,891,220)	(4,249,310)	(5,191,328)
Net change in plan fiduciary net position.....	512,913	1,069,895	1,069,109	957,068	2,497,837	538,918
Plan fiduciary net position - beginning of year.....	1,106,230	1,619,143	2,689,038	3,758,147	4,715,215	7,213,052
Plan fiduciary net position - end of year (b).....	<u>\$ 1,619,143</u>	<u>\$ 2,689,038</u>	<u>\$ 3,758,147</u>	<u>\$ 4,715,215</u>	<u>\$ 7,213,052</u>	<u>\$ 7,751,970</u>
Net OPEB liability - ending (a)-(b).....	<u>\$ 83,119,794</u>	<u>\$ 68,950,242</u>	<u>\$ 71,182,474</u>	<u>\$ 77,038,344</u>	<u>\$ 77,245,227</u>	<u>\$ 110,605,912</u>
Plan fiduciary net position as a percentage of the total OPEB liability.....	1.91%	3.75%	5.01%	5.77%	8.54%	6.55%
Covered-employee payroll.....	\$ 45,926,768	\$ 47,438,780	\$ 49,099,137	\$ 50,721,092	\$ 52,496,330	\$ 52,911,879
Net OPEB liability as a percentage of covered-employee payroll.....	180.98%	145.35%	144.98%	151.89%	147.14%	209.04%

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

See notes to required supplementary information.

**SCHEDULE OF THE TOWN'S CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFIT PLAN**

Year	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered- employee payroll	Contributions as a percentage of covered- employee payroll
June 30, 2022.....	\$ 8,206,850	\$ (6,050,260)	\$ 2,156,590	\$ 52,911,879	11.43%
June 30, 2021.....	5,746,168	(5,108,242)	637,926	52,496,330	9.73%
June 30, 2020.....	5,060,456	(4,750,152)	310,304	50,721,092	9.37%
June 30, 2019.....	4,478,074	(4,478,057)	17	49,099,137	9.12%
June 30, 2018.....	4,355,137	(4,355,137)	-	47,438,780	9.18%
June 30, 2017.....	4,787,801	(4,787,801)	-	45,926,768	10.42%

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

See notes to required supplementary information.

SCHEDULE OF INVESTMENT RETURNS
OTHER POSTEMPLOYMENT BENEFIT PLAN

<u>Year</u>	<u>Annual money-weighted rate of return, net of investment expense</u>
June 30, 2022.....	-4.00%
June 30, 2021.....	29.40%
June 30, 2020.....	1.92%
June 30, 2019.....	6.24%
June 30, 2018.....	19.20%
June 30, 2017.....	13.17%

The annual money-weighted rate of return has been calculated by the Pension Reserves Investment Management Board (PRIM).

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

1. Budgetary Information

Municipal Law requires the adoption of a balanced budget that is reviewed by the Finance Committee (Committee). The Committee presents the annual budget to the open Town Meeting, which includes estimates of revenues and other financing sources and recommendations of expenditures and other financing uses. Town Meeting, which has full authority to amend and/or reject the budget or any line item, adopts the expenditure budget by majority vote.

Increases or transfers less than \$1,500 within budget classifications require department and Town Manager approval while changes greater than \$1,500 require the additional approval of the Finance Committee. Increases or decreases between budget classifications subsequent to the approval of the annual budget requires majority vote at a Special Town Meeting.

The majority of appropriations are non-continuing and 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 (salaries, operating and capital) authorized for an appropriation account. 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 by majority vote at a Special Town Meeting.

An annual budget is adopted for the general fund in conformity with the guidelines described above. The original 2022 approved budget, including amounts carried forward from the prior year, authorized approximately \$136.1 million in appropriations and other amounts to be raised. There was an approximately \$7.5 million increase from the initial budget to the final amended budget.

The Town Accountant’s Office has the responsibility to ensure that budgetary control is maintained. Budgetary control is exercised through the accounting system.

2. Budgetary - GAAP Reconciliation

For budgetary financial reporting purposes, the Uniform Municipal Accounting System basis of accounting (established by the Commonwealth) is followed, which differs from the GAAP basis of accounting. A reconciliation of budgetary-basis to GAAP-basis results for the general fund for the year ended June 30, 2022, is as follows:

Net change in fund balance - budgetary basis.....	\$ 2,679,700
<u>Perspective differences:</u>	
Activity of the stabilization fund recorded in the general fund for GAAP.....	2,280,451
<u>Basis of accounting differences:</u>	
Net change in recording tax refunds payable.....	79,089
Net change in recording 60 day receipts.....	78,776
Recognition of revenue for on-behalf payments.....	6,460,293
Recognition of expenditures for on-behalf payments.....	<u>(6,460,293)</u>
Net change in fund balance - GAAP basis.....	<u>\$ 5,118,016</u>

NOTE B – PENSION PLANA. 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 employee 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 total 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 actuarial valuation results. In addition, the Town may contribute more than the amount required.

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 net investment return assumption was lowered from 7.30% to 7.15%.
- The mortality projection scale was updated from MP-2017 to MP-2021.

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, dental 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 PlanA. 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-employee payroll. Actuarially determined 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 as follows:

Valuation date.....	July 1, 2021
Actuarial cost method.....	Entry Age Normal.
Investment rate of return/ Discount rate.....	6.25% per annum (previously 7.50%).
Municipal bond rate.....	4.09% as of June 30, 2022 (source: S&P Municipal Bond 20-Year High Grade Index – SAPIHG).
Inflation.....	2.50% as of June 30, 2022, and for future periods.
Salary increases.....	3.00% annually as of June 30, 2022, and for future periods.
Pre-Retirement Mortality.....	General: RP-2014 Mortality Table for Blue Collar Employees projected generationally with scale MP-2016 for males and females, set forward 1 year for females. Teachers: RP-2014 Mortality Table for White Collar Employees projected generationally with scale MP-2016 for males and females.
Post-Retirement Mortality.....	General: RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year for females Teachers: RP-2014 Mortality Table for White Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females.
Disabled Mortality.....	General: RP-2014 Mortality Table for Blue Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females, set forward 1 year. Teachers: RP-2014 Mortality Table for White Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females.

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 has changed from 7.50% to 6.25%.
- The mortality table has been updated to the RP-2014 Mortality Table projected generationally with scale MP-2016 for males and females.
- Age-adjusted morbidity factors which are used to determine relative healthcare costs by age, and results in a higher percentage of claims to older ages were updated.
- The Getzen model for future healthcare cost increases was adopted.

E. Changes in Plan Provisions

None.

Combining Statements

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

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

Nonmajor Governmental Funds

Special Revenue Funds:

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

Town Grant Funds – accounts for non-school related grant funds received from state and federal governments which are designated for specific purposes.

Town Revolving Funds – accounts for non-school related activity of revolving funds established in accordance with MGL Chapter 44, Section 53E ½.

Town Gift Funds – accounts for gifts received from various sources to be used for the benefit of the Town.

Town Receipts Reserved – accounts for sale of real estate.

Town Other Funds – accounts for the Town's miscellaneous funds.

Town Special Articles – accounts for funds related to the Town's tri-annual revaluation.

School Grant Funds – accounts for educational programs specifically financed by grants and other restricted revenues.

School Revolving Funds – accounts for school department's revolving funds established in accordance with MGL Chapter 40, Section 53E ½ and Chapter 71.

School Gift Funds – accounts for gift received from various sources to be used for the benefit of the schools.

School Other Funds – accounts for the school's miscellaneous funds.

COVID-19 Grant Funds – accounts for the grant funds and expenditures incurred due to the COVID-19 pandemic.

Restricted Projects – accounts for contributions where both principal and investment earnings may be spent to support the government.

Highway Improvements – accounts for the funds received from the State Highway Department, which are used for the construction, reconstruction and improvement of roadways.

Community Preservation – accounts for the acquisition, creation, preservation, or rehabilitation of areas of open space, historic preservation, affordable housing and recreation.

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.

Town Capital Project Funds – accounts for the Town's miscellaneous capital projects.

Fire Station Construction – accounts for the renovation of the fire station.

Permanent Funds

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.

Foster Trust Fund – accounts for the beautification of the Foster School grounds.

Cemetery Perpetual Care – accounts for funds received to maintain the cemetery.

