

**THE TOWN OF MARSHFIELD,  
MASSACHUSETTS**

**ANNUAL COMPREHENSIVE FINANCIAL  
REPORT**



**FOR THE YEAR  
JULY 1, 2021 – JUNE 30, 2022**

**On the cover:**

*The new Town police station.*



*Blue Fish Cove, one of the many beaches in Marshfield.*

# **TOWN OF MARSHFIELD, MASSACHUSETTS**

## **ANNUAL COMPREHENSIVE FINANCIAL REPORT**

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



**Prepared by:**

**The Fiscal Team  
Town of Marshfield, Massachusetts**

TOWN OF MARSHFIELD, MASSACHUSETTS  
ANNUAL COMPREHENSIVE FINANCIAL REPORT

JUNE 30, 2022

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# *Introductory Section*



*Pictured above is the Cut River.*

# ***Introductory Section***



*Michael A. Maresco*  
*Town Administrator*

# *Town of Marshfield*

## **Board of Selectmen**

870 Moraine Street

Marshfield, Massachusetts 02050

Tel: 781-834-5563 Fax: 781-834-5527

### **Letter of Transmittal**

February 23, 2023

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

State law requires the Town of Marshfield 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 Marshfield, Massachusetts, for the year ending June 30, 2022 for your review.

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

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

The Town of Marshfield'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 Marshfield 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 Marshfield'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 Marshfield 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 Marshfield'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 Marshfield's MD&A can be found immediately following the report of the independent auditors.

## **Profile of Town**

The Town of Marshfield was incorporated in 1640 and occupies a land area of approximately 28.35 square miles; noted by the local population as a "community of villages." It is governed by an open Town Meeting form of government and the Chief Executive Officer is the Select Board. The day-to-day operation of the Town is managed on behalf of the Select Board by a Town Administrator. Marshfield is located in southeastern Massachusetts in Plymouth County and has been recognized as one of the 13<sup>th</sup> safest communities in the United States in 2020. The Town of Marshfield is bordered by the Atlantic Ocean on the east, Duxbury on the south and southeast, Pembroke and Norwell on the west, and Scituate on the north. Marshfield is a coastal town located in east central Plymouth County approximately 32 miles south of Boston, 18 miles east of Brockton, 48 miles northeast of Providence, RI, and 225 miles north of New York City. State routes 3, 3A and 139 are the principal highways and roads serving the Town. Chartered flights throughout New England are available at the Marshfield Municipal Airport. The commuter rail is also in close proximity to Marshfield, giving residents ready access into the City of Boston and other adjacent communities. The Greater Attleboro Taunton Regional Transit Authority (GATRA) provides local bus service from Plymouth to Scituate, including services for persons with disabilities.

Local legislative decisions are made by an open Town Meeting, the purest form of democracy consisting of all of the registered voters in the Town. Subject to the legislative decisions made by the Town Meeting, the affairs of the Town are generally administered by a three-member Select Board, as well as five other elected Boards. According to the U.S. Department of Commerce, Bureau of Census conducted in 2021, the Town's population was 26,125. However, unofficially the Town's summer population increases (estimated) to over 45,000.

Local school affairs are administered by a five-member School Committee through the School Superintendent. Local taxes are assessed by a three-member elected Board of Assessors; all elected for staggered three-year terms on an at large basis. A three-member Board of Public Works, similarly elected, oversees the Town's principally self-supporting Sewer, Water, and Solid Waste Enterprise funds in addition to the Highway and Cemetery Departments.

The Town of Marshfield provides general governmental services for the territory within its boundaries, including police and fire protection, public education in grades kindergarten through twelve, typical municipal financial services, water and sewer services, solid waste disposal, a library, streets, parks, services to senior citizens and Veterans, and recreational activities.

The Town of Marshfield's commitment to open space, historical preservation and community housing is evidenced by its acceptance of the Community Preservation Act beginning in year 2002 at the maximum 3% surcharge. These funds have been authorized by Town Meeting for the purchase of over 350 acres of open space preserving and protecting aquifers, habitats, woodlands, marshland and meadows. As of 2022, the Town of Marshfield has over 2,777 acres of conservation protected land out of an estimated 5,100 acres based on the open space plan.

## 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 Select Board had decided that the foundation of Marshfield's government, the Town Charter needed to be modernized. The Charter was adopted in 1975 with only very minimal changes. The Board appointed a Charter Review Committee on January 4, 2016, to examine the Town's governance. The process was completed and voted on at a Special Town Meeting in May of 2018. The suggested changes were not adopted.

The Town continues to manage its financial affairs in a prudent manner. Standard & Poor's reconfirmed in July of 2018, June 26, 2019, July 13, 2020, July 12, 2021 and June 29, 2022 the Town's bond rating to AA+ and a short term BAN rating of SP+1 (highest short term note attainable) with a stable outlook which is reflective of management's incorporation of long range planning tools such as a five year Capital Improvement Program; a three year strategic budget plan; maintenance of reserve balances despite tight budget; and a free cash policy that funds the Town's stabilization fund by using free cash each fall. The Stabilization fund currently has a balance of close to \$6 million in reserve and the OPEB fund has a balance in reserve of \$741,117. The Town receives additional revenue from our portion of the meals tax, which was \$579,815 and cannabis revenue of \$81,303 for a total of \$661,118 in FY22. Our investment strategy of investing in technology to ensure efficient operations, maintaining an aggressive debt management strategy for capital improvements and pursuing pay-as-you-go options whenever possible, has proven to be fiscally successful. Town Meeting approved a \$49.8 million debt exclusion to build a new 24,000 square foot Police Station, a 38,000 square foot DPW Facility, an 11,400 square foot addition onto our Senior Center and \$3.5 million for additional seawall grant matches. The Town consistently seeks grant opportunities for operational services as well as capital improvements.

The Town broke ground on the Senior Center expansion on December 18, 2020, with a substantial completion in March of 2022. The Open House for the New Senior Center was held on June 25, 2022. The Town broke ground for the new Police Station in January of 2021 with a substantial completion date of April of 2022. The Town purchased a new building for the DPW and had it refreshed. The Town had a groundbreaking on April 8, 2022, at this new site for the DPW's expansion of an additional 24,000 square foot building to be substantially completed in August of 2023.

The Town faced fiscal challenges in the past, mostly tied to personnel issues and has not only resolved those challenges but came to a conclusion that will make the Town fiscally strong for years to come by providing succession planning that has not existed in the past.

The Town has also enhanced its revenue flexibility by establishing Enterprise funds. This has allowed the Town to shift one hundred percent (except for certain amounts of sewer debt where the General Fund is responsible for its 40% share) of the operating costs and capital improvements to the users of sewer, water, and solid waste services so that no tax support goes toward providing these services. All related debt, except as discussed above, is funded through user fees. By doing so, the Town is able to provide the maximum tax dollars available to all other services.

## Major Initiatives

Flood Insurance: Marshfield continues to repair and enhance seawalls along the coast. This year a segment along Brant Rock was replaced. The Town and FEMA have found the new section sustainably reduces wave overtopping of the seawall, this in turn lowers damage to properties and Town infrastructure during storm events. This has led FEMA to ask Marshfield to study and submit a LOMR for the recently completed Brant Rock section of seawall replacement. The Town has started that LOMR process with support of the scientific consultant Woods Hole Group.

The Town is close to reaching another milestone, a 20% reduction in flood insurance is expected by next year (2023) due to the efforts of the Town's CRS/PPI committee. Our residents who are in a National Flood Insurance Program currently receive a 15% reduction. This represents a cumulative total of \$280,000 in savings for our residents.

Beach Nourishment: Marshfield, again with the assistance of the Woods Hole Group, is wrapping up a four-year environmental permitting process for the required Federal, State and Local permits to proceed with a substantial beach nourishment program on three beaches in Town. One of the beaches, Green Harbor/Bay Avenue, when installed will provide 90 feet of beach in front of the seawall at high tide. Currently, the high tide line is at or within a few feet of the base of the seawall. The next step will be to apply for a State (CZM) grant to match Town funds for the installation of material for the beach. This will provide a major improvement in protecting the sea wall, the homes directly behind it and the Town infrastructure in the Green Harbor/Bay Avenue area.

Marshfield's Long Term Coastal Resiliency Plan (MVP Grant): Marshfield, with the assistance of the Woods Hole Group, recently completed a Long-Term Coastal Resiliency Plan. This Plan provides the Town with policy recommendations and potential zoning changes to proactively reduce future coastal flooding and erosion vulnerabilities and, if necessary, a plan to rebuild in a more resilient way after a catastrophic event. The plan covers the coastal section of the Town from Rexhame Beach down to the Duxbury Line at Bay Avenue. The Town will be pursuing several of the recommendations in 2023.

Building Projects: The Town has possibly the most popular skateboard park in southeastern Massachusetts and a notable recreational facility, Peter Igo Park, both of which opened for business in 2016. Peter Igo Park's focal point may be tennis; but basketball, pickleball, and kayaking are also on the Park's itinerary. The Harbor Park was also opened allowing our residents additional access to the harbor area. Harbor Park and the Peter Igo Park are connected by a walkway. Also, the Library Plaza development got underway and was opened in the spring of 2017. The Town also opened new ball fields in the Planned Mixed Use Development (PMUD). In August of 2018 the Town opened its long awaited new Maritime Center on the Town Pier.

The Town, with funding from the Town's Community Preservation Committee (CPC) and the Marshfield Housing Partnership, obtained the necessary funding to assist Father Bill's/Neighborworks in building 8 units of affordable units of Veteran's Housing at the Old South Grammar School. The project was completed November of 2021 with a ribbon cutting by Town officials on November 11, 2021, and residents moved into the complex on January 2, 2022.



Veteran's Housing

Special Town Meeting in the Fall of 2020 approved the building of a Dog Park in the PMUD. Design and construction will be funded in part by a grant from the Stanton Foundation. The CPC also contributed \$50,000 to this important project. The groundbreaking for this project took place in December of 2022 with anticipated completion of the Dog Park in the summer of 2023.

## Current Development Information

The Planning Board with the Chamber of Commerce is working with MAPC on updating the Economic Development section of the Master Plan. The update is expected to be completed by April of 2023.

The Planning Department continues working on the beach nourishment grant from CZM, the goal is to finish all Federal, State and local permits this year and apply for a grant with CZM fall of 2023 which would need a local match voted at the fall 2023 Town Meeting.

The Planning Department is working with other Town Departments and Woods Hole Group on the required update of the Town's Multi-Hazard Mitigation Plan.

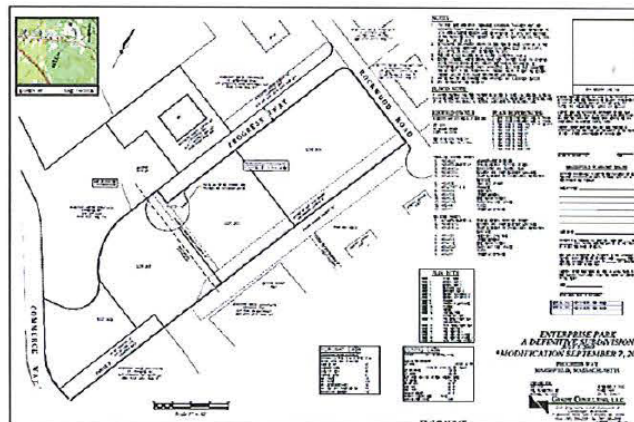
The Planning Department, working with Stantec consulting services, completed a DHCD Rapid Recovery Plan for Brant Rock.

The Planning Board is looking at several zoning changes to address self-service storage facilities, possible changes to the definition section and a zoning map change in Fieldston area of Town.

The Planning Board approved a Hydroponic Farm at the Roche Bros. Supermarket.