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

JUNE 30, 2022

	Special Revenue Funds			
	Town Grant Funds	Town Revolving Funds	Town Gift Funds	Town Receipts Reserved
ASSETS				
Cash and cash equivalents.....	\$ 292,480	\$ 1,112,792	\$ 923,632	\$ 2,593
Investments.....	-	13,335	26,842	-
Receivables, net of uncollectibles:				
Tax liens.....	-	-	-	-
Community preservation fund surtax.....	-	-	-	-
Departmental and other.....	-	-	-	-
Intergovernmental - other.....	-	-	-	-
Community preservation state share.....	-	-	-	-
Restricted assets:				
Cash and cash equivalents.....	-	-	-	-
TOTAL ASSETS.....	\$ 292,480	\$ 1,126,127	\$ 950,474	\$ 2,593
LIABILITIES				
Warrants payable.....	\$ 25,174	\$ 25,951	\$ 6,746	\$ -
Accrued payroll.....	9,442	-	-	-
Other liabilities.....	-	-	-	-
Unearned revenue.....	-	-	-	-
TOTAL LIABILITIES.....	34,616	25,951	6,746	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue.....	-	-	-	-
FUND BALANCES				
Nonspendable.....	-	-	-	-
Restricted.....	257,864	1,100,176	943,728	2,593
Unassigned.....	-	-	-	-
TOTAL FUND BALANCES.....	257,864	1,100,176	943,728	2,593
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....	\$ 292,480	\$ 1,126,127	\$ 950,474	\$ 2,593

Special Revenue Funds

Town Other Funds	Town Special Articles	School Grant Funds	School Revolving Funds	School Gift Funds	School Other Funds	COVID-19 Grant Funds
\$ 21,539	\$ 911	\$ 2,481,552	\$ 2,078,418	\$ 50,554	\$ 169,089	\$ 3,906,931
38,512	-	-	-	4,522	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
464,313	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>1,040,177</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 1,564,541</u>	<u>\$ 911</u>	<u>\$ 2,481,552</u>	<u>\$ 2,078,418</u>	<u>\$ 55,076</u>	<u>\$ 169,089</u>	<u>\$ 3,906,931</u>
\$ 2,281	\$ -	\$ -	\$ 1,023	\$ 8,814	\$ -	\$ 9,033
36,650	-	120,933	29,229	-	-	34,892
1,041,778	-	-	-	-	-	-
-	-	-	-	-	-	3,863,006
<u>1,080,709</u>	<u>-</u>	<u>120,933</u>	<u>30,252</u>	<u>8,814</u>	<u>-</u>	<u>3,906,931</u>
<u>451,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
295,916	911	2,360,619	2,048,166	46,262	169,089	-
(263,884)	-	-	-	-	-	-
<u>32,032</u>	<u>911</u>	<u>2,360,619</u>	<u>2,048,166</u>	<u>46,262</u>	<u>169,089</u>	<u>-</u>
<u>\$ 1,564,541</u>	<u>\$ 911</u>	<u>\$ 2,481,552</u>	<u>\$ 2,078,418</u>	<u>\$ 55,076</u>	<u>\$ 169,089</u>	<u>\$ 3,906,931</u>

(Continued)

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

JUNE 30, 2022

	Special Revenue Funds			
	Restricted Projects	Highway Improvements	Community Preservation	Subtotal
ASSETS				
Cash and cash equivalents.....	\$ 205,103	\$ 40,629	\$ 124,821	\$ 11,411,044
Investments.....	5,291,122	-	3,644,855	9,019,188
Receivables, net of uncollectibles:				
Tax liens.....	-	-	7,893	7,893
Community preservation fund surtax.....	-	-	7,740	7,740
Departmental and other.....	-	-	-	464,313
Intergovernmental - other.....	-	1,444,925	-	1,444,925
Community preservation state share.....	-	-	398,700	398,700
Restricted assets:				
Cash and cash equivalents.....	-	-	-	1,040,177
TOTAL ASSETS.....	\$ 5,496,225	\$ 1,485,554	\$ 4,184,009	\$ 23,793,980
LIABILITIES				
Warrants payable.....	\$ -	\$ 803	\$ -	\$ 79,825
Accrued payroll.....	-	-	-	231,146
Other liabilities.....	-	-	-	1,041,778
Unearned revenue.....	-	-	-	3,863,006
TOTAL LIABILITIES.....	-	803	-	5,215,755
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue.....	-	1,409,751	414,333	2,275,884
FUND BALANCES				
Nonspendable.....	-	-	-	-
Restricted.....	5,496,225	75,000	3,769,676	16,566,225
Unassigned.....	-	-	-	(263,884)
TOTAL FUND BALANCES.....	5,496,225	75,000	3,769,676	16,302,341
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....	\$ 5,496,225	\$ 1,485,554	\$ 4,184,009	\$ 23,793,980

Capital Project Funds			Permanent Funds			Total Nonmajor Governmental Funds
Town Capital Projects	Fire Station Construction	Subtotal	Foster Trust Fund	Cemetery Perpetual Care	Subtotal	
\$ 2,765,947	\$ 141,949	\$ 2,907,896	\$ 2,181	\$ 2,029	\$ 4,210	\$ 14,323,150
-	796,672	796,672	27,867	25,920	53,787	9,869,647
-	-	-	-	-	-	7,893
-	-	-	-	-	-	7,740
-	-	-	-	-	-	464,313
-	-	-	-	-	-	1,444,925
-	-	-	-	-	-	398,700
-	-	-	-	-	-	1,040,177
<u>\$ 2,765,947</u>	<u>\$ 938,621</u>	<u>\$ 3,704,568</u>	<u>\$ 30,048</u>	<u>\$ 27,949</u>	<u>\$ 57,997</u>	<u>\$ 27,556,545</u>
\$ -	\$ 10,652	\$ 10,652	\$ -	\$ -	\$ -	\$ 90,477
-	-	-	-	-	-	231,146
-	-	-	-	-	-	1,041,778
-	-	-	-	-	-	3,863,006
-	10,652	10,652	-	-	-	5,226,407
-	-	-	-	-	-	2,275,884
-	-	-	-	27,941	27,941	27,941
3,670,788	927,969	4,598,757	30,048	8	30,056	21,195,038
(904,841)	-	(904,841)	-	-	-	(1,168,725)
<u>2,765,947</u>	<u>927,969</u>	<u>3,693,916</u>	<u>30,048</u>	<u>27,949</u>	<u>57,997</u>	<u>20,054,254</u>
<u>\$ 2,765,947</u>	<u>\$ 938,621</u>	<u>\$ 3,704,568</u>	<u>\$ 30,048</u>	<u>\$ 27,949</u>	<u>\$ 57,997</u>	<u>\$ 27,556,545</u>

(Concluded)

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

YEAR ENDED JUNE 30, 2022

	Special Revenue Funds				
	Town Grant Funds	Town Revolving Funds	Town Gift Funds	Town Receipts Reserved	Town Other Funds
REVENUES:					
Charges for services.....	\$ -	\$ -	\$ -	\$ -	\$ -
Fees and rentals.....	-	74,379	-	-	57,967
Intergovernmental - other.....	1,123,528	21,748	-	-	20,000
Departmental and other.....	47,033	443,790	8,891	-	1,373,632
Community preservation taxes.....	-	-	-	-	-
Community preservation state match.....	-	-	-	-	-
Contributions and donations.....	-	-	1,000	-	7,000
Investment income.....	-	136	4	-	-
TOTAL REVENUES.....	1,170,561	540,053	9,895	-	1,458,599
EXPENDITURES:					
Current:					
General government.....	3,098	66,125	192,590	-	44,798
Finance.....	-	17,497	-	-	-
Planning and development.....	-	47,657	-	-	8,366
Facilities.....	11,695	7,053	-	-	-
Public safety.....	939,760	-	3,893	-	1,473,468
Education.....	-	-	-	-	-
Public works.....	88,616	17,876	-	-	-
Council on aging.....	73,801	47,873	-	-	-
Culture and recreation.....	600	23,905	-	-	-
Library.....	79,074	-	3,520	-	-
Debt service:					
Principal.....	-	-	-	-	-
Interest.....	-	-	-	-	-
TOTAL EXPENDITURES.....	1,196,644	227,986	200,003	-	1,526,632
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(26,083)	312,067	(190,108)	-	(68,033)
OTHER FINANCING SOURCES (USES):					
Transfers in.....	-	-	-	-	-
Transfers out.....	-	(198,757)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES).....	-	(198,757)	-	-	-
NET CHANGE IN FUND BALANCES.....	(26,083)	113,310	(190,108)	-	(68,033)
FUND BALANCES AT BEGINNING OF YEAR.....	283,947	986,866	1,133,836	2,593	100,065
FUND BALANCES AT END OF YEAR.....	\$ 257,864	\$ 1,100,176	\$ 943,728	\$ 2,593	\$ 32,032

Special Revenue Funds					
Town Special Articles	School Grant Funds	School Revolving Funds	School Gift Funds	School Other Funds	COVID-19 Grant Funds
\$ -	\$ -	\$ 116,738	\$ -	\$ -	\$ -
-	-	513,249	-	-	-
-	4,092,767	1,947,123	-	-	2,716,870
-	-	399,339	13,148	190,217	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	4,092,767	2,976,449	13,148	190,217	2,716,870
-	-	-	-	-	175,615
-	-	-	-	-	-
-	-	-	-	-	7,708
-	-	-	-	-	-
-	-	-	-	-	12,937
-	3,708,625	2,349,803	22,643	176,103	1,046,187
-	-	-	-	-	1,474,423
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	3,708,625	2,349,803	22,643	176,103	2,716,870
-	384,142	626,646	(9,495)	14,114	-
-	-	-	-	-	-
-	(2,298)	-	(284)	-	-
-	(2,298)	-	(284)	-	-
-	381,844	626,646	(9,779)	14,114	-
911	1,978,775	1,421,520	56,041	154,975	-
\$ 911	\$ 2,360,619	\$ 2,048,166	\$ 46,262	\$ 169,089	\$ -

(Continued)

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

YEAR ENDED JUNE 30, 2022

	Special Revenue Funds			
	Restricted Projects	Highway Improvements	Community Preservation	Subtotal
REVENUES:				
Charges for services.....	\$ -	\$ -	\$ -	\$ 116,738
Fees and rentals.....	-	-	-	645,595
Intergovernmental - other.....	-	679,894	-	10,601,930
Departmental and other.....	-	-	-	2,476,050
Community preservation taxes.....	-	-	1,134,161	1,134,161
Community preservation state match.....	-	-	477,970	477,970
Contributions and donations.....	11,601	-	-	19,601
Investment income.....	1,682	-	(5,489)	(3,667)
TOTAL REVENUES.....	13,283	679,894	1,606,642	15,468,378
EXPENDITURES:				
Current:				
General government.....	-	-	-	482,226
Finance.....	-	-	-	17,497
Planning and development.....	-	-	4,350	68,081
Facilities.....	-	-	-	18,748
Public safety.....	-	-	-	2,430,058
Education.....	-	-	-	7,303,361
Public works.....	-	679,894	-	2,260,809
Council on aging.....	-	-	-	121,674
Culture and recreation.....	5,685	-	-	30,190
Library.....	-	-	-	82,594
Debt service:				
Principal.....	-	-	230,000	230,000
Interest.....	-	-	110,400	110,400
TOTAL EXPENDITURES.....	5,685	679,894	344,750	13,155,638
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	7,598	-	1,261,892	2,312,740
OTHER FINANCING SOURCES (USES):				
Transfers in.....	-	-	-	-
Transfers out.....	-	-	(340,000)	(541,339)
TOTAL OTHER FINANCING SOURCES (USES).....	-	-	(340,000)	(541,339)
NET CHANGE IN FUND BALANCES.....	7,598	-	921,892	1,771,401
FUND BALANCES AT BEGINNING OF YEAR.....	5,488,627	75,000	2,847,784	14,530,940
FUND BALANCES AT END OF YEAR.....	\$ 5,496,225	\$ 75,000	\$ 3,769,676	\$ 16,302,341

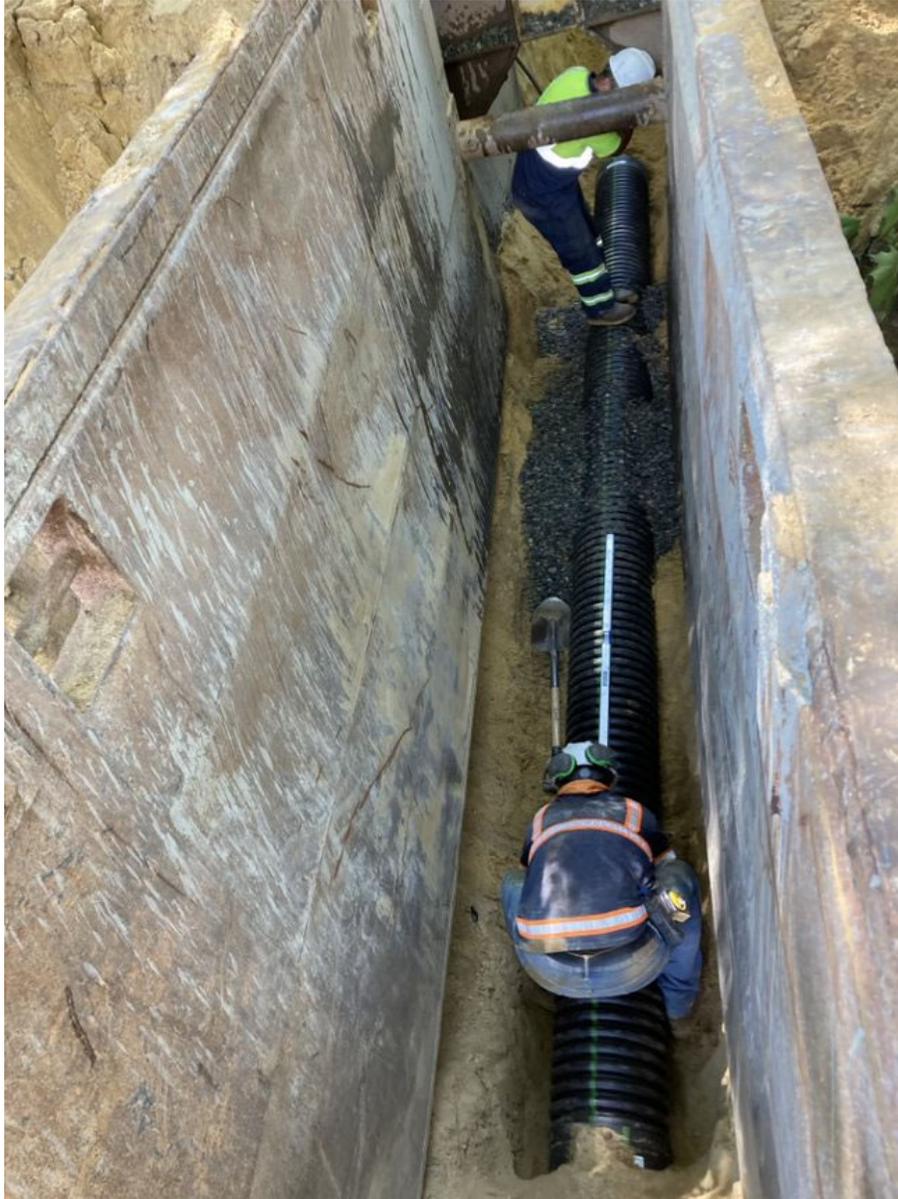
Capital Project Funds			Permanent Funds			Total Nonmajor Governmental Funds
Town Capital Projects	Fire Station Construction	Subtotal	Foster Trust Fund	Cemetery Perpetual Care	Subtotal	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 116,738
-	-	-	-	-	-	645,595
-	-	-	-	-	-	10,601,930
-	-	-	-	-	-	2,476,050
-	-	-	-	-	-	1,134,161
-	-	-	-	-	-	477,970
-	-	-	-	-	-	19,601
-	-	-	8	8	16	(3,651)
-	-	-	8	8	16	15,468,394
15,559	-	15,559	-	-	-	497,785
-	-	-	-	-	-	17,497
101,266	-	101,266	-	-	-	169,347
-	-	-	-	-	-	18,748
770,959	5,846,022	6,616,981	-	-	-	9,047,039
-	-	-	-	-	-	7,303,361
-	-	-	-	-	-	2,260,809
-	-	-	-	-	-	121,674
-	-	-	-	-	-	30,190
-	-	-	-	-	-	82,594
-	-	-	-	-	-	230,000
-	-	-	-	-	-	110,400
887,784	5,846,022	6,733,806	-	-	-	19,889,444
(887,784)	(5,846,022)	(6,733,806)	8	8	16	(4,421,050)
611,483	-	611,483	-	-	-	611,483
-	-	-	-	-	-	(541,339)
611,483	-	611,483	-	-	-	70,144
(276,301)	(5,846,022)	(6,122,323)	8	8	16	(4,350,906)
3,042,248	6,773,991	9,816,239	30,040	27,941	57,981	24,405,160
\$ 2,765,947	\$ 927,969	\$ 3,693,916	\$ 30,048	\$ 27,949	\$ 57,997	\$ 20,054,254

(Concluded)

This page intentionally left blank.

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.



Department of Public Works

Statistical Section

Statistical Section

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

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

Net Position By Component

Last Ten Years

	2013	2014 (1)	2015	2016	2017 (2)	2018	2019	2020 (3)	2021	2022
Governmental activities										
Net investment in capital assets.....	\$ 90,910,419	\$ 88,912,235	\$ 89,899,657	\$ 94,888,774	\$ 91,836,813	\$ 93,289,600	\$ 29,108,177	\$ 36,186,956	\$ 82,512,242	\$ 133,530,837
Restricted.....	390,803	545,338	1,102,514	2,352,226	4,013,854	4,524,554	4,759,713	5,992,390	6,722,604	7,850,479
Unrestricted.....	(18,645,255)	(94,066,364)	(99,350,432)	(103,309,822)	(128,307,967)	(126,319,955)	(54,012,822)	(53,704,350)	(73,831,287)	(111,196,450)
Total governmental activities net position.....	\$ 72,655,967	\$ (4,608,791)	\$ (8,348,261)	\$ (6,068,822)	\$ (32,457,300)	\$ (28,505,801)	\$ (20,144,932)	\$ (11,525,004)	\$ 15,403,559	\$ 30,184,866
Business-type activities										
Net investment in capital assets.....	\$ 53,838,937	\$ 53,635,516	\$ 54,721,517	\$ 42,398,297	\$ 53,456,070	\$ 67,979,278	\$ 72,774,097	\$ 75,377,950	\$ 79,888,475	\$ 79,224,311
Unrestricted.....	10,950,932	5,880,822	7,672,197	21,530,415	18,584,941	9,777,089	10,873,976	12,579,934	13,865,587	18,336,150
Total business-type activities net position.....	\$ 64,789,869	\$ 59,516,338	\$ 62,393,714	\$ 63,928,712	\$ 72,041,011	\$ 77,756,367	\$ 83,648,073	\$ 87,957,884	\$ 93,754,062	\$ 97,560,461
Primary government										
Net investment in capital assets.....	\$ 144,749,356	\$ 142,547,751	\$ 144,621,174	\$ 137,287,071	\$ 145,292,883	\$ 161,268,878	\$ 101,882,274	\$ 111,564,906	\$ 162,400,717	\$ 212,755,148
Restricted.....	390,803	545,338	1,102,514	2,352,226	4,013,854	4,524,554	4,759,713	5,992,390	6,722,604	7,850,479
Unrestricted.....	(7,694,323)	(88,185,542)	(91,678,235)	(81,779,407)	(109,723,026)	(116,542,866)	(43,138,846)	(41,124,416)	(59,965,700)	(92,860,300)
Total primary government net position.....	\$ 137,445,836	\$ 54,907,547	\$ 54,045,453	\$ 57,859,890	\$ 39,583,711	\$ 49,250,566	\$ 63,503,141	\$ 76,432,880	\$ 109,157,621	\$ 127,745,327