Modifications to Progress Way subdivision have been submitted by the applicant, the road and drainage will be redesigned as a dead-end road with a cul-de-sac with three additional industrial lots created along the Town's Rockwood Road Ballfields.



Mill Creek, a comprehensive permit with 270 (all rental) units, has been approved by the Zoning Board of Appeals. This development will be located on Commerce Way near the recently completed 248-unit Madera development.



A modification to Proprietor's Market Place was approved by the Planning Board. The modification changed the one and half story retail and office building into a three-story mixed-use building with 5 new residential units.

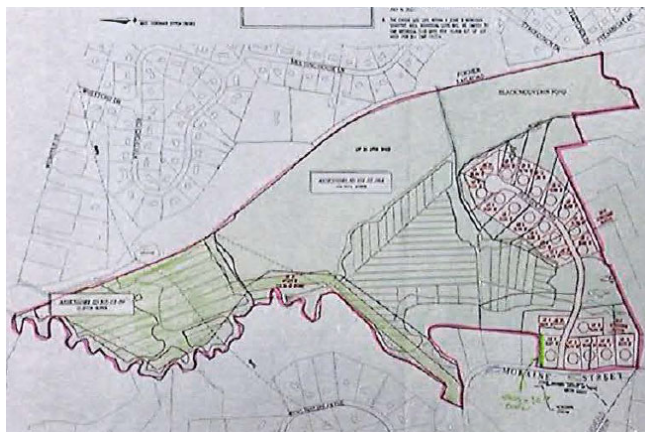


Adelaide, a 15-lot subdivision off of Webster Street continues to head towards completion with 11 of the lots either occupied or wrapping up construction.

John Sherman Estates (13 lots off Main Street), Beaver Crossing (5 lots off Union Street) and Chestnut Farm (25 lots off Ferry Street) are also nearing completion.



Red Gold Farm, a 22 lot Open Space Residential development of single-family homes (off Moraine Street) was approved by the Planning Board. One hundred and eleven acres of the property including trails, cranberry bogs, wetlands and river front will become Town owned open space.



A private school (New England Academy) off of Commerce Way was approved by the Zoning Board of Appeals.



A large day care facility (Starboard) off of Proprietors Drive is currently under review by the Zoning Board of Appeals.



A total of 297 residential units have been permitted this year in Marshfield.

### **Capital Assessment Project**

The Town's Facilities Manager completed the first total building assessment that will define the Town's future needs for maintenance and building improvements. This tool will help the Town's budgeting process and has initiated a dialogue to create a permanent building committee. The overall goal of the Town-wide buildings assessment is to create a responsible maintenance plan for all the Town's buildings. In 2018 the Select Board appointed a Capital Project Building Committee to assist the Select Board in the construction, renovation or remodeling of any Town building or facility. The membership of the committee consisted of a contractor, architect, engineer, project manager, local business owner and a building commissioner. The committee reviewed and evaluated the condition of the DPW Facility, Police Station, Senior Center and seawalls and further determined the need to repair, rebuild or replace the existing facilities. At the Annual Town Meeting in April of 2019, Town Meeting approved \$650,000 to design a new DPW Facility and \$650,000 to design a new Police Station. At the Special Fall Town Meeting on November 18, 2019, the information on these projects was presented to Town Meeting including the need, condition of the buildings, costs, and plans. The Town Meeting overwhelmingly supported moving forward with a \$49.8 million dollar debt exclusion to build the new Town assets including an 11,400 square foot addition to the Senior Center and \$3.5 million for additional seawall matches for seawall projects.

### **Reserves**

Management has adopted reserve policies to address key areas of concern including: Operational Budget Reserve Fund, Stabilization Fund, Property and Liability Insurance Reserve, Worker's Compensation for Police/Fire Reserve, Postemployment Liability Trust Fund and Town Compensated Absence Reserve. The Town is rebuilding its Stabilization Fund after having used the fund to support the General Fund budget in years 2003 through 2008. The Town of Marshfield has increased the balance in our fund to \$6 million. Our goal is 5% of our Annual Budget and as of November 2022 we are at 8%. To achieve this goal, the Select Board voted to set aside 25% of free cash. The Property & Liability Reserve will allow the Town to increase deductibles for general liability losses to decrease premium costs in future years. The Town Compensated Absence Reserve insulates the Town from the budgetary impact of unexpected retirements or separations from service of senior employees with those benefits.

The Town of Marshfield has also received new revenue sources beginning in 2021 through Plymouth County CARES Act funds, Plymouth County ARPA funds and Federal ARPA funds. To date the Town has received its full allotment of \$4,789,000 in CARES Act funds, \$1,700,000 in Reallocated County ARPA funds, and \$2,718,000 in Federal ARPA funds.

### **Internal Controls**

Management of the Town is responsible for establishing and maintaining an internal control structure designed to ensure the assets of the Town are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The Town Administrator and the Fiscal Team are responsible for evaluating the adequacy and effectiveness of the internal control structure and implementing improvements. The Town completed a Fraud Risk Assessment that has become a guiding tool for all departments. Because the cost of internal controls should not outweigh their benefits, the Town of Marshfield'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.

In 2021 the Town of Marshfield elected to engage with the Commonwealth's Cyber Security platform. To date 90% of our employees have completed the initial CyberStrength Assessment.

### **Budgetary Controls**

The Town Administrator presents a budget to the Select Board which is then reviewed and with amendments presented to the Advisory Board. The nine-member Advisory Board holds public hearings to review all departmental budgets and makes recommendations on the budget to Town Meeting in April of each year.

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 Advisory Board may approve a transfer from a reserve fund established at Town Meeting. These controls ensure compliance with the budget approved by Town Meeting.

The Treasurer/Collector is responsible for cash and debt management, and the investment of Town funds. The school budget is limited to the total amount appropriated by Town Meeting, but the School Committee retains full power to allocate the funds appropriated.

### **Financial Management**

The Town adopted a policy in year 2015 to codify the allocation of indirect costs between the three Enterprise funds and the General Fund. A written agreement developed by the Fiscal Team has been approved by the Select Board and School Committee to codify the allocation of revenues and fixed costs between the school and Town departments based on existing verbal agreements. Finally, additional reserves for uncompensated balances and capital projects are being considered for adoption.

In August of 2020, the Town of Marshfield purchased a Kiosk to accept all Town payments for utilities, taxes and fees. This allowed our citizens to pay for their services without having to enter Town Hall during COVID-19 and into the future.

In 2021, the Select Board further adopted major updates to all of our fiscal policies to improve the Town's fiscal health, control of revenues and expenditures, increased transparency and accountability. The Consolidated Fiscal

Policy and Committee of Sponsoring Organizations (COSO) Internal Control Framework are reviewed and accepted by the Select Board each year.

The Town continues to work toward a cashless Beach operation through the acceptance of credit and debit cards and the Town has also adopted a new policy with the schools to manage the student accounts. The Treasurer/Collector now handles all of the student accounts for all seven schools.

In 2022, the Town is making great head way with migrating our financial software to MUNIS. This will be the first major upgrade in financial software in 20 years. The employees and department heads are looking forward to the new software. This investment will yield benefits for our residents and taxpayers.

### **Awards and Acknowledgements**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Marshfield for its Annual Comprehensive Financial Report (ACFR) for the years ended June 30, 2008 through June 30, 2021. In order to be awarded the Certificate of Achievement, the Town published an easily readable and efficiently organized ACFR. These reports satisfied both GAAP and applicable legal requirements.

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

We would like to express our appreciation to the members of all the departments who assisted and contributed to the preparation of this report. Credit must also be given to the Select Board, the Advisory Board and Capital Budget Committee for their unfailing support for maintaining the highest standards of professionalism in the management of the Town, including its finances.

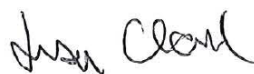
Respectfully submitted,



Michael A. Maresco  
Town Administrator



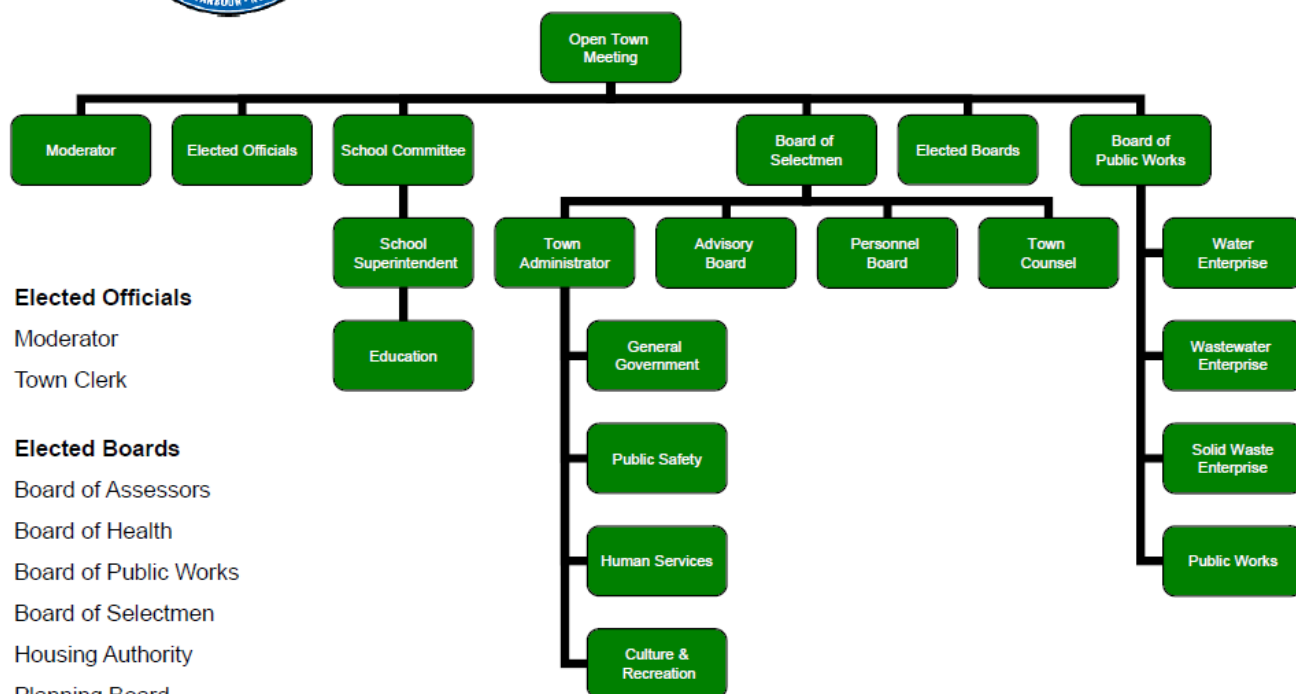
Anne Bastille  
Town Accountant



Lisa Clark  
Town Treasurer/Collector



# Town of Marshfield



## Elected Officials

Moderator  
Town Clerk

## Elected Boards

Board of Assessors  
Board of Health  
Board of Public Works  
Board of Selectmen  
Housing Authority  
Planning Board  
Trustees of Soldiers Memorials



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Town of Marshfield  
Massachusetts**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Morill*

Executive Director/CEO

## Principal Town Officials As of June 30, 2022

### Elected Officials Term Expires

Select Board	Stephen R. Darcy, Chairperson	2025
	James J. Kilcoyne, Vice Chairperson	2024
	Lynne E. Fidler, Clerk	2025

Moderator	Donald Gibson	2023
Town Clerk	Narice Ann Casper, II	2024

School Committee	Sean Costello, Chairperson	2024
	Brigid Boyd, Vice Chairperson	2023
	Kendra Stetson Campbell	2024
	Lara Brait	2025
	Richard Greer, Secretary	2025

### Appointed Officials

Town Administrator	Michael A. Maresco
Superintendent of Public Schools	Jeffery W. Granatino
Treasurer/Collector	Lisa Clark
Town Accountant	Anne Bastille
Assessor/Appraiser	Anne Marie Sinnott
Fire Chief	Jeffrey Simpson
Police Chief	Phillip A. Tavares
DPW Superintendent	Tom Reynolds

# *Financial Section*



*Pictured above is the Ocean Bluff.*

## ***Financial Section***

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## **Independent Auditor's Report**

To the Honorable Select Board  
Town of Marshfield, 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 Marshfield, Massachusetts (Town), as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the Town of Marshfield, 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, 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 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's 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 Marshfield, 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's 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's basic financial statements. The accompanying combining statements, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## **Other Information**

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 23, 2023, on our consideration of the Town of Marshfield, 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's 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's internal control over financial reporting and compliance.