(1) = Unrestricted net position has been revised to reflect the implementation of GASB Statement #68.

(2) = Unrestricted net position has been revised to reflect the implementation of GASB Statement #75.

(3) = Unrestricted net position has been revised to reflect the implementation of GASB Statement #84.

Changes in Net Position

Last Ten Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental activities:										
General government.....	\$ 2,868,753	\$ 2,523,356	\$ 2,805,207	\$ 2,843,809	\$ 2,998,138	\$ 3,019,880	\$ 2,995,032	\$ 3,534,555	\$ 3,703,357	\$ 3,310,696
Finance.....	1,559,268	1,116,426	1,080,446	1,303,078	1,373,795	1,383,757	1,372,371	1,619,589	1,438,945	1,292,841
Planning and development.....	1,065,278	1,462,273	1,399,454	1,362,354	1,436,288	1,446,703	1,434,800	1,693,263	1,238,299	1,065,739
Facilities.....	309,897	700,368	343,052	469,492	494,971	498,560	494,458	583,529	964,964	873,559
Public safety.....	16,992,304	17,784,099	18,353,664	18,431,851	19,432,129	19,573,040	19,411,998	30,558,426	22,832,777	25,078,247
Education.....	75,489,492	77,960,818	74,627,031	76,449,490	82,169,380	85,593,093	88,573,832	90,004,088	93,218,803	99,569,618
Public works.....	2,971,739	3,407,151	4,404,370	3,313,598	4,794,987	4,777,302	5,240,277	5,598,053	5,178,149	4,569,026
Sanitation.....	2,418,409	2,043,081	2,145,403	3,518,683	2,460,681	2,511,282	2,609,539	2,760,846	2,510,872	2,367,004
Council on aging.....	331,975	375,776	373,625	375,150	395,509	398,377	395,100	466,272	524,302	602,862
Community services.....	361,285	413,470	433,331	419,108	441,853	445,057	441,395	520,908	470,205	461,581
Culture and recreation.....	364,729	122,737	436,846	320,662	338,064	340,515	337,714	398,549	431,907	578,235
Library.....	1,283,556	1,303,423	1,379,453	1,376,032	1,450,708	1,461,228	1,449,205	1,710,264	1,791,980	1,648,958
Claims and judgments.....	-	-	-	-	43,947	-	-	-	-	-
Interest.....	1,119,800	1,325,918	1,450,931	1,255,482	1,623,606	1,574,116	1,606,333	2,924,086	2,605,633	2,131,630
Total government activities expenses.....	107,136,485	110,538,896	109,232,813	111,438,789	119,454,056	123,022,910	126,362,054	142,372,428	136,910,193	143,549,996
Business-type activities:										
Water.....	6,825,898	6,929,300	6,651,045	10,262,436	6,724,994	7,028,264	6,657,455	7,260,408	7,782,795	8,718,500
Sewer.....	8,799,862	8,861,633	8,226,021	9,053,636	7,892,714	6,997,314	7,171,991	7,043,980	7,063,597	6,819,252
Cable.....	-	-	-	-	-	14,848	558,121	443,193	261,805	370,479
Stormwater.....	-	-	-	-	-	-	-	-	474,220	676,329
Total business-type activities expenses.....	15,625,760	15,790,933	14,877,066	19,316,072	14,617,708	14,040,426	14,387,567	14,747,581	15,582,417	16,584,560
Total primary government expenses.....	\$ 122,762,245	\$ 126,329,829	\$ 124,109,879	\$ 130,754,861	\$ 134,071,764	\$ 137,063,336	\$ 140,749,621	\$ 157,120,009	\$ 152,492,610	\$ 160,134,556
Program Revenues										
Governmental activities:										
General government charges for services.....	\$ 753,768	\$ 865,167	\$ 1,300,976	\$ 2,112,871	\$ 1,661,539	\$ 1,903,215	\$ 1,173,116	\$ 1,415,041	\$ 1,117,536	\$ 937,230
Public safety charges for services.....	1,851,633	1,995,989	2,169,396	2,022,473	2,594,906	2,365,949	2,907,792	2,571,524	4,008,087	3,741,676
Education charges for services.....	3,099,498	2,815,341	3,082,983	3,235,908	2,907,938	2,975,281	2,988,190	1,311,133	259,193	1,268,916
Other charges for services.....	1,132,793	1,389,579	1,285,285	1,399,003	1,272,953	1,376,346	354,551	378,795	235,686	1,687,928
Education operating grants and contributions.....	24,310,886	21,017,098	18,468,358	20,451,206	24,981,016	25,659,907	26,980,817	28,544,882	31,119,340	27,971,660
Other operating grants and contributions.....	1,898,024	2,592,647	2,081,413	3,105,008	2,760,549	2,745,163	2,754,725	2,162,711	2,260,223	3,439,346
Education capital grants and contributions.....	212,702	-	-	-	-	-	-	2,535,755	15,584,775	8,730,531
Other capital grant and contributions.....	1,546,889	1,619,619	599,082	1,056,974	864,666	1,345,131	1,138,577	6,942,489	2,775,333	912,462
Total government activities program revenues.....	34,806,193	32,295,440	28,987,493	33,383,443	37,043,567	38,370,992	38,297,768	45,862,330	57,360,173	48,689,749
Business-type activities:										
Charges for services - Water.....	7,332,551	7,321,026	7,320,356	8,503,904	8,209,274	7,698,626	7,721,912	8,323,999	8,569,450	8,195,049
Charges for services - Sewer.....	5,616,536	6,245,405	6,377,730	7,802,274	6,738,663	7,097,401	6,919,446	6,797,763	6,867,050	6,857,444
Charges for services - Cable.....	-	-	-	-	766,556	685,279	651,858	635,784	612,305	636,152
Charges for services - Stormwater.....	-	-	-	-	-	-	-	-	1,507,086	1,210,351
Operating grants and contributions.....	128,770	121,605	114,227	106,623	94,481	-	-	8,985	-	193,283
Total business-type activities program revenues.....	13,077,857	13,688,036	13,812,313	16,412,801	15,808,974	15,481,306	15,293,216	15,766,531	17,555,891	17,092,279
Total primary government program revenues.....	\$ 47,884,050	\$ 45,983,476	\$ 42,799,806	\$ 49,796,244	\$ 52,852,541	\$ 53,852,298	\$ 53,590,984	\$ 61,628,861	\$ 74,916,064	\$ 65,782,028
Net (Expense)/Revenue										
Governmental activities.....										
Governmental activities.....	\$ (72,330,292)	\$ (78,243,456)	\$ (80,245,320)	\$ (78,055,346)	\$ (82,410,489)	\$ (84,651,918)	\$ (88,064,286)	\$ (96,510,098)	\$ (79,550,020)	\$ (94,860,247)
Business-type activities.....										
Business-type activities.....	(2,547,903)	(2,102,897)	(1,064,753)	(2,903,271)	1,191,266	1,440,880	905,649	1,018,950	1,973,474	507,719
Total primary government net expense.....	\$ (74,878,195)	\$ (80,346,353)	\$ (81,310,073)	\$ (80,958,617)	\$ (81,219,223)	\$ (83,211,038)	\$ (87,158,637)	\$ (95,491,148)	\$ (77,576,546)	\$ (94,352,528)

(Continued)

Changes in Net Position

Last Ten Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Revenues and other Changes in Net Position										
Governmental activities:										
Real estate and personal property taxes, net of tax refunds payable.....	\$ 64,690,582	\$ 67,681,676	\$ 70,779,197	\$ 74,274,209	\$ 77,649,432	\$ 82,074,872	\$ 87,470,475	\$ 93,813,507	\$ 97,254,060	\$ 101,169,112
Tax liens.....	830,034	622,616	527,606	218,468	123,073	103,327	155,812	56,399	138,576	131,888
Motor vehicle and other excise taxes.....	4,054,064	4,234,179	4,299,314	4,683,874	4,948,396	5,085,164	5,347,833	5,244,840	5,233,247	5,053,012
Hotel/motel tax.....	687,085	841,798	1,014,019	1,099,717	1,072,823	1,145,575	1,479,458	957,376	657,734	956,263
Meals tax.....	499,179	573,001	526,124	581,319	633,000	637,882	677,732	648,381	504,819	725,821
Community preservation tax.....	863,129	1,179,308	1,026,380	1,028,977	983,816	1,038,065	964,110	1,059,100	1,320,210	1,184,254
Penalties and interest on taxes.....	444,724	461,018	453,238	423,983	446,955	423,150	336,372	314,626	426,296	354,458
Payments in lieu of taxes.....	30,128	30,147	30,545	38,187	30,179	30,173	232,554	22,176	85,276	31,107
Grants and contributions not restricted to specific programs.....	2,513,854	2,662,037	2,773,844	2,858,854	2,971,877	3,085,922	3,263,413	3,401,138	3,443,574	3,579,959
Unrestricted investment income (loss).....	(8,841)	290,609	218,881	409,540	162,183	220,707	1,090,113	2,399,735	1,054,760	(151,118)
Gain (loss) on sale of capital assets.....	-	-	-	-	(897,875)	1,341	-	-	-	184,237
Miscellaneous.....	-	-	-	184,550	-	-	-	-	-	-
Transfers.....	(3,720,369)	(3,488,779)	(4,116,918)	(4,337,916)	(4,411,617)	(4,204,696)	(4,592,717)	(3,134,363)	(3,639,969)	(3,577,439)
Total governmental activities.....	70,883,569	75,087,610	77,532,230	81,463,762	83,712,242	89,641,482	96,425,155	104,782,915	106,478,583	109,641,554
Business-type activities:										
Unrestricted investment income (loss).....	17	159	167	353	(10,658)	69,780	393,340	156,498	182,735	(278,759)
Transfers.....	3,720,369	3,488,779	4,116,918	4,437,916	4,411,617	4,204,696	4,592,717	3,134,363	3,639,969	3,577,439
Total business-type activities.....	3,720,386	3,488,938	4,117,085	4,438,269	4,400,959	4,274,476	4,986,057	3,290,861	3,822,704	3,298,680
Total primary government.....	\$ 74,603,955	\$ 78,576,548	\$ 81,649,315	\$ 85,902,031	\$ 88,113,201	\$ 93,915,958	\$ 101,411,212	\$ 108,073,776	\$ 110,301,287	\$ 112,940,234
Changes in Net Position										
Governmental activities.....	\$ (1,446,723)	\$ (3,155,846)	\$ (2,713,090)	\$ 3,408,416	\$ 1,301,753	\$ 4,989,564	\$ 8,360,869	\$ 8,272,817	\$ 26,928,563	\$ 14,781,307
Business-type activities.....	1,172,483	1,386,041	3,052,332	1,534,998	5,592,225	5,715,356	5,891,706	4,309,811	5,796,178	3,806,399
Total primary government.....	\$ (274,240)	\$ (1,769,805)	\$ 339,242	\$ 4,943,414	\$ 6,893,978	\$ 10,704,920	\$ 14,252,575	\$ 12,582,628	\$ 32,724,741	\$ 18,587,706

(Concluded)

Fund Balances, Governmental Funds

Last Ten Years

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020 (1)</u>	<u>2021</u>	<u>2022</u>
General Fund										
Committed.....	\$ 1,343,713	\$ 1,669,334	\$ 1,229,283	\$ 1,909,908	\$ 2,454,643	\$ 5,453,082	\$ 4,923,027	\$ 5,550,661	\$ 6,059,319	\$ 7,096,319
Assigned.....	1,261,722	256,242	497,733	865,778	1,654,431	1,473,302	2,334,898	3,398,995	4,645,555	3,233,462
Unassigned.....	<u>6,960,959</u>	<u>9,521,671</u>	<u>9,082,696</u>	<u>9,337,770</u>	<u>11,882,623</u>	<u>10,705,275</u>	<u>13,397,780</u>	<u>17,293,584</u>	<u>20,409,176</u>	<u>25,902,285</u>
Total general fund.....	<u>\$ 9,566,394</u>	<u>\$ 11,447,247</u>	<u>\$ 10,809,712</u>	<u>\$ 12,113,456</u>	<u>\$ 15,991,697</u>	<u>\$ 17,631,659</u>	<u>\$ 20,655,705</u>	<u>\$ 26,243,240</u>	<u>\$ 31,114,050</u>	<u>\$ 36,232,066</u>
All Other Governmental Funds										
Nonspendable.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,922	\$ 27,941
Restricted.....	10,738,627	10,708,407	12,415,214	11,605,046	11,961,146	30,061,010	89,414,816	90,695,699	68,381,527	27,106,280
Unassigned.....	<u>(843,838)</u>	<u>(2,796,600)</u>	<u>(512,442)</u>	<u>(166,991)</u>	<u>(95,923)</u>	<u>(292,271)</u>	<u>(186,193)</u>	<u>(1,155,911)</u>	<u>(609,981)</u>	<u>(1,168,725)</u>
Total all other governmental funds.....	<u>\$ 9,894,789</u>	<u>\$ 7,911,807</u>	<u>\$ 11,902,772</u>	<u>\$ 11,438,055</u>	<u>\$ 11,865,223</u>	<u>\$ 29,768,739</u>	<u>\$ 89,228,623</u>	<u>\$ 89,539,788</u>	<u>\$ 67,798,468</u>	<u>\$ 25,965,496</u>

(1) = Restricted fund balance in all other governmental funds has been revised to reflect the implementation of GASB Statement #84.

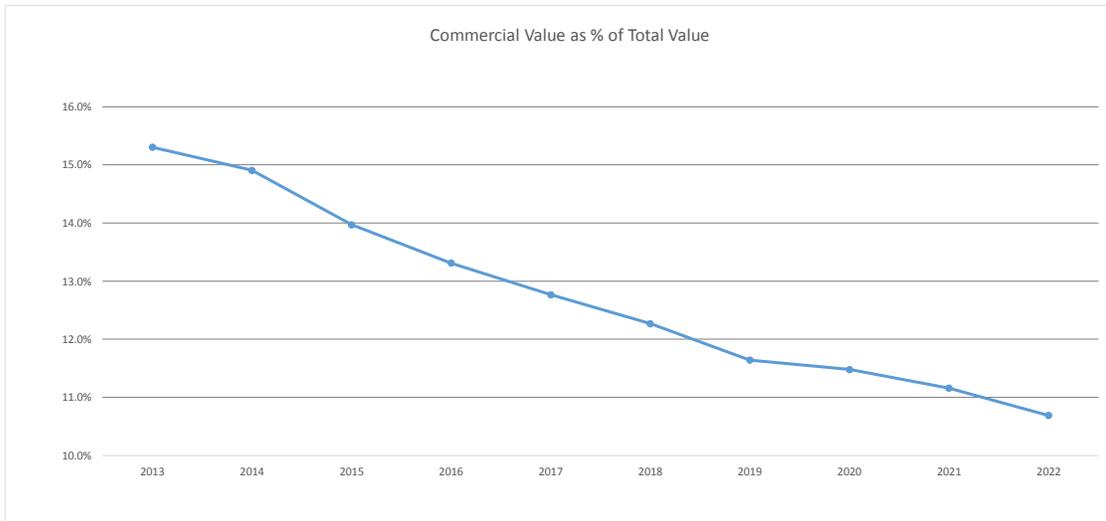
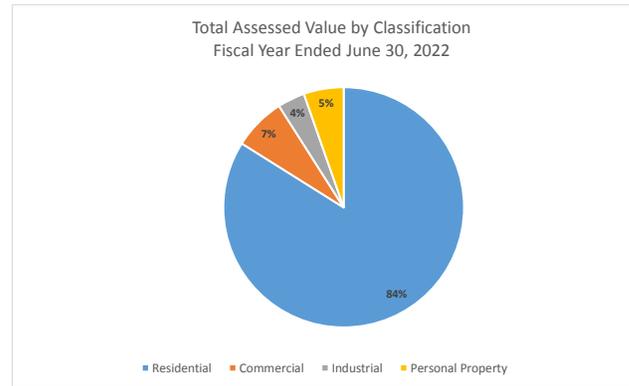
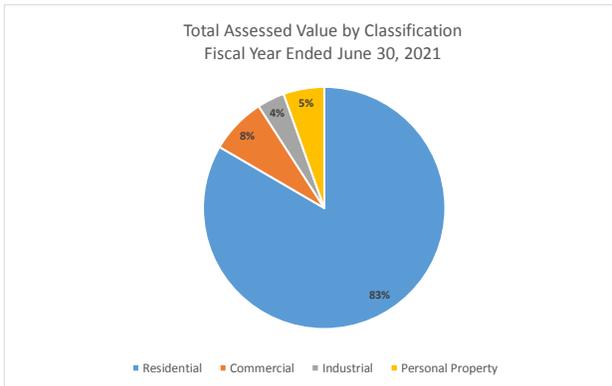
Changes in Fund Balances, Governmental Funds