February 23, 2023

## ***Management's Discussion and Analysis***

## ***Management's Discussion and Analysis***

As management of the Town of Marshfield, Massachusetts (Town), we offer readers of these financial statements this narrative overview and analysis of the financial activities of the Town for the year ended June 30, 2022. We encourage readers to consider the information presented in this report in conjunction with additional information that we have furnished in our letter of transmittal.

The Governmental Accounting Standards Board (GASB) is the authoritative standard setting body that provides guidance on how to prepare financial statements in conformity with generally accepted accounting principles (GAAP). Users of these financial statements (such as investors and rating agencies) rely on the GASB to establish consistent reporting standards for all governments in the United States. This consistent application is the only way users (including citizens, the media, legislators and others) can assess the financial condition of one government compared to others.

Governments must adhere to GASB pronouncements in order to issue their financial statements in conformity with GAAP. The users of financial statements also rely on the independent auditor's opinion. If the Town's financial statements have significant departures from GAAP the independent auditors may issue a modified opinion or a disclaimer (where no opinion is given). These types of opinions may have an adverse effect on the Town's bond rating and our ability to borrow money at favorable interest rates. The Town has enjoyed an unmodified opinion on its financial statements for many years.

### **Financial Highlights**

- The government-wide assets and deferred outflows of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent year by \$46.3 million and \$55.8 million (net position) for governmental activities and business-type activities, respectively.
- At the close of the current year, the Town's general fund reported an ending fund balance of \$13.5 million, a decrease of \$1 million from the prior year. Total fund balance represents 12.2% of total general fund expenditures. Approximately \$12.6 million of this total amount is available for appropriation at the Town's discretion.
- In 2022, the Town incurred \$3.4 million of expenditures related to the COVID-19 Pandemic which were funded by State and Federal Grants.

### **Overview of the Financial Statements**

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

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to private-sector businesses.

The statement of net position presents information on all of the Town's assets and deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The statement of activities presents information showing how the Town'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 or 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 (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities include general government, public safety, education, public works, health and human services, culture and recreation, community preservation, and interest. The business-type activities include the activities of the water, sewer, and solid waste enterprise funds.

**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. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town 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 and outflows 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 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 is reporting three major governmental funds that are presented separately in the governmental fund financial statements. The remaining nonmajor funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

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

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

*Enterprise funds* are used to report the same functions as business-type activities in the government-wide financial statements. The Town uses enterprise funds to account for its sewer, water, and solid waste activities. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for water, sewer, and solid waste activities, all of which are considered major funds of the Town.

**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 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.

**Notes to 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. Assets and deferred outflows exceeded liabilities and deferred inflows by \$102.1 million at the close of 2022.

Government-wide net position of \$204.2 million reflects its net investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure) less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of net position, \$15.2 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 \$117.3 million deficit relating to the cumulative effect of recording \$110 million of net other postemployment benefit liability and \$38.4 million of net pension liability through June 30, 2022.

Details related to the Town's governmental and business-type activities follow.

### **Governmental activities.**

	2022	2021
<b>Assets:</b>		
Current assets.....	\$ 68,170,274	\$ 77,709,604
Noncurrent assets (excluding capital).....	-	52,462
Capital assets, nondepreciable.....	64,149,004	45,771,865
Capital assets, net of accumulated depreciation...	180,223,502	187,724,055
<b>Total assets.....</b>	<b>312,542,780</b>	<b>311,257,986</b>
<b>Deferred outflows of resources.....</b>	<b>16,525,639</b>	<b>21,862,195</b>
<b>Liabilities:</b>		
Current liabilities (excluding debt).....	13,633,426	14,750,873
Noncurrent liabilities (excluding debt).....	140,222,587	154,982,011
Current debt.....	6,941,639	7,378,019
Noncurrent debt.....	97,547,657	101,871,334
<b>Total liabilities.....</b>	<b>258,345,309</b>	<b>278,982,237</b>
<b>Deferred inflows of resources.....</b>	<b>24,397,726</b>	<b>14,713,355</b>
<b>Net position:</b>		
Net investment in capital assets.....	154,412,195	155,015,218
Restricted.....	15,211,501	11,833,681
Unrestricted.....	(123,298,312)	(127,424,310)
<b>Total net position.....</b>	<b>\$ 46,325,384</b>	<b>\$ 39,424,589</b>

The governmental activities net position increased by \$6.9 million during the fiscal year 2022 as compared to a decrease in net position of \$518,000 during the prior year. The current year increase relates to capital asset additions in excess of depreciation expense of \$10.9 million and debt service payments exceeding current year issuances by \$4.3 million. Additionally, after excluding a \$7.3 million decrease in operating grant revenue and educational expense relating to on-behalf payments for teachers' pensions, total revenues increased by \$8.9 million while total expenses increased by only \$1.7 million.

Noncurrent liabilities, excluding debt, include accrued liabilities for other postemployment benefits in the amount of \$106.4 million and for pension liabilities of \$32.2 million at June 30, 2022.

	2022	2021
<b>Program Revenues:</b>		
Charges for services.....	\$ 6,122,759	\$ 5,415,900
Operating grants and contributions.....	40,267,159	43,222,009
Capital grants and contributions.....	2,987,411	1,804,242
<b>General Revenues:</b>		
Real estate and personal property taxes, net of tax refunds payable.....	75,161,187	71,462,596
Tax and other liens.....	209,388	760,837
Motor vehicle and other excise taxes.....	5,096,649	4,875,282
Community preservation tax.....	1,892,024	2,027,715
Penalties and interest on taxes.....	332,169	732,495
Grants and contributions not restricted to specific programs.....	2,955,730	2,677,240
Unrestricted investment income.....	132,759	668,740
Miscellaneous.....	213,749	99,760
<b>Total revenues.....</b>	<b>135,370,984</b>	<b>133,746,816</b>
<b>Expenses:</b>		
General government.....	10,478,587	11,363,762
Public safety.....	20,604,932	20,107,655
Education.....	85,448,819	90,653,655
Public works.....	6,462,296	5,911,704
Health and human services.....	1,873,762	1,628,126
Culture and recreation.....	2,113,865	2,318,460
Community preservation.....	202,958	241,676
Interest.....	2,749,970	3,357,732
<b>Total expenses.....</b>	<b>129,935,189</b>	<b>135,582,770</b>
<b>Excess (Deficiency) before transfers.....</b>	<b>5,435,795</b>	<b>(1,835,954)</b>
<b>Transfers.....</b>	<b>1,465,000</b>	<b>1,318,000</b>
<b>Change in net position.....</b>	<b>6,900,795</b>	<b>(517,954)</b>
<b>Net position, beginning of year.....</b>	<b>39,424,589</b>	<b>39,942,543</b>
<b>Net position, end of year.....</b>	<b>\$ 46,325,384</b>	<b>\$ 39,424,589</b>

*Financial notes related to governmental activities:*

- Charges for services represented 5% of governmental activities resources and increased \$707,000 over the prior year as programs reopened after COVID-19 related closures. The Town can exercise more control over this category of revenue than any other. Fees charged for services rendered that are set by the Town are included in this category.
- Operating grants and contributions accounted for 30% of the governmental activities resources. Most of these resources apply to educational operations and to COVID-19 activities. These resources offset costs within the school and general government departments and supplement their general fund operating budget.
- Capital grants and contributions accounted for 2% of the governmental activities resources. These resources apply to airport improvements, State grants for roadways improvements and community preservation State matching revenue.
- Property taxes are by far the most significant revenue source for the Town's governmental activities. They comprised 56% of current resources.
- All other taxes and other revenues comprised a total of 8% of the governmental activities' resources. These primarily include excise taxes, community preservation taxes and nonrestricted grants and contributions.
- Education is by far the largest governmental activity of the Town. Approximately \$53 million in taxes and other revenue were needed to cover the 2022 operating expenses. A pension contribution of approximately \$8.1 million made by the state on-behalf of Marshfield teachers was recorded as an expense and operating grant revenue, a decrease of \$7.3 million compared to the prior year.
- Public safety, general government, and public works were the second, third, and fourth largest activities of the Town. Approximately \$17 million, \$3.6 million, and \$1.7 million, respectively, of taxes and other revenue were needed to cover their 2022 operating expenses.

**Business-type activities.**

Business-type activities assets and deferred outflows exceeded liabilities and deferred inflows by \$55.8 million at the close of 2022. The net investment in capital assets was \$49.8 million (89%) while unrestricted net position is \$6 million (11%). These results continue to reflect management's goal of maintaining the systems while only charging users for the actual cost of operations.

	2022	2021
<b>Assets:</b>		
Current assets.....	\$ 20,426,748	\$ 21,608,522
Noncurrent assets (excluding capital).....	258,400	591,414
Capital assets, nondepreciable.....	11,230,597	9,195,599
Capital assets, net of accumulated depreciation...	54,463,488	55,594,062
<b>Total assets.....</b>	<b>86,379,233</b>	<b>86,989,597</b>
<b>Deferred outflows of resources.....</b>	<b>1,206,231</b>	<b>1,317,074</b>
<b>Liabilities:</b>		
Current liabilities (excluding debt).....	2,344,212	942,817
Noncurrent liabilities (excluding debt).....	9,995,695	11,397,644
Current debt.....	1,552,473	2,008,085
Noncurrent debt.....	15,672,879	15,152,233
<b>Total liabilities.....</b>	<b>29,565,259</b>	<b>29,500,779</b>
<b>Deferred inflows of resources.....</b>	<b>2,231,907</b>	<b>1,113,071</b>
<b>Net position:</b>		
Net investment in capital assets.....	49,817,853	49,382,843
Unrestricted.....	5,970,445	8,309,978
<b>Total net position.....</b>	<b>\$ 55,788,298</b>	<b>\$ 57,692,821</b>

Business-type activities decreased the Town's net position by \$1.9 million compared to an increase of approximately \$298,000 during the previous year.

The water, sewer and solid waste enterprise funds all experienced decreases in net position of approximately \$586,000, \$323,000 and \$996,000. Overall, charges for services decreased 10%, mainly water usage charges, when compared to the prior year, while solid waste charges increased slightly. Expenses for labor, operations, and depreciation increased 3%.

Transfers out increased slightly in the current year relating to the enterprise funds' contributions to the Town-wide Department of Public Works Building, MUNIS general ledger software project and for various on-going water infrastructure projects.