	Last Ten Years									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues:										
Real estate and personal property taxes, net of tax refunds.....	\$ 65,040,272	\$ 67,668,829	\$ 70,459,034	\$ 73,600,139	\$ 76,812,220	\$ 82,200,219	\$ 87,481,189	\$ 93,424,153	\$ 97,659,800	\$ 101,132,349
Tax liens.....	756,583	681,452	569,991	207,165	345,309	143,792	26,744	56,399	447	-
Motor vehicle and other excise taxes.....	3,923,593	4,240,655	4,312,857	4,636,617	5,027,531	5,100,757	5,316,425	5,028,215	5,343,682	4,962,502
Hotel/motel tax.....	687,085	841,798	1,014,019	1,099,717	1,072,823	1,145,575	1,479,458	957,376	657,734	956,263
Meals tax.....	499,179	573,001	526,124	581,319	633,000	637,882	677,732	648,381	504,819	725,821
Charges for services.....	1,748,610	1,707,142	2,044,467	2,004,331	2,223,727	2,302,979	2,439,807	2,442,848	1,550,960	1,861,473
Penalties and interest of taxes.....	438,724	461,018	453,238	423,983	446,955	302,728	336,372	314,626	426,296	354,458
Fees and rentals.....	2,684,562	3,002,258	2,877,273	3,181,686	2,710,756	2,762,334	2,844,406	1,423,714	955,770	1,602,363
Payments in lieu of taxes.....	30,128	30,147	30,211	38,187	30,179	7,997	232,554	22,176	85,276	31,107
License and permits.....	641,123	759,883	769,052	1,154,170	1,289,387	860,286	1,108,179	913,569	1,062,676	1,114,506
Fines and forfeitures.....	104,700	93,366	81,324	123,454	102,776	97,328	83,904	62,476	46,092	49,394
Intergovernmental - state aid.....	14,858,541	15,029,354	15,378,048	16,174,223	16,410,387	16,578,189	16,858,628	19,561,914	32,589,626	26,293,230
Intergovernmental - Teachers Retirement.....	9,189,018	9,303,823	3,261,000	3,385,000	8,261,748	8,382,640	8,675,834	10,889,361	12,381,389	6,460,293
Intergovernmental - other.....	10,354,509	7,357,165	5,251,736	7,129,450	6,931,545	5,030,672	6,886,669	13,872,993	9,437,475	10,601,930
Departmental and other.....	1,165,182	1,316,394	2,022,026	3,092,207	2,502,091	3,665,911	1,523,139	1,375,912	2,214,850	3,169,453
Community preservation taxes.....	686,264	711,160	738,356	806,496	849,144	893,595	954,624	1,040,205	1,094,314	1,134,161
Community preservation state match.....	178,574	359,940	223,142	222,642	163,811	144,470	168,205	226,651	299,882	477,970
Contributions and donations.....	55,833	204,127	8,882	5,500	91,050	535,628	714,787	361,647	10,993	19,601
Investment income (loss).....	(8,841)	290,609	224,299	364,868	155,389	227,012	847,513	2,251,620	758,109	(188,612)
Miscellaneous.....	157,452	-	29,352	-	-	-	-	-	-	-
Total Revenues.....	113,191,091	114,632,121	110,274,431	118,231,154	126,059,828	131,019,994	138,656,169	154,874,236	167,080,190	160,758,262
Expenditures:										
General government.....	1,522,734	1,194,088	1,387,687	1,572,369	1,533,907	1,724,588	1,515,829	2,009,080	2,493,542	2,363,338
Finance.....	1,559,268	1,116,426	1,080,446	1,089,955	1,110,429	1,137,412	1,136,241	1,117,845	1,086,658	1,180,885
Planning and development.....	896,120	1,289,314	1,219,143	1,229,793	1,365,944	1,005,697	1,081,959	1,001,605	990,939	938,104
Facilities.....	309,897	338,759	343,052	332,888	558,539	631,664	780,594	779,813	828,789	809,388
Public safety.....	10,606,810	10,879,857	11,372,596	11,861,626	12,898,043	13,662,116	13,114,855	20,434,834	17,480,093	17,487,527
Education.....	56,170,813	58,374,436	60,995,678	62,158,525	64,152,889	67,374,139	69,205,450	69,960,836	70,992,172	75,489,205
Public works.....	2,147,333	2,362,506	3,162,559	2,211,674	3,406,916	3,522,045	3,817,177	3,574,066	3,671,571	3,364,234
Sanitation.....	2,484,259	2,369,000	2,430,335	2,416,789	6,039,526	2,395,609	2,377,881	2,421,577	2,650,570	2,504,967
Council on aging.....	233,747	280,023	275,990	427,305	506,425	588,304	628,691	572,684	428,593	557,012
Community services.....	361,285	413,470	433,331	453,650	445,346	401,318	393,871	390,755	341,005	349,838
Culture and recreation.....	20,854	5,588	34,369	21,658	56,806	24,731	16,698	26,785	18,424	30,190
Library.....	931,654	961,277	989,416	1,055,308	1,091,234	1,311,790	1,325,663	1,262,528	1,404,134	1,510,852
Pension benefits.....	4,302,044	4,548,923	4,840,018	5,090,565	5,436,134	5,788,257	6,146,028	6,565,432	6,730,476	7,031,700
Pension benefits - Teachers Retirement.....	9,189,018	9,303,823	3,261,000	3,385,000	8,261,748	8,382,640	8,675,834	10,889,361	12,381,389	6,460,293
Property and liability insurance.....	322,012	263,696	326,776	271,644	261,799	334,612	257,202	330,950	405,837	429,292
Employee benefits.....	4,237,622	4,531,364	6,028,108	5,315,856	4,823,031	5,124,525	5,167,196	5,189,796	5,200,559	5,345,228
Claims and judgments.....	-	-	-	-	43,947	-	-	-	-	-
State and county charges.....	1,329,510	1,489,115	1,377,672	1,558,387	1,657,840	1,646,722	1,701,352	1,595,901	1,716,465	1,805,089
Capital outlay.....	14,246,067	6,433,009	6,494,162	8,077,684	3,175,933	3,389,620	8,827,631	7,685,071	42,027,496	57,195,047
Debt service:										
Principal.....	2,726,546	2,823,755	2,556,970	2,894,600	3,042,820	2,931,041	3,609,790	6,165,795	5,857,965	5,809,155
Interest.....	1,372,357	1,417,440	1,434,518	1,474,619	1,798,680	1,755,852	1,685,426	3,741,459	3,606,817	3,307,059
Total Expenditures.....	114,969,950	110,395,869	110,043,826	112,899,895	121,667,936	123,132,682	131,465,368	145,716,173	180,313,494	193,968,403
Excess (deficiency) of revenues over (under) expenditures.....	(1,778,859)	4,236,252	230,605	5,331,259	4,391,892	7,887,312	7,190,801	9,158,063	(13,233,304)	(33,210,141)
Other Financing Sources (Uses):										
Issuance of bonds.....	-	-	7,600,000	-	4,100,000	15,000,000	54,435,000	-	-	-
Issuance of refunding bonds.....	3,285,025	-	-	1,055,000	718,500	-	-	-	15,015,000	-
Premium from issuance of bonds and notes.....	-	-	378,099	-	354,005	959,482	5,575,846	-	-	-
Premium from issuance of refunding bonds.....	72,035	-	-	115,000	103,775	-	-	-	2,437,233	-
Payments to refunded bond escrow agent.....	(3,346,099)	-	-	(1,193,969)	(822,275)	-	-	-	(17,380,000)	-
Gain on sale of capital assets.....	-	-	-	-	-	1,341	-	-	-	197,624
Transfers in.....	1,490,026	1,282,057	1,710,724	1,648,526	455,686	731,379	2,624,861	1,462,777	363,706	812,822
Transfers out.....	(5,274,478)	(4,909,278)	(5,827,642)	(6,116,789)	(4,996,174)	(5,036,036)	(7,342,578)	(4,722,140)	(4,128,675)	(4,515,261)
Total other financing sources (uses).....	(3,773,491)	(3,627,221)	3,861,181	(4,492,232)	(86,483)	11,656,166	55,293,129	(3,259,363)	(3,692,736)	(3,504,815)
Net change in fund balance.....	\$ (5,552,350)	\$ 609,031	\$ 4,091,786	\$ 839,027	\$ 4,305,409	\$ 19,543,478	\$ 62,483,930	\$ 5,898,700	\$ (16,926,040)	\$ (36,714,956)
Debt service as a percentage of noncapital expenditures.....	4.07%	4.08%	3.85%	4.17%	4.09%	3.91%	4.32%	7.18%	6.84%	6.67%

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	Total Commercial Value	Commercial Tax Rate	Personal Property	Personal Property Tax Rate	Total Direct Rate (1)	Total Town Value
2013	\$ 3,063,903,096	\$ 15.44	\$ 375,205,114	\$ 206,961,040	\$ 582,166,154	\$ 25.60	\$ 157,198,370	\$ 25.60	\$ 17.42	\$ 3,803,267,620
2014	3,058,927,010	16.11	357,097,675	206,575,285	563,672,960	26.64	158,974,670	26.64	18.12	3,781,574,640
2015	3,174,313,439	16.37	346,909,486	195,098,045	542,007,531	27.62	163,305,340	27.62	18.42	3,879,626,310
2016	3,375,581,212	16.35	350,383,783	195,067,205	545,450,988	27.46	176,584,070	27.46	18.31	4,097,616,270
2017	3,548,734,929	16.31	352,992,961	194,901,510	547,894,471	27.82	195,119,530	27.82	18.30	4,291,748,930
2018	3,762,075,843	16.13	359,395,232	198,125,625	557,520,857	27.74	225,104,020	27.74	18.13	4,544,700,720
2019	4,076,765,508	15.84	369,542,017	201,340,275	570,882,292	27.63	255,893,470	27.63	17.83	4,903,541,270
2020	4,397,308,166	15.97	403,540,909	200,745,125	604,286,034	28.00	262,122,830	28.00	17.95	5,263,717,030
2021	4,590,240,232	15.72	412,056,133	202,212,335	614,268,468	27.60	299,607,550	27.60	17.69	5,504,116,250
2022	4,936,869,187	15.20	415,179,165	213,669,240	628,848,405	27.25	316,927,210	27.25	17.14	5,882,644,802



(1) Weighted average direct tax rate, calculated as weighted average of residential, commercial and personal property tax rates.

Source: Official Statements, Town of Tewksbury

All property in the Commonwealth of Massachusetts is assessed at 100% of fair cash value.

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

Principal Taxpayers
Current Year and Nine Years Ago

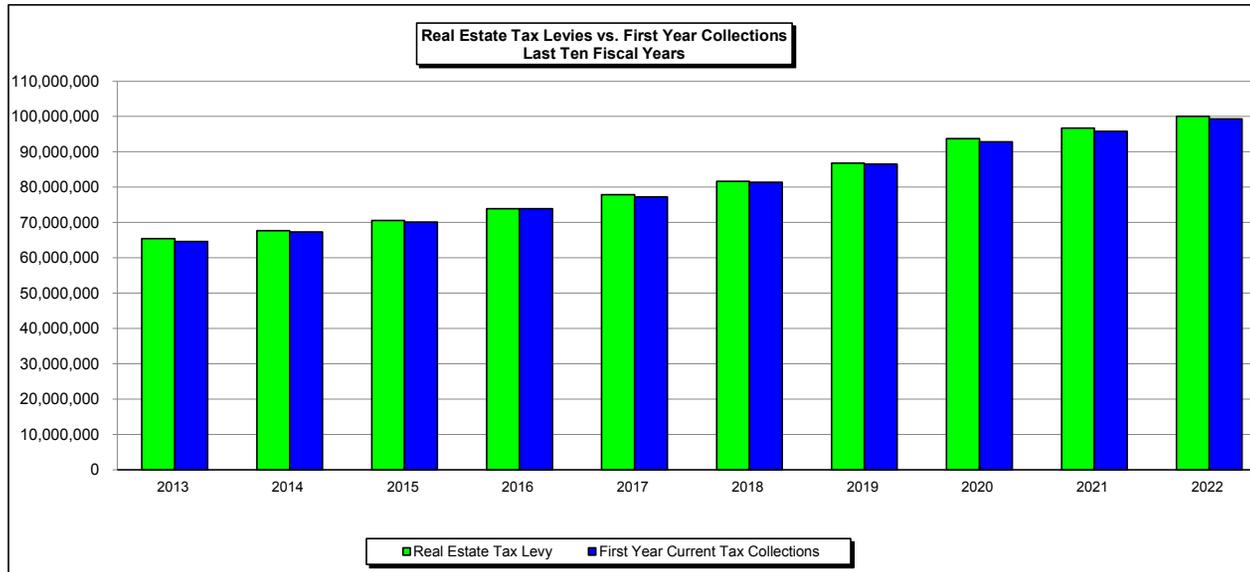
Name	Nature of Business	2022			2013		
		Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value	Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value
New England Power Company	Utility	\$ 147,466,200	1	2.51%	\$ 50,605,640	1	1.33%
Lowell Gas / Colonial Gas	Utility	67,252,010	2	1.14%	33,068,690	6	0.87%
DSM / Market Basket	Shopping Center	67,242,940	3	1.14%	43,402,210	3	1.14%
Lodge at Ames Pond Limited PTN	Apartments	63,043,770	4	1.07%	40,214,960	5	1.06%
Massachusetts Electric	Utility	45,839,730	5	0.78%	20,231,160	9	0.53%
DSF IV Tewksbury Owner LLC	Apartments	43,030,890	6	0.73%			
Raytheon Manufacturing Corp.	Electronics/Research	41,005,300	7	0.70%	40,409,300	4	1.06%
Balsam Place	Apartments	38,523,500	8	0.65%			
Highwood Equity Partners	Office Buildings	26,456,900	9	0.45%			
KCP NNN II Leasehold 1	Office, R & D	17,871,400	10	0.30%			
GRE Tewksbury Property LLC	Apartments				47,916,390	2	1.26%
Verizon New England Inc.	Utility				22,801,800	7	0.60%
CCI-B Tewksbury LLC	Research				22,217,340	8	0.58%
Valley MB LLC	Shopping Center				19,644,100	10	0.52%
Totals		\$ 557,732,640		4.69%	\$ 340,511,590		5.61%

Source: Official Statements, Town of Tewksbury

Property Tax Levies and Collections

Last Ten Years

Year	(1) Total Tax Levy	Less Reserve for Abatements & Exemptions	(1) 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 (2)
2013	\$ 66,234,396	\$ 809,814	\$ 65,424,582	98.78%	\$ 64,620,556	98.77%	\$ 571,792	\$ 65,192,348	99.65%
2014	68,530,647	879,401	67,651,246	98.72%	67,285,696	99.46%	296,597	67,582,293	99.90%
2015	71,444,252	865,819	70,578,433	98.79%	70,139,742	99.38%	783,140	70,922,882	100.49%
2016	75,017,836	1,139,073	73,878,763	98.48%	73,909,480	100.04%	651,211	74,560,691	100.92%
2017	78,550,516	664,160	77,886,356	99.15%	77,263,301	99.20%	851,269	78,114,570	100.29%
2018	82,392,297	769,477	81,622,820	99.07%	81,338,454	99.65%	506,551	81,845,005	100.27%
2019	87,419,780	655,644	86,764,136	99.25%	86,485,929	99.68%	760,077	87,246,006	100.56%
2020	94,484,460	718,390	93,766,070	99.24%	92,804,500	98.97%	1,755,882	94,560,382	100.85%
2021	97,381,555	643,605	96,737,950	99.34%	95,784,276	99.01%	1,020,864	96,805,140	100.07%
2022	100,812,797	760,227	100,052,570	99.25%	99,341,679	99.29%	-	99,341,679	99.29%



(1) Includes tax liens.

(2) If the actual abatements and exemptions are lower than the estimate, the actual collections can exceed the net levy.

Source: Official Statements, Town of Tewksbury

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)	General Obligation Bonds (1)	Direct Borrowings					
2013	\$ 36,895,020	\$ 95,896,610	\$ 6,461,888	\$	139,253,518	9.34%	\$ 29,367	4,742
2014	33,998,682	91,340,365	5,859,361		131,198,408	8.27%	30,613	4,286
2015	39,346,070	88,019,969	5,241,898		132,607,937	8.41%	29,855	4,442
2016	36,230,929	95,746,278	4,609,044		136,586,251	8.33%	30,425	4,489
2017	37,443,760	91,997,977	3,960,398		133,402,135	8.09%	30,010	4,445
2018	50,272,825	84,459,840	3,599,042		138,331,707	8.10%	30,435	4,545
2019	106,453,241	78,508,435	3,230,386		188,192,062	10.82%	30,417	6,187
2020	99,506,192	70,321,516	2,854,283		172,681,991	9.53%	31,044	5,562
2021	92,747,206	63,825,787	2,470,582		159,043,575	8.83%	30,266	5,255
2022	85,806,846	55,976,088	2,079,129		143,862,063	7.75%	30,576	4,705

(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	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2013	\$ 132,791,630	3.49%	\$ 4,742
2014	125,339,047	3.31%	4,286
2015	127,366,039	3.28%	4,442
2016	131,977,207	3.22%	4,489
2017	129,441,737	3.02%	4,445
2018	134,732,665	2.96%	4,545
2019	184,961,676	3.77%	6,187
2020	169,827,708	3.23%	5,562
2021	156,572,993	2.84%	5,255
2022	141,782,934	2.41%	4,705