	2022	2021
<b>Program Revenues:</b>		
Charges for services.....	\$ 13,406,503	\$ 15,026,742
Operating grants and contributions.....	16,892	20,201
Capital grants and contributions.....	190,930	182,943
<b>General Revenues:</b>		
Unrestricted investment income.....	160,608	119,306
<b>Total revenues.....</b>	<b>13,774,933</b>	<b>15,349,192</b>
<b>Expenses:</b>		
Water.....	4,948,834	5,224,563
Sewer.....	4,224,321	3,824,106
Solid waste.....	5,041,301	4,684,688
<b>Total expenses.....</b>	<b>14,214,456</b>	<b>13,733,357</b>
<b>Excess (Deficiency) before transfers.....</b>	<b>(439,523)</b>	<b>1,615,835</b>
<b>Transfers.....</b>	<b>(1,465,000)</b>	<b>(1,318,000)</b>
<b>Change in net position.....</b>	<b>(1,904,523)</b>	<b>297,835</b>
<b>Net position, beginning of year.....</b>	<b>57,692,821</b>	<b>57,394,986</b>
<b>Net position, end of year.....</b>	<b>\$ 55,788,298</b>	<b>\$ 57,692,821</b>

### Financial Analysis of the Government's Major Funds

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

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

As of the end of the current year, governmental funds reported combined ending fund balances of \$49.5 million, a decrease of \$9.8 million from the prior year. The decrease mainly relates to the timing of capital expenditures within the Town Capital Project fund, and the issuance of the related bond proceeds.

#### General Fund

The general fund is the chief operating fund of the Town. At the end of the current year, the unassigned fund balance of the general fund was \$12.6 million, while the total fund balance was \$13.5 million. As a measure of the general fund's liquidity, it may be useful to compare both the unassigned fund balance and the total fund balance to total fund expenditures. The unassigned fund balance represents 11.4% of total general fund expenditures, while the total fund balance represents 12.2% of that same amount.

The fund balance of the general fund decreased \$1 million during 2022. This change is mainly the result of a budgeted use of free cash of \$4.9 million offset by stronger than expected revenue collections in nearly all revenue categories. Real estate and personal property taxes increased by \$3.9 million in accordance with State law that allows for the assessments to increase by 2.5% plus new growth.

The Town also maintains a stabilization fund, which has been classified within the unassigned general fund balance in the governmental funds financial statements to remain compliant with GASB 54. The stabilization fund had a year-end balance of \$5.9 million. These funds can be used for general or capital purposes upon Town Meeting approval.

#### *Community Preservation Fund*

The community preservation fund had an ending restricted fund balance at June 30, 2022, of \$8.4 million. These funds are attributable to the Town's acceptance of the Community Preservation Act in 2001, which allows the Town to impose a 3% surcharge on property taxes and to receive matching State grant funds for specified uses related to the acquisition, creation, preservation and support of open space, historical resources, land for recreational use and community housing. The Town reported local community preservation tax revenue of \$1.8 million and state matching grant funds of \$928,000. During fiscal year 2022, \$482,000 was expended on various community preservation projects including the multi-sport courts and the coast guard playground.

#### *Town Capital Project Fund*

The Town Capital Project fund is used to account for construction, renovations, and major repairs of the Town. During the year the Town spent \$20 million on construction costs, issued \$1.9 million in long-term debt along with a premium of \$197,000, and received transfers in of \$4.2 million which left an ending fund balance of \$15.2 million. Major on-going construction projects include the Police Station, Senior Center and the DPW facilities, as well as various infrastructure projects.

**Proprietary funds.** The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The Water enterprise fund is used to account for water distribution operations. Total operating revenues amounted to \$4.9 million as compared to \$6.3 million in the prior year. Expenses decreased by \$276,000 from the prior year. After transferring out \$601,000, net position decreased by \$586,000 compared to an increase of \$220,000 in the prior year.

The Sewer enterprise fund is used to account for sewage treatment operations. Total operating revenues amounted to \$3.6 million as compared to \$4.0 million in the prior year. Expenses increased by \$400,000 from the prior year. Net position decreased by \$323,000 compared to an increase of \$177,000 in the prior year.

The Solid Waste fund is used to account for the Town's solid waste disposal operations. Total operating revenues amounted to \$4.9 million as compared to \$4.8 million in the prior year. Expenses increased by \$357,000. Net position decreased by \$996,000 compared to a decrease of \$99,000 in the prior year.

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

The final general fund budget appropriations, including transfers, were \$108.1 million which was approximately \$3.4 million higher than the original budget. The increases occurred in most departmental budgets in addition to increases in transfers out of \$1.2 million.

Total general fund revenues were higher than budgeted amounts by approximately \$3 million due to the receipt of \$915,000 of unbudgeted tax liens and conservative budgeting in other revenue categories such as motor vehicle and other excise taxes. Actual expenditures, including carryovers, were lower than budgeted amounts by approximately \$1.3 million, or 1.3%.

Virtually all departments had expenditure turnback's in addition to unexpended funds for employee benefits in the amount of \$584,000.

### **Capital Asset and Debt Administration**

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

Governmental capital assets, net of accumulated depreciation, at year end amounted to \$244.4 million which represented a net increase of \$10.9 million from the prior year. Major current additions included the senior center, police station, DPW facilities construction, vehicles, and infrastructure additions. Depreciation expense of \$12.3 million was recorded in fiscal year 2022.

Enterprise fund capital assets, net of accumulated depreciation, were valued at \$65.7 million at year end. Current year additions totaled \$3.1 million and depreciation expense of \$2.2 million was recorded.

The Town's total long-term debt decreased by \$3.8 million during the current year due to the net effect of \$4.7 million of proceeds for various governmental projects and \$8.5 million of scheduled principal payments and amortization of bond premiums.

Outstanding governmental long-term debt, as of June 30, 2022, totaled \$104.5 million, of which, \$36 million relates to school projects, \$19.4 million to police station construction, \$12.6 million to the DPW facility construction, \$9.8 million for seawall and harbor projects and \$7.5 million for the senior center.

The enterprise funds had \$17.1 million in sewer, water, and solid waste debt that is fully supported by the rates and do not rely on a general fund subsidy beyond the Town's bylaw that splits the debt service requirements of certain sewer projects on a ratio of 60% from the sewer fund and 40% from the general fund.

Please refer to footnotes 4, 6, and 7 for further discussion of the major capital asset and debt activity.

### ***Requests for Information***

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Select Board, Town Hall, 870 Moraine Street, Marshfield, Massachusetts 02050.

## ***Basic Financial Statements***

**STATEMENT OF NET POSITION**

JUNE 30, 2022

	<i>Primary Government</i>		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
<b>CURRENT:</b>			
Cash and cash equivalents.....	\$ 49,335,534	\$ 16,138,535	\$ 65,474,069
Investments.....	8,072,112	-	8,072,112
Receivables, net of allowance for uncollectibles:			
Real estate and personal property taxes.....	2,434,151	-	2,434,151
Tax liens.....	610,004	-	610,004
Motor vehicle and other excise taxes.....	665,883	-	665,883
User charges.....	-	4,066,940	4,066,940
Departmental and other.....	2,125,494	-	2,125,494
Intergovernmental.....	4,833,468	78,694	4,912,162
Special assessments.....	93,628	142,579	236,207
Total current assets.....	68,170,274	20,426,748	88,597,022
<b>NONCURRENT:</b>			
Receivables, net of allowance for uncollectibles:			
Special assessments.....	-	258,400	258,400
Capital assets, nondepreciable.....	64,149,004	11,230,597	75,379,601
Capital assets, net of accumulated depreciation.....	180,223,502	54,463,488	234,686,990
Total noncurrent assets.....	244,372,506	65,952,485	310,324,991
<b>TOTAL ASSETS.....</b>	<b>312,542,780</b>	<b>86,379,233</b>	<b>398,922,013</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to pensions.....	4,085,389	786,274	4,871,663
Deferred outflows related to other postemployment benefits.....	12,440,250	419,957	12,860,207
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES.....</b>	<b>16,525,639</b>	<b>1,206,231</b>	<b>17,731,870</b>
<b>LIABILITIES</b>			
<b>CURRENT:</b>			
Warrants payable.....	4,800,668	1,880,486	6,681,154
Accrued payroll.....	4,491,336	-	4,491,336
Tax refunds payable.....	277,000	-	277,000
Accrued interest.....	1,170,569	135,726	1,306,295
Other liabilities.....	978,472	-	978,472
Unearned revenue.....	405,381	-	405,381
Landfill closure.....	-	29,000	29,000
Compensated absences.....	1,510,000	299,000	1,809,000
Bonds payable.....	6,941,639	1,552,473	8,494,112
Total current liabilities.....	20,575,065	3,896,685	24,471,750
<b>NONCURRENT:</b>			
Landfill closure.....	-	203,000	203,000
Compensated absences.....	1,621,000	-	1,621,000
Net pension liability.....	32,222,559	6,201,558	38,424,117
Net other postemployment benefits liability.....	106,379,028	3,591,137	109,970,165
Bonds payable.....	97,547,657	15,672,879	113,220,536
Total noncurrent liabilities.....	237,770,244	25,668,574	263,438,818
<b>TOTAL LIABILITIES.....</b>	<b>258,345,309</b>	<b>29,565,259</b>	<b>287,910,568</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows related to pensions.....	8,873,797	1,707,851	10,581,648
Deferred inflows related to other postemployment benefits.....	15,523,929	524,056	16,047,985
<b>TOTAL DEFERRED INFLOWS OF RESOURCES.....</b>	<b>24,397,726</b>	<b>2,231,907</b>	<b>26,629,633</b>
<b>NET POSITION</b>			
Net investment in capital assets.....	154,412,195	49,817,853	204,230,048
Restricted for:			
Permanent funds:			
Expendable.....	1,367,791	-	1,367,791
Nonexpendable.....	1,301,958	-	1,301,958
Gifts and grants.....	3,269,576	-	3,269,576
Community preservation.....	9,272,176	-	9,272,176
Unrestricted.....	(123,298,312)	5,970,445	(117,327,867)
<b>TOTAL NET POSITION.....</b>	<b>\$ 46,325,384</b>	<b>\$ 55,788,298</b>	<b>\$ 102,113,682</b>

See notes to basic financial statements.

# STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2022

		Program Revenues				
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue	
<b>Primary Government:</b>						
<i>Governmental Activities:</i>						
General government.....	\$ 10,478,587	\$ 751,823	\$ 5,540,948	\$ 616,863	\$ (3,568,953)	
Public safety.....	20,604,932	3,267,234	382,517	-	(16,955,181)	
Education.....	85,448,819	1,323,876	31,106,505	-	(53,018,438)	
Public works.....	6,462,296	136,845	3,113,337	1,517,323	(1,694,791)	
Health and human services.....	1,873,762	62,260	79,303	-	(1,732,199)	
Culture and recreation.....	2,113,865	505,721	44,549	-	(1,563,595)	
Community preservation.....	202,958	75,000	-	853,225	725,267	
Interest.....	2,749,970	-	-	-	(2,749,970)	
Total Governmental Activities.....	129,935,189	6,122,759	40,267,159	2,987,411	(80,557,860)	
<i>Business-Type Activities:</i>						
Sewer.....	4,224,321	3,645,003	16,892	190,930	(371,496)	
Water.....	4,948,834	4,851,974	-	-	(96,860)	
Solid waste.....	5,041,301	4,909,526	-	-	(131,775)	
Total Business-Type Activities.....	14,214,456	13,406,503	16,892	190,930	(600,131)	
Total Primary Government.....	\$ 144,149,645	\$ 19,529,262	\$ 40,284,051	\$ 3,178,341	\$ (81,157,991)	

(Continued)

See notes to basic financial statements.

# STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2022

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Changes in net position:</b>			
Net (expense) revenue from previous page.....	\$ (80,557,860)	\$ (600,131)	\$ (81,157,991)
<i>General revenues:</i>			
Real estate and personal property taxes, net of tax refunds payable.....	75,161,187	-	75,161,187
Tax and other liens.....	209,388	-	209,388
Motor vehicle and other excise taxes.....	5,096,649	-	5,096,649
Community preservation tax.....	1,892,024	-	1,892,024
Penalties and interest on taxes.....	332,169	-	332,169
Grants and contributions not restricted to specific programs.....	2,955,730	-	2,955,730
Unrestricted investment income.....	132,759	160,608	293,367
Miscellaneous.....	213,749	-	213,749
<i>Transfers, net</i> .....	1,465,000	(1,465,000)	-
Total general revenues and transfers.....	87,458,655	(1,304,392)	86,154,263
Change in net position.....	6,900,795	(1,904,523)	4,996,272
<i>Net position:</i>			
Beginning of year.....	39,424,589	57,692,821	97,117,410
End of year.....	\$ 46,325,384	\$ 55,788,298	\$ 102,113,682

(Concluded)

See notes to basic financial statements.

**GOVERNMENTAL FUNDS  
BALANCE SHEET**

JUNE 30, 2022

	General	Community Preservation	Town Capital Project	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents.....	\$ 13,772,265	\$ 8,406,544	\$ 16,993,738	\$ 10,162,987	\$ 49,335,534
Investments.....	5,798,106	-	-	2,274,006	8,072,112
Receivables, net of uncollectibles:					
Real estate and personal property taxes.....	2,416,805	17,346	-	-	2,434,151
Tax liens.....	610,004	-	-	-	610,004
Motor vehicle and other excise taxes.....	665,883	-	-	-	665,883
Departmental and other.....	2,125,494	-	-	-	2,125,494
Intergovernmental.....	52,462	853,225	-	3,927,781	4,833,468
Special assessments.....	93,628	-	-	-	93,628
Due from other funds.....	36,500	-	-	-	36,500
<b>TOTAL ASSETS.....</b>	<b>\$ 25,571,147</b>	<b>\$ 9,277,115</b>	<b>\$ 16,993,738</b>	<b>\$ 16,364,774</b>	<b>\$ 68,206,774</b>
<b>LIABILITIES</b>					
Warrants payable.....	\$ 1,760,920	\$ 4,939	\$ 1,829,050	\$ 1,205,759	\$ 4,800,668
Accrued payroll.....	4,491,336	-	-	-	4,491,336
Tax refunds payable.....	277,000	-	-	-	277,000
Due to other funds.....	-	-	-	36,500	36,500
Other liabilities.....	-	-	-	978,472	978,472
Unearned revenue.....	-	-	-	405,381	405,381
<b>TOTAL LIABILITIES.....</b>	<b>6,529,256</b>	<b>4,939</b>	<b>1,829,050</b>	<b>2,626,112</b>	<b>10,989,357</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue.....	5,508,650	870,570	-	1,321,892	7,701,112
<b>FUND BALANCES</b>					
Nonspendable.....	-	-	-	1,301,958	1,301,958
Restricted.....	830,528	8,401,606	15,164,688	11,114,812	35,511,634
Assigned.....	74,549	-	-	-	74,549
Unassigned.....	12,628,164	-	-	-	12,628,164
<b>TOTAL FUND BALANCES.....</b>	<b>13,533,241</b>	<b>8,401,606</b>	<b>15,164,688</b>	<b>12,416,770</b>	<b>49,516,305</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....</b>	<b>\$ 25,571,147</b>	<b>\$ 9,277,115</b>	<b>\$ 16,993,738</b>	<b>\$ 16,364,774</b>	<b>\$ 68,206,774</b>

See notes to basic financial statements.

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

JUNE 30, 2022

Total governmental fund balances.....	\$ 49,516,305
Capital assets (net) used in governmental activities are not financial resources and, therefore, are not reported in the funds.....	244,372,506
Accounts receivable are not available to pay for current-period expenditures and, therefore, are unavailable in the funds.....	7,701,112
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 reported.....	(7,872,087)
In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.....	(1,170,569)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:	
Bonds payable.....	(104,489,296)
Net pension liability.....	(32,222,559)
Net other postemployment benefits liability.....	(106,379,028)
Compensated absences.....	<u>(3,131,000)</u>
Net effect of reporting long-term liabilities.....	<u>(246,221,883)</u>
Net position of governmental activities.....	<u>\$ 46,325,384</u>

See notes to basic financial statements.

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

YEAR ENDED JUNE 30, 2022

	General	Community Preservation	Town Capital Project	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>					
Real estate and personal property taxes, net of tax refunds.....	\$ 75,159,812	\$ -	\$ -	\$ -	\$ 75,159,812
Tax liens.....	915,469	-	-	-	915,469
Motor vehicle and other excise taxes.....	5,034,688	-	-	15,681	5,050,369
Charges for services.....	1,735,880	-	-	50,395	1,786,275
Penalties and interest on taxes.....	329,098	3,071	-	-	332,169
Intergovernmental - Teachers Retirement.....	8,139,562	-	-	-	8,139,562
Intergovernmental.....	18,249,761	928,225	-	15,313,221	34,491,207
Departmental and other.....	2,002,477	-	-	3,843,875	5,846,352
Community preservation taxes.....	-	1,794,205	-	-	1,794,205
Contributions and donations.....	-	-	-	526,559	526,559
Investment income/(loss).....	136,179	3,896	-	(7,316)	132,759
<b>TOTAL REVENUES.....</b>	<b>111,702,926</b>	<b>2,729,397</b>	<b>-</b>	<b>19,742,415</b>	<b>134,174,738</b>
<b>EXPENDITURES:</b>					
Current:					
General government.....	4,088,682	-	1,037,433	4,216,040	9,342,155
Public safety.....	13,599,330	-	11,793,998	659,380	26,052,708
Education.....	52,981,404	-	186,396	8,685,866	61,853,666
Public works.....	2,453,010	-	3,467,316	2,573,029	8,493,355
Health and human services.....	1,174,778	-	3,542,032	299,166	5,015,976
Culture and recreation.....	805,557	-	9,275	716,239	1,531,071
Community preservation.....	-	481,726	-	-	481,726
Pension benefits.....	6,956,438	-	-	-	6,956,438
Pension benefits - Teachers Retirement.....	8,139,562	-	-	-	8,139,562
Property and liability insurance.....	1,261,660	-	-	-	1,261,660
Employee benefits.....	7,865,784	-	-	-	7,865,784
State and county charges.....	1,166,201	-	-	-	1,166,201
Debt service:					
Principal.....	6,254,293	-	-	-	6,254,293
Interest.....	3,777,080	-	-	-	3,777,080
<b>TOTAL EXPENDITURES.....</b>	<b>110,523,779</b>	<b>481,726</b>	<b>20,036,450</b>	<b>17,149,720</b>	<b>148,191,675</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>1,179,147</b>	<b>2,247,671</b>	<b>(20,036,450)</b>	<b>2,592,695</b>	<b>(14,016,937)</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Issuance of bonds.....	-	-	1,900,000	600,000	2,500,000
Premium from issuance of bonds.....	-	-	197,109	11,592	208,701
Transfers in.....	539,984	-	4,183,500	17,569	4,741,053
Transfers out.....	(2,736,069)	-	-	(539,984)	(3,276,053)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>(2,196,085)</b>	<b>-</b>	<b>6,280,609</b>	<b>89,177</b>	<b>4,173,701</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>(1,016,938)</b>	<b>2,247,671</b>	<b>(13,755,841)</b>	<b>2,681,872</b>	<b>(9,843,236)</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>14,550,179</b>	<b>6,153,935</b>	<b>28,920,529</b>	<b>9,734,898</b>	<b>59,359,541</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 13,533,241</b>	<b>\$ 8,401,606</b>	<b>\$ 15,164,688</b>	<b>\$ 12,416,770</b>	<b>\$ 49,516,305</b>

See notes to basic financial statements.

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

YEAR ENDED JUNE 30, 2022

Net change in fund balances - total governmental funds.....		\$ (9,843,236)
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.		
Capital outlay.....	23,167,464	
Depreciation expense.....	<u>(12,290,878)</u>	
Net effect of reporting capital assets.....		10,876,586
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.....		
		1,196,246
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:		
Issuance of bonds.....	(2,500,000)	
Premium from issuance of bonds.....	(208,701)	
Net amortization of premium from issuance of bonds.....	754,740	
Debt service principal payments.....	<u>6,254,293</u>	
Net effect of reporting long-term debt.....		4,300,332
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.		
Net change in compensated absences accrual.....	526,000	
Net change in accrued interest on long-term debt.....	272,370	
Net change in deferred outflow/(inflow) of resources related to pensions.....	(4,682,316)	
Net change in net pension liability.....	7,565,103	
Net change in deferred outflow/(inflow) of resources related to other postemployment benefits.....	(10,338,611)	
Net change in net other postemployment benefits liability.....	<u>7,028,321</u>	
Net effect of recording long-term liabilities.....		<u>370,867</u>
Change in net position of governmental activities.....		<u>\$ 6,900,795</u>

See notes to basic financial statements.

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

JUNE 30, 2022

	Business-type Activities - Enterprise Funds			
	Water	Sewer	Solid Waste	Total
<b>ASSETS</b>				
<b>CURRENT:</b>				
Cash and cash equivalents.....	\$ 7,001,661	\$ 6,541,831	\$ 2,595,043	\$ 16,138,535
Receivables, net of allowance for uncollectibles:				
User charges.....	1,336,132	1,491,409	1,239,399	4,066,940
Intergovernmental.....	-	78,694	-	78,694
Special assessments.....	855	141,724	-	142,579
Total current assets.....	8,338,648	8,253,658	3,834,442	20,426,748
<b>NONCURRENT:</b>				
Receivables, net of allowance for uncollectibles:				
Special assessments.....	-	258,400	-	258,400
Capital assets, non depreciable.....	9,939,004	1,199,784	91,809	11,230,597
Capital assets, net of accumulated depreciation.....	26,824,993	26,322,951	1,315,544	54,463,488
Total noncurrent assets.....	36,763,997	27,781,135	1,407,353	65,952,485
<b>TOTAL ASSETS.....</b>	<b>45,102,645</b>	<b>36,034,793</b>	<b>5,241,795</b>	<b>86,379,233</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows related to pensions.....	319,996	294,972	171,306	786,274
Deferred outflows related to other postemployment benefits.....	180,012	145,549	94,396	419,957
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES.....</b>	<b>500,008</b>	<b>440,521</b>	<b>265,702</b>	<b>1,206,231</b>
<b>LIABILITIES</b>				
<b>CURRENT:</b>				
Warrants payable.....	359,905	916,266	604,315	1,880,486
Accrued interest.....	74,683	61,043	-	135,726
Landfill closure.....	-	-	29,000	29,000
Compensated absences.....	76,000	161,000	62,000	299,000
Bonds payable.....	811,971	730,502	10,000	1,552,473
Total current liabilities.....	1,322,559	1,868,811	705,315	3,896,685
<b>NONCURRENT:</b>				
Landfill closure.....	-	-	203,000	203,000
Net pension liability.....	2,523,894	2,326,524	1,351,140	6,201,558
Net other postemployment benefits liability.....	1,539,322	1,244,617	807,198	3,591,137
Bonds payable.....	8,081,053	7,591,826	-	15,672,879
Total noncurrent liabilities.....	12,144,269	11,162,967	2,361,338	25,668,574
<b>TOTAL LIABILITIES.....</b>	<b>13,466,828</b>	<b>13,031,778</b>	<b>3,066,653</b>	<b>29,565,259</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows related to pensions.....	695,057	640,703	372,091	1,707,851
Deferred inflows related to other postemployment benefits.....	224,634	181,627	117,795	524,056
<b>TOTAL DEFERRED INFLOWS OF RESOURCES.....</b>	<b>919,691</b>	<b>822,330</b>	<b>489,886</b>	<b>2,231,907</b>
<b>NET POSITION</b>				
Net investment in capital assets.....	27,870,973	20,549,527	1,397,353	49,817,853
Unrestricted.....	3,345,161	2,071,679	553,605	5,970,445
<b>TOTAL NET POSITION.....</b>	<b>\$ 31,216,134</b>	<b>\$ 22,621,206</b>	<b>\$ 1,950,958</b>	<b>\$ 55,788,298</b>

See notes to basic financial statements.