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

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

Source: Audited Financial Statements, U. S. Census

Direct and Overlapping Governmental Activities Debt

As of June 30, 2022

<u>Overlapping Entities</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>	<u>Current Year Assessment for Operations and Debt Service</u>
Debt repaid with property taxes:				
Shawsheen Valley Regional Vocational Technical School.....	\$ 4,640,000	24.00%	\$ 1,113,600	\$ 6,843,037
Town direct debt.....			<u>85,806,846</u>	
Total direct and overlapping debt.....			<u>\$ 86,920,446</u>	

Source: Official Statements

Computation of Legal Debt Margin

Last Ten Years

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Equalized Valuation.....	\$ 4,084,750,000	\$ 4,084,750,000	\$ 3,979,613,200	\$ 3,979,613,200	\$ 4,367,128,200	\$ 4,367,128,200	\$ 4,874,518,000	\$ 4,874,518,000	\$ 5,637,921,800	\$ 5,637,921,800
Debt Limit -5% of Equalized Valuation.....	\$ 204,237,500	\$ 204,237,500	\$ 198,980,660	\$ 198,980,660	\$ 218,356,410	\$ 218,356,410	\$ 243,725,900	\$ 243,725,900	\$ 281,896,090	\$ 281,896,090
Less:										
Outstanding debt applicable to limit.....	11,362,741	9,538,181	7,297,594	6,030,471	8,392,470	21,970,245	20,231,165	18,682,660	17,239,135	15,775,000
Authorized and unissued debt.....	<u>21,576,582</u>	<u>18,576,582</u>	<u>26,826,582</u>	<u>14,476,582</u>	<u>29,476,582</u>	<u>13,919,149</u>	<u>52,422,873</u>	<u>56,422,873</u>	<u>56,422,873</u>	<u>58,222,873</u>
Legal debt margin.....	\$ <u>32,939,323</u>	\$ <u>28,114,763</u>	\$ <u>34,124,176</u>	\$ <u>20,507,053</u>	\$ <u>37,869,052</u>	\$ <u>35,889,394</u>	\$ <u>72,654,038</u>	\$ <u>75,105,533</u>	\$ <u>73,662,008</u>	\$ <u>73,997,873</u>
Total debt applicable to the limit as a percentage of debt limit.....	16.13%	13.77%	17.15%	10.31%	17.34%	16.44%	29.81%	30.82%	26.13%	26.25%

Source: Assessor's Office

Demographic and Economic Statistics

Last Ten Years

Year	Population Estimates	Personal Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2013	29,367	\$ 1,491,651,666	\$ 50,793	43.3	3,756	6.3%
2014	30,613	1,586,024,631	51,809	44.0	3,558	5.3%
2015	29,855	1,577,692,849	52,845	44.0	3,424	4.4%
2016	30,425	1,639,965,308	53,902	44.2	3,403	3.7%
2017	30,010	1,649,951,000	54,980	44.6	3,273	3.6%
2018	30,435	1,706,782,626	56,080	44.5	3,222	3.2%
2019	30,417	1,739,901,067	57,202	44.5	3,158	2.8%
2020	31,044	1,811,294,466	58,346	44.5	3,185	8.7%
2021	30,266	1,801,218,037	59,513	44.5	3,180	4.8%
2022	30,576	1,856,042,643	60,703	44.5	3,174	3.4%

Source: U. S. Census, Division of Local Services, Massachusetts Department of Employment and Training
 Median age is based on most recent census data.

* Estimated

Principal Employers (excluding Town)

Current Year and Nine Years Ago

Employer	Nature of Business	2022			2013		
		Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Raytheon Manufacturing Co.	Electronics & Research	2,000	1	12.20%	2,000	1	13.23%
Market Basket	Store and Warehouse	1,000	2	6.10%			
Tewksbury State Hospital	Hospital	936	3	5.71%	1100	3	7.28%
Thermo Fisher	Laboratory Instrumentation	450	4	2.74%	420	4	2.78%
Walmart	Department Store	224	5	1.37%	300	5	1.98%
Home Depot	Building/Hardware	187	6	1.14%	200	7	1.32%
Wamesit Lanes	Entertainment and Restaurant	175	7	1.07%			0.00%
Moody, Famiglietti & Andronico	CPA and Consulting	157	8	0.96%			0.00%
Corning Life Sciences	Medical Equipment and Supplies	153	9	0.93%			0.00%
Holt and Bugbee	Wood Products	143	10	0.87%			0.00%
Demoulas Warehouse/Stores	Grocery Store Warehouse				1200	2	7.94%
Cisco Systems	Communications				230	6	1.52%
Holiday Inn	Motel				90	8	0.60%
Eastern Bag and Paper	Paper Products Manufacturer				70	9	0.46%
Sears	Department Store				60	10	0.40%
	Totals	<u>5,425</u>		<u>33.08%</u>	<u>5,670</u>		<u>37.51%</u>

Source: Massachusetts Department of Employment and Training and Official Statements

Full-time Equivalent Town Employees by Function

Last Ten Years

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Function										
General government.....	11.00	12.00	11.00	9.00	9.00	10.25	10.25	10.75	10.75	10.75
Finance.....	12.40	11.75	13.00	13.00	13.00	13.00	13.25	13.50	13.50	13.50
Planning and development.....	17.00	17.25	17.75	17.75	18.00	18.50	18.50	17.50	17.50	17.50
Facilities.....	1.00	1.00	1.00	1.00	4.00	4.00	5.00	5.00	5.00	5.00
Public safety.....	119.00	122.00	126.00	130.00	130.00	132.00	134.00	126.00	126.00	126.00
Education.....	460.00	494.40	522.00	531.00	481.00	548.40	527.10	527.70	491.60	525.10
Public works.....	17.50	19.50	20.20	23.00	23.00	23.50	26.50	26.50	26.50	26.50
Council on aging.....	4.00	4.00	3.50	3.50	4.00	5.00	5.00	5.00	5.00	5.00
Community services.....	1.00	1.00	1.00	1.00	1.00	1.40	2.00	2.00	2.00	2.00
Culture and recreation.....	4.00	4.00	2.00	2.00	-	-	-	-	-	-
Library.....	14.00	15.00	15.00	16.00	16.00	21.00	22.00	22.00	22.00	22.00
Total	660.90	701.90	732.45	747.25	699.00	777.05	763.60	755.95	719.85	753.35

Source: Various Town Departments

Operating Indicators by Function/Program

Last Ten Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government										
Registered voters.....	20,931	21,098	20,073	21,084	21,470	22,420	22,752	23,217	23,531	23,849
Town Clerk:										
Dog licenses.....				2,368	2,405	2,597	2,626	2,498	2,618	2,581
Births.....	219	240	235	242	228	234	238	243	216	232
Marriages.....	108	124	127	149	137	132	103	97	116	105
Deaths.....	328	303	336	332	347	355	376	404	354	378
Education										
Number of teachers.....	257	278	292	294	297	280	286	280	280	280
Number of administrators.....	17	18	18	18	18	18	18	18	18	18
Number of students.....	4,395	4,456	4,629	4,664	4,730	4,731	4,643	4,761	4,870	4,870
Public works										
Water mains (miles).....	158	158	158	158	158	158	158	158	158	158
Fire hydrants.....	1,486	1,501	1,517	1,532	1,547	1,563	1,564	1,567	1,567	1,567
Sanitary sewers (miles).....	49	49	54	54	54	59	73	85	104	104
Storm drains.....	2,595	2,621	2,648	2,675	2,702	2,729	2,729	2,732	2,732	2,732
Culture and Recreation										
Parks and playgrounds.....	1	1	1	1	1	1	1	1	1	1
Park and playground (acreage).....	27	27	27	27	27	27	27	27	27	27

Source: Various Town Departments
Tewksbury Town Report, respective year

Capital Asset Statistics by Function/Program

Last Ten Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government										
Number of Buildings.....	7	7	7	7	7	7	7	7	7	7
Police										
Number of Stations.....	1	1	1	1	1	1	1	1	1	1
Fire										
Fire stations.....	3	3	3	3	3	3	3	3	3	3
Education										
Number of elementary schools.....	5	5	5	5	5	5	5	5	5	5
Number of middle schools.....	1	1	1	1	1	1	1	1	1	1
Number of high schools.....	1	1	1	1	1	1	1	1	1	1
Public works										
Water mains (miles).....	158	158	158	158	158	158	158	158	158	158
Fire hydrants.....	1,486	1,501	1,517	1,532	1,547	1,563	1,564	1,567	1,567	1,567
Sanitary sewers (miles).....	49	49	54	54	54	59	73	85	104	104
Storm drains.....	2,595	2,621	2,648	2,675	2,702	2,729	2,729	2,732	2,732	2,732
Culture and Recreation										
Parks and playgrounds.....	1	1	1	1	1	1	1	1	1	1
Park and playground (acreage).....	27	27	27	27	27	27	27	27	27	27
Fields - baseball.....	10	10	10	10	10	10	10	10	10	10
Fields - football.....	2	2	2	2	2	2	2	2	2	2
Fields - soccer.....	1	1	1	1	1	1	1	1	1	1
Tennis courts.....	2	2	2	2	2	2	2	2	2	2

Source: Various Town Departments
Tewksbury Town Report, respective year



Tewksbury Public Library Community Garden