**PROPRIETARY FUNDS**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**YEAR ENDED JUNE 30, 2022**

	Business-type Activities - Enterprise Funds			
	Water	Sewer	Solid Waste	Total
<b>OPERATING REVENUES:</b>				
Charges for services.....	\$ 4,851,981	\$ 3,645,003	\$ 4,909,526	\$ 13,406,510
<b>OPERATING EXPENSES:</b>				
Salaries, wages, and fringe benefits.....	1,777,888	1,412,011	622,753	3,812,652
Maintenance and operations.....	2,105,404	1,437,655	4,258,783	7,801,842
Depreciation.....	842,657	1,196,936	159,765	2,199,358
<b>TOTAL OPERATING EXPENSES.....</b>	<b>4,725,949</b>	<b>4,046,602</b>	<b>5,041,301</b>	<b>13,813,852</b>
<b>OPERATING INCOME (LOSS).....</b>	<b>126,032</b>	<b>(401,599)</b>	<b>(131,775)</b>	<b>(407,342)</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>				
Investment income.....	111,524	24,918	24,159	160,601
Interest expense.....	(222,885)	(177,719)	-	(400,604)
Intergovernmental - subsidy.....	-	16,892	-	16,892
<b>TOTAL NONOPERATING REVENUES (EXPENSES), NET.....</b>	<b>(111,361)</b>	<b>(135,909)</b>	<b>24,159</b>	<b>(223,111)</b>
<b>INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS.....</b>	<b>14,671</b>	<b>(537,508)</b>	<b>(107,616)</b>	<b>(630,453)</b>
<b>CAPITAL CONTRIBUTIONS.....</b>	<b>-</b>	<b>190,930</b>	<b>-</b>	<b>190,930</b>
<b>TRANSFERS:</b>				
Transfers in.....	-	400,000	60,000	460,000
Transfers out.....	(600,750)	(376,000)	(948,250)	(1,925,000)
<b>TOTAL TRANSFERS.....</b>	<b>(600,750)</b>	<b>24,000</b>	<b>(888,250)</b>	<b>(1,465,000)</b>
<b>CHANGE IN NET POSITION.....</b>	<b>(586,079)</b>	<b>(322,578)</b>	<b>(995,866)</b>	<b>(1,904,523)</b>
<b>NET POSITION AT BEGINNING OF YEAR.....</b>	<b>31,802,213</b>	<b>22,943,784</b>	<b>2,946,824</b>	<b>57,692,821</b>
<b>NET POSITION AT END OF YEAR.....</b>	<b>\$ 31,216,134</b>	<b>\$ 22,621,206</b>	<b>\$ 1,950,958</b>	<b>\$ 55,788,298</b>

See notes to basic financial statements.

**PROPRIETARY FUNDS**  
**STATEMENT OF CASH FLOWS**

YEAR ENDED JUNE 30, 2022

	Business-type Activities - Enterprise Funds			
	Water	Sewer	Solid Waste	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from customers and users.....	\$ 5,064,254	\$ 3,773,543	\$ 5,024,618	\$ 13,862,415
Payments to vendors.....	(1,996,857)	(1,495,299)	(4,223,890)	(7,716,046)
Payments to employees.....	(1,683,420)	(1,204,655)	(565,730)	(3,453,805)
NET CASH FROM OPERATING ACTIVITIES.....	1,383,977	1,073,589	234,998	2,692,564
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Transfers in.....	-	400,000	60,000	460,000
Transfers out.....	(600,750)	(376,000)	(948,250)	(1,925,000)
NET CASH FROM NONCAPITAL FINANCING ACTIVITIES.....	(600,750)	24,000	(888,250)	(1,465,000)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Proceeds from the issuance of bonds.....	-	1,855,000	-	1,855,000
Premium from the issuance of bonds.....	-	145,000	-	145,000
Capital contributions.....	(75)	399,163	-	399,088
Acquisition and construction of capital assets.....	(1,839,405)	(442,877)	-	(2,282,282)
Principal payments on bonds and notes.....	(1,188,124)	(628,415)	(10,000)	(1,826,539)
Interest expense.....	(239,885)	(203,247)	(11,219)	(454,351)
NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES.....	(3,267,489)	1,124,624	(21,219)	(2,164,084)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Investment income.....	111,524	24,918	24,159	160,601
NET CHANGE IN CASH AND CASH EQUIVALENTS.....	(2,372,738)	2,247,131	(650,312)	(775,919)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR.....	9,374,399	4,294,700	3,245,355	16,914,454
CASH AND CASH EQUIVALENTS AT END OF YEAR.....	\$ 7,001,661	\$ 6,541,831	\$ 2,595,043	\$ 16,138,535
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES:</b>				
Operating income (loss).....	\$ 126,032	\$ (401,599)	\$ (131,775)	\$ (407,342)
Adjustments to reconcile operating income to net cash from operating activities:				
Depreciation.....	842,657	1,196,936	159,765	2,199,358
Deferred (outflows)/inflows related to pensions.....	366,751	338,071	196,337	901,159
Deferred (outflows)/inflows related to other postemployment benefits.....	138,616	106,068	83,836	328,520
Changes in assets and liabilities:				
User charges.....	212,273	128,540	115,092	455,905
Warrants payable.....	264,313	(59)	322,332	586,586
Accrued payroll.....	(38,148)	(24,712)	(15,813)	(78,673)
Landfill closure.....	-	-	(29,000)	(29,000)
Compensated absences.....	(6,000)	126,000	(11,000)	109,000
Net pension liability.....	(592,551)	(546,213)	(317,216)	(1,455,980)
Net other postemployment benefits liability.....	70,034	150,557	(137,560)	83,031
Total adjustments.....	1,257,945	1,475,188	366,773	3,099,906
NET CASH FROM OPERATING ACTIVITIES.....	\$ 1,383,977	\$ 1,073,589	\$ 234,998	\$ 2,692,564
<b>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:</b>				
Intergovernmental subsidy of debt service.....	\$ -	\$ 16,892	\$ -	\$ 16,892
Acquisition of capital assets on account.....	-	821,500	-	821,500

See notes to basic financial statements.

**FIDUCIARY FUNDS**  
STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2022

	Other Postemployment Benefit Trust Fund	Private Purpose Trust Fund
<b>ASSETS</b>		
Cash and cash equivalents.....	\$ 109,256	\$ 243,572
Investments:		
Equity mutual funds.....	344,747	-
Fixed income mutual funds.....	287,114	-
<b>TOTAL ASSETS.....</b>	<b>741,117</b>	<b>243,572</b>
<b>NET POSITION</b>		
Restricted for other postemployment benefits.....	741,117	-
Held in trust for other purposes.....	-	243,572
<b>TOTAL NET POSITION.....</b>	<b>\$ 741,117</b>	<b>\$ 243,572</b>

See notes to basic financial statements.

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

YEAR ENDED JUNE 30, 2022

	Other Postemployment Benefit Trust Fund	Private Purpose Trust Fund
<b>ADDITIONS:</b>		
Contributions:		
Employer contributions.....	\$ 100,000	\$ -
Employer contributions for other postemployment benefit payments.....	3,095,111	-
Private donations.....	-	266
	<u>3,195,111</u>	<u>266</u>
Total contributions.....		
	<u>3,195,111</u>	<u>266</u>
Net investment income:		
Investment income (loss).....	(53,378)	179
Less: investment expense.....	(2,412)	-
	<u>(2,412)</u>	<u>-</u>
TOTAL ADDITIONS.....	<u>3,139,321</u>	<u>445</u>
<b>DEDUCTIONS:</b>		
Other postemployment benefit payments.....	3,095,111	-
Educational scholarships.....	-	2,700
	<u>3,095,111</u>	<u>2,700</u>
TOTAL DEDUCTIONS.....		
	<u>3,095,111</u>	<u>2,700</u>
NET INCREASE (DECREASE) IN NET POSITION.....	44,210	(2,255)
NET POSITION AT BEGINNING OF YEAR.....	<u>696,907</u>	<u>245,827</u>
NET POSITION AT END OF YEAR.....	<u>\$ 741,117</u>	<u>\$ 243,572</u>

See notes to basic financial statements.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Reporting Entity**

The Town of Marshfield, Massachusetts, was incorporated in 1640, and has a Town Meeting form of government with administrative authority vested in a three-member Select Board and an appointed Town Administrator. The Town's major operations include police and fire protection, parks, library, recreation, public works, education, and general administrative services. In addition, the Town owns and operates a water system, sewer system and a solid waste transfer station.

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 the Town has no component units that require inclusion in these basic financial statements.

**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 changes in net position) report information on all of the non-fiduciary activities of the primary government and its component units.

*Governmental activities*, which are primarily supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which are supported primarily by user fees and charges.

***Fund Financial Statements***

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and displayed in a single column.

***Major Fund Criteria***

Major funds must be reported if the following criteria are met:

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

- If the total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding 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.

Fiduciary funds are reported by fund type.

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

#### *Government-Wide Financial Statements*

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

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

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

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

For the most part, the effect of interfund activity has been removed from the government-wide financial statements. Exceptions are charges between the general fund and sewer, water and solid waste enterprise funds. Elimination of these charges would distort the direct costs and program revenues reported for the functions affected.

#### *Fund Financial Statements*

**Governmental** fund financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when 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 amounts have matured or are due and payable.

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

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

The following major governmental funds are reported:

The *General fund* is the primary operating fund. It is used to account for all financial resources, except those that are required to be accounted for in another fund.

The *Community Preservation fund* is used to account for the acquisition, creation, and preservation of open space, outdoor recreation, historical resources, and affordable housing.

The *Town Capital Project fund* is used to account for construction, renovations, and major repairs of the Town.

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

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

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

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary funds principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The following major proprietary funds are reported:

The *Water enterprise fund* is used to account for water distribution operations of the department of public works that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges.

The *Sewer enterprise fund* is used to account for sewage treatment operations of the department of public works that are financed and operated in a manner similar to private business enterprises where the intent of the

governing body is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges.

The *Solid Waste enterprise fund* is used to account for the Town's solid waste disposal operations of the public works that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges.

**Fiduciary** fund financial statements are reported using the flow of economic resources measurement focus and use the accrual basis of accounting. Fiduciary funds are used to account for assets held in a trustee capacity for others that cannot be used to support the governmental programs.

The following fiduciary fund types are reported:

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

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

#### D. Cash and Investments

##### *Government-Wide and Fund Financial Statements*

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

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

#### E. Fair Value Measurements

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

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

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

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

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

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

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

#### F. Accounts Receivable

##### *Government-Wide and Fund Financial Statements*

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

##### ***Real Estate, Personal Property Taxes and Tax Liens***

Real estate and personal property taxes are levied and based on values assessed on January 1<sup>st</sup> of every year. Assessed values are established by the Board of Assessor's for 100% of the estimated fair market value. Real estate and personal property taxes are billed on a quarterly basis. The first two quarters (August 1<sup>st</sup> and November 1<sup>st</sup>) are preliminary tax bills based upon the previous year's total annual tax. The second two quarters (February 1<sup>st</sup> and May 1<sup>st</sup>) are actual tax, reflecting the current year assessment and the current tax rate. Taxes due and unpaid are subject to penalties and interest if they are not paid by the respective due date. The Town has an ultimate right to foreclose on property for which taxes have not been paid. Real estate and personal property taxes levied are recorded as receivables in the year of the levy and are recorded under the modified accrual basis of accounting.

Real estate tax liens are processed after the tax bills are sent 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 uncollectible accounts is not reported.

Personal property taxes cannot be secured through the lien process. The allowance of uncollectible accounts 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 and are recorded as receivables in the year of the levy. The Commonwealth is responsible for reporting the number of vehicles registered and the fair values of those vehicles. The tax calculation is the fair value of the vehicle multiplied by \$25 per \$1,000 of value.

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

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

***User Charges***

User fees are levied semi-annually based on individual meter readings and are subject to penalties and interest if they are not paid by the respective due date. Unbilled user fees are estimated at year-end and are recorded as revenue in the current period. Water, sewer, and solid waste liens are processed in December of every year and included as a lien on the property owner's tax bill. Water, sewer and solid waste 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 uncollectible accounts.

***Departmental and Other***

Departmental and other receivables consist primarily of ambulance charges and veterans benefits and are recorded as receivables in the year accrued. The allowance of uncollectible accounts is estimated based on historical trends and specific account analysis.

***Special Assessments***

Special assessments consist of sewer construction and particular apportioned street and water line betterments. These receivables are considered to be 100% collectible and therefore do not report an allowance for uncollectible accounts.

***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 uncollectible accounts.

**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, machinery and equipment, vehicles and infrastructure (e.g., roads, water mains, sewer mains, and similar items), are reported in the applicable governmental or business-type activity column of the government-wide financial statements, and the proprietary fund financial statements. Capital assets are recorded at historical cost, or at estimated historical cost, if actual historical cost is not available. Donated capital assets; donated works of art, historical treasures and similar assets; and capital assets received in service concession arrangements are recorded at acquisition value.

All purchases and construction costs in excess of \$25,000 are capitalized at the date of acquisition or construction, respectively, with expected useful lives of greater than one year.

Capital assets (excluding land and construction-in-progress) are depreciated on a straight-line basis over the estimated useful life of the assets. The estimated useful lives of capital assets are as follows:

<u>Capital Asset Type</u>	<u>Estimated Useful Life (in years)</u>
Buildings and improvements.....	20-40
Improvements other than buildings...	20-30
Machinery and equipment.....	3-20
Vehicles.....	5-7
Books, software and other.....	5
Infrastructure.....	20-50

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

*Governmental Fund Financial Statements*

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

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

*Fund Financial Statements*

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

J. 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, represent a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town has reported deferred outflows of resources related to pensions and OPEB 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, represent an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town has reported deferred inflows of resources related to pensions and OPEB in this category.

*Fund Financial Statements*

In addition to liabilities, the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This 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 as deferred inflows of resources in the governmental funds balance sheet.

K. Interfund Transfers

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

*Government-Wide Financial Statements*

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

*Fund Financial Statements*

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

L. 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.

Unavailable revenue at the governmental fund financial statement level represent 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 government-wide (full accrual) financial statements.

#### 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 that are not available for appropriation or are legally restricted by outside parties for a specific future use.

Net position has been “restricted for” the following:

“Permanent funds – expendable” represents the amount of realized and unrealized investment earnings of donor restricted trusts. The restrictions and trustee policies only allows the trustees to approve spending of the realized investment earnings.

“Permanent funds – nonexpendable” represent the endowment portion of donor restricted trusts.

“Gifts and Grants” represents restrictions placed on assets from outside parties.

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

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

##### *Fund Financial Statements (Fund Balances)*

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

The governmental fund balance classifications are as follows:

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

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

“Committed” fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Town’s highest level of decision-making authority. Town Meeting is the highest level of decision making authority that can, by adoption of Town Meeting warrant article, 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 general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that 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 Plymouth County Contributory Retirement System and the Massachusetts Teachers Retirement System and 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. Bonds payable are reported net of the applicable bond premium or discount.

##### *Governmental Fund Financial Statements*

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

P. Investment Income

Excluding the community preservation fund and 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).

Investment income from enterprise funds is retained in their respective funds.

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.

*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, i.e. unused reimbursable leave still outstanding following an employee's resignation or retirement.

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. 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 (the 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 of Marshfield's deposits may not be returned to it. The Town's policy limits its exposure to custodial credit risk through diversification and prudent selection of investment instruments, choice of depository, and collateralization of balances where practical.

At year-end, the carrying amount of deposits totaled \$65,633,056 and the bank balance totaled \$66,366,712. Of the bank balance, \$1,588,079 was covered by Federal Depository Insurance, \$9,546,682 was covered by Deposit Insurance Fund (DIF), and \$55,231,951 was exposed to custodial credit risk because it was uninsured and uncollateralized.

#### Investments

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

Investment Type	Fair value	Maturities		
		Under 1 Year	1-5 Years	6-10 Years
Debt securities:				
U.S. treasury bonds.....	\$ 3,316,199	\$ 1,487,735	\$ 1,828,464	\$ -
Government sponsored enterprises.....	1,146,080	384,912	660,838	100,330
Corporate bonds.....	820,020	102,033	717,987	-
Total debt securities.....	5,282,299	\$ 1,974,680	\$ 3,207,289	\$ 100,330
Other investments:				
Equity securities.....	1,581,278			
Equity mutual funds.....	344,747			
Fixed income mutual funds.....	1,495,649			
MMDT - cash portfolio.....	85,092			
Money market mutual funds.....	108,749			
Total investments.....	\$ 8,897,814			

MMDT maintains a cash portfolio with a weighted average maturity of 27 days. The Town's investment in MMDT is unrated.

#### 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. The Town's investments in debt securities and equity securities are exposed to custodial credit risk, as the related

securities are uninsured, unregistered and held by the counterparty. The shares of MMDT and open-end mutual funds are not subject to custodial credit risk because they are not evidenced by securities that exist in physical or book-entry form.

The Town does not have an investment policy for custodial credit risk.

### Interest Rate Risk

Interest rate risk exists when there is a possibility that changes in interest rates could adversely affect the fair value of the Town's investments. 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 restricts investments to only the following: obligations of the U.S. Government and foreign governments and their agencies or instrumentalities, banks (including certificates of deposit, time deposits, and bankers' acceptances located in the U.S.), short-term debt obligations, and overnight and term repurchase agreements and reverse purchase agreements secured by any of the obligations previously listed. The Treasurer may invest in MMDT.

The Town's investments at June 30, 2022, were rated as follows:

Quality Rating	Government Sponsored Enterprises	Corporate Bonds	Total
AAA.....	\$ 36,669	\$ -	\$ 36,669
AA+.....	1,109,411	-	1,109,411
AA-.....	-	25,159	25,159
A+.....	-	224,347	224,347
A.....	-	114,982	114,982
A-.....	-	109,525	109,525
BBB+.....	-	108,637	108,637
BBB.....	-	237,370	237,370
Total.....	<u>\$ 1,146,080</u>	<u>\$ 820,020</u>	<u>\$ 1,966,100</u>

### Concentration of Credit Risk

The Town restricts holdings to no more than 10% of the net investment in securities of any one issuer, except investments in securities of the U.S. Government, its agencies or instrumentalities, or in repurchase agreements collateralized fully by such obligations. No more than 25% may be invested in any one industry except there is no limitation on the percentage that may be invested in the financial services industry. With the exception of U.S. Treasury obligations or investments fully collateralized by U.S. Treasuries or agencies, and MMDT, no more than 10% of the Town's investments shall be invested in a single financial institution.

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 Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair values of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Town has the following recurring fair value measurements as of June 30, 2022:

		Fair Value Measurements Using		
Investment Type	June 30, 2022	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Investments measured at fair value:</b>				
<u>Debt securities:</u>				
U.S. treasury bonds.....	\$ 3,316,199	\$ 3,316,199	\$ -	\$ -
Government sponsored enterprises.....	1,146,080	1,146,080	-	-
Corporate bonds.....	820,020	-	820,020	-
Total debt securities.....	5,282,299	4,462,279	820,020	-
<u>Other investments:</u>				
Equity securities.....	1,581,278	1,581,278	-	-
Equity mutual funds.....	344,747	344,747	-	-
Fixed income mutual funds.....	1,495,649	1,495,649	-	-
Money market mutual funds.....	108,749	108,749	-	-
Total other investments.....	3,530,423	3,530,423	-	-
Total investments measured at fair value.....	8,812,722	\$ 7,992,702	\$ 820,020	\$ -
<b>Investments measured at amortized cost:</b>				
MMDT - cash portfolio.....	85,092			
Total investments.....	\$ 8,897,814			

U.S. treasury bonds, government sponsored enterprise, equity securities, equity mutual funds, fixed income mutual funds, 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. Corporate bonds 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' relations to benchmark quoted prices.

MMDT 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 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.

### NOTE 3 – RECEIVABLES

At June 30, 2022, receivables for the individual major and nonmajor governmental funds in the aggregate, including the applicable allowances for uncollectible accounts, were as follows:

	Gross Amount	Allowance for Uncollectibles	Net Amount
<u>Receivables:</u>			
Real estate and personal property taxes...	\$ 2,485,451	\$ (51,300)	\$ 2,434,151
Tax liens.....	610,004	-	610,004
Motor vehicle and other excise taxes.....	959,183	(293,300)	665,883
Departmental and other.....	2,462,894	(337,400)	2,125,494
Intergovernmental.....	4,833,468	-	4,833,468
Special assessments.....	93,628	-	93,628
Total.....	\$ <u>11,444,628</u>	\$ <u>(682,000)</u>	\$ <u>10,762,628</u>

At June 30, 2022, receivables for the sewer, water, and solid waste enterprise funds consisted of the following:

	Gross Amount	Allowance for Uncollectibles	Net Amount
<u>Receivables:</u>			
Water user charges.....	\$ 1,336,132	\$ -	\$ 1,336,132
Water special assessments.....	855	-	855
Sewer user charges.....	1,491,409	-	1,491,409
Sewer intergovernmental.....	78,694	-	78,694
Sewer special assessments.....	400,124	-	400,124
Solid waste user charges.....	1,239,399	-	1,239,399
Total.....	\$ <u>4,546,613</u>	\$ <u>-</u>	\$ <u>4,546,613</u>

Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current year, the various components of unavailable revenue reported in the governmental funds were as follows on the next page.

	General Fund	Other Governmental Funds	Total
<u>Receivables and other asset types:</u>			
Real estate and personal property taxes.... \$	2,013,641	\$ 121,674	\$ 2,135,315
Tax liens.....	610,004	-	610,004
Motor vehicle and other excise taxes.....	665,883	-	665,883
Departmental and other.....	2,125,494	-	2,125,494
Intergovernmental.....	-	2,070,788	2,070,788
Special assessments.....	93,628	-	93,628
Total.....	<u>\$ 5,508,650</u>	<u>\$ 2,192,462</u>	<u>\$ 7,701,112</u>

**NOTE 4 – CAPITAL ASSETS**

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

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
<u>Capital assets not being depreciated:</u>				
Land..... \$	28,356,960	\$ -	\$ -	\$ 28,356,960
Construction in progress.....	17,414,905	20,086,032	(1,708,893)	35,792,044
Total capital assets not being depreciated..	45,771,865	20,086,032	(1,708,893)	64,149,004
<u>Capital assets being depreciated:</u>				
Improvements other than buildings.....	5,258,225	-	-	5,258,225
Buildings and improvements.....	205,382,767	1,018,484	-	206,401,251
Machinery and equipment.....	20,690,512	-	-	20,690,512
Vehicles.....	10,875,077	467,420	-	11,342,497
Books, software and other.....	6,999,706	268,486	-	7,268,192
Infrastructure.....	87,754,780	3,035,935	-	90,790,715
Total capital assets being depreciated.....	336,961,067	4,790,325	-	341,751,392
<u>Less accumulated depreciation for:</u>				
Improvements other than buildings.....	(448,831)	(48,236)	-	(497,067)
Buildings and improvements.....	(82,308,669)	(8,314,750)	-	(90,623,419)
Machinery and equipment.....	(15,672,763)	(509,104)	-	(16,181,867)
Vehicles.....	(7,119,887)	(974,323)	-	(8,094,210)
Books, software and other.....	(5,133,814)	(390,219)	-	(5,524,033)
Infrastructure.....	(38,553,048)	(2,054,246)	-	(40,607,294)
Total accumulated depreciation.....	(149,237,012)	(12,290,878)	-	(161,527,890)
Total capital assets being depreciated, net.....	187,724,055	(7,500,553)	-	180,223,502
Total governmental activities capital assets, net.... \$	<u>233,495,920</u>	<u>\$ 12,585,479</u>	<u>\$ (1,708,893)</u>	<u>\$ 244,372,506</u>

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-Type Activities:</b>				
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 7,452,270	\$ -	\$ -	\$ 7,452,270
Construction in progress.....	1,743,329	2,034,998	-	3,778,327
Total capital assets not being depreciated....	9,195,599	2,034,998	-	11,230,597
<u>Capital assets being depreciated:</u>				
Buildings and improvements.....	16,360,502	-	-	16,360,502
Machinery and equipment.....	7,752,652	469,033	-	8,221,685
Vehicles.....	2,458,920	-	-	2,458,920
Infrastructure.....	94,908,370	599,751	-	95,508,121
Total capital assets being depreciated.....	121,480,444	1,068,784	-	122,549,228
<u>Less accumulated depreciation for:</u>				
Buildings and improvements.....	(11,860,239)	(436,245)	-	(12,296,484)
Machinery and equipment.....	(6,654,055)	(157,476)	-	(6,811,531)
Vehicles.....	(1,685,573)	(96,901)	-	(1,782,474)
Infrastructure.....	(45,686,515)	(1,508,736)	-	(47,195,251)
Total accumulated depreciation.....	(65,886,382)	(2,199,358)	-	(68,085,740)
Total capital assets being depreciated, net.....	55,594,062	(1,130,574)	-	54,463,488
Total business-type activities capital assets, net....	\$ 64,789,661	\$ 904,424	\$ -	\$ 65,694,085

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

**Governmental Activities:**

General government.....	\$ 1,228,365
Public safety.....	1,210,834
Education.....	6,939,967
Public works.....	2,544,042
Health and human services.....	24,621
Culture and recreation.....	343,049

Total depreciation expense - governmental activities.... \$ 12,290,878

**Business-Type Activities:**

Water.....	\$ 842,657
Sewer.....	1,196,936
Solid waste.....	159,765

Total depreciation expense - business-type activities... \$ 2,199,358

**NOTE 5 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

At June 30, 2022, the Town had an interfund receivable and payable of \$36,500 between the general fund and the nonmajor chapter 90 fund. The purpose of the balance was to meet temporary cash flow needs which will be funded by future grant proceeds.

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

Transfers Out:	Transfers In:					Total
	General fund	Town Capital Project fund	Nonmajor governmental funds	Sewer enterprise fund	Solid waste enterprise fund	
General fund.....	\$ -	\$ 2,718,500	\$ 17,569	\$ -	\$ -	\$ 2,736,069 (1)
Nonmajor governmental funds.....	539,984	-	-	-	-	539,984 (2)
Water enterprise fund.....	-	600,750	-	-	-	600,750 (3)
Sewer enterprise fund.....	-	316,000	-	-	60,000	376,000 (4)
Solid waste enterprise fund.....	-	548,250	-	400,000	-	948,250 (5)
Total.....	\$ 539,984	\$ 4,183,500	\$ 17,569	\$ 400,000	\$ 60,000	\$ 5,201,053

- (1) Represents budgeted transfers from the general fund to the Town capital projects fund and nonmajor governmental fund.
- (2) Represents budgeted transfers from the nonmajor governmental funds to the general fund to support the operating budget.
- (3) Represents transfers from the water enterprise fund to the Town capital project fund for the new DPW building.
- (4) Represents transfers from the sewer enterprise fund to the Town capital project fund for the new DPW building and a transfer to the solid waste fund for a reallocation of resources.
- (5) Represents a transfer from solid waste enterprise fund to the Town capital project fund for the new DPW building and a transfer to the sewer enterprise fund for a reallocation of resources.

**NOTE 6 – 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 of the Town and carry maturity dates that are limited by statute. Interest expenditures for short-term borrowings are accounted for in the general fund and the enterprise funds, where applicable.

Details related to the Town's short-term debt activity for the year ended June 30, 2022, was as follows:

Type	Purpose	Rate (%)	Due Date	Balance at June 30, 2021	Renewed/ Issued	Retired/ Redeemed	Balance at June 30, 2022
<b>Governmental Funds:</b>							
BAN	Municipal Purpose.....	3.00%	07/23/21	\$ 341,714	\$ -	\$ (341,714)	\$ -
BAN	Municipal Purpose.....	3.00%	07/23/21	118,011	-	(118,011)	-
BAN	Munis software update.....	1.00%	07/22/22	-	1,150,000	(1,150,000)	-
BAN	Elementary School fire alarm system.....	1.00%	07/22/22	-	600,000	(600,000)	-
BAN	Harbormaster Damon's Point & South River....	1.00%	07/22/22	-	87,000	(87,000)	-
BAN	Harbormaster patrol boat.....	1.00%	07/22/22	-	68,000	(68,000)	-
BAN	Cemetery expansion.....	1.00%	07/22/22	-	100,000	(100,000)	-
BAN	DPW dump truck.....	1.00%	07/22/22	-	195,000	(195,000)	-
BAN	Road reconstruction.....	1.00%	07/22/22	-	220,000	(220,000)	-
BAN	DPW bombardier.....	1.00%	07/22/22	-	80,000	(80,000)	-
Total Governmental Funds.....				459,725	2,500,000	(2,959,725)	-
<b>Business-Type Funds:</b>							
BAN	Water.....	3.00%	07/23/21	414,000	-	(414,000)	-
BAN	Sewer.....	3.00%	07/22/22	-	2,000,000	(2,000,000)	-
Total Business-Type Funds.....				414,000	2,000,000	(2,414,000)	-
Total Short-Term Debt.....				\$ 873,725	\$ 4,500,000	\$ (5,373,725)	\$ -

On the scheduled due date of July 22, 2022, \$4.5 million of BANS were converted to long-term debt and have been presented as such in these financial statements.

## NOTE 7 – 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".

The Town's bylaws currently provide for a split between the general fund and the sewer fund for the debt service requirements of certain (issuances prior to fiscal year 2006) sewer long-term debt. The general fund and the sewer fund are each responsible for their 40% and 60% share of the debt service, respectively.

Details related to the Town's outstanding general obligation indebtedness at June 30, 2022, and the debt service requirements follow.

### Bonds Payable Schedule – Governmental Funds

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2021	Issued	Redeemed	Outstanding at June 30, 2022
<b>General Obligation Bonds Payable:</b>							
Municipal Purpose Bonds 2012.....	2032	\$ 3,892,000	2.43	\$ 2,027,869	\$ -	\$ 179,067	\$ 1,848,802
Qualified Energy Conservation Bonds 2013....	2023	5,000,000	3.03	1,000,000	-	500,000	500,000
Municipal Purpose Bonds 2013.....	2033	28,790,000	2.43	16,657,131	-	1,390,449	15,266,682
Municipal Purpose Bonds 2014.....	2035	27,106,000	3.00 - 5.00	17,545,000	-	1,345,000	16,200,000
Municipal Purpose Bonds 2016.....	2037	7,852,500	2.00 - 5.00	5,636,254	-	420,509	5,215,745
Municipal Purpose Bonds 2017.....	2028	6,607,500	4.00 - 5.00	3,815,000	-	885,000	2,930,000
Municipal Purpose Bonds 2018.....	2039	2,792,000	3.00 - 5.00	2,500,000	-	145,000	2,355,000
Municipal Purpose Bonds 2019.....	2039	3,200,000	3.00 - 5.00	2,985,000	-	210,000	2,775,000
Municipal Purpose Bonds 2020.....	2049	9,894,000	2.00 - 5.00	9,894,000	-	454,000	9,440,000
Municipal Purpose Bonds 2020.....	2050	20,100,500	2.00 - 5.00	19,690,000	-	415,000	19,275,000
Municipal Purpose Bonds 2021.....	2051	18,881,750	2.00 - 5.00	18,881,750	-	108,750	18,773,000
Municipal Purpose Bonds 2021.....	2042	2,149,000	2.00 - 5.00	2,149,000	-	-	2,149,000
Municipal Purpose Bonds 2022.....	2043	2,500,000	4.00 - 5.00	-	2,500,000	-	2,500,000
Subtotal General Obligation Bonds Payable.....				102,781,004	2,500,000	6,052,775	99,228,229
<b>Direct Borrowings Payable:</b>							
MCWT Sewer Bonds 2005.....	2023	3,380,916	0.00	386,838	-	191,518	195,320
MCWT Bonds 2013.....	2035	200,000	0.00	140,000	-	10,000	130,000
Subtotal Direct Borrowings Payable.....				526,838	-	201,518	325,320
Long Term Debt Payable.....				103,307,842	2,500,000	6,254,293	99,553,549
Add: Unamortized premium on bonds.....				5,481,786	208,701	754,740	4,935,747
Total Long Term Debt, net.....				\$ 108,789,628	\$ 2,708,701	\$ 7,009,033	\$ 104,489,296

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

Year	General Obligation Bonds Payable			Direct Borrowings		Grand Total
	Principal	Interest	Total	Principal		
2023.....	\$ 6,056,329	\$ 3,144,921	\$ 9,201,250	\$ 205,320	\$	9,406,570
2024.....	5,714,184	3,163,273	8,877,457	10,000		8,887,457
2025.....	5,781,078	2,777,933	8,559,011	10,000		8,569,011
2026.....	5,814,258	2,494,762	8,309,020	10,000		8,319,020
2027.....	5,762,479	2,246,342	8,008,821	10,000		8,018,821
2028.....	5,685,739	2,037,765	7,723,504	10,000		7,733,504
2029.....	5,262,788	1,819,979	7,082,767	10,000		7,092,767
2030.....	5,319,880	1,615,401	6,935,281	10,000		6,945,281
2031.....	5,345,762	1,413,270	6,759,032	10,000		6,769,032
2032.....	5,324,188	1,228,222	6,552,410	10,000		6,562,410
2033.....	5,092,827	1,063,834	6,156,661	10,000		6,166,661
2034.....	3,545,237	918,112	4,463,349	10,000		4,473,349
2035.....	3,411,484	839,285	4,250,769	10,000		4,260,769
2036.....	2,335,746	768,490	3,104,236	-		3,104,236
2037.....	2,302,500	708,265	3,010,765	-		3,010,765
2038.....	2,170,000	668,124	2,838,124	-		2,838,124
2039.....	2,212,500	612,598	2,825,098	-		2,825,098
2040.....	1,963,750	558,652	2,522,402	-		2,522,402
2041.....	1,951,250	505,790	2,457,040	-		2,457,040
2042.....	1,992,500	492,231	2,484,731	-		2,484,731
2043.....	1,898,750	440,889	2,339,639	-		2,339,639
2044.....	1,870,000	352,962	2,222,962	-		2,222,962
2045.....	1,902,500	304,686	2,207,186	-		2,207,186
2046.....	1,938,750	255,394	2,194,144	-		2,194,144
2047.....	1,975,000	203,169	2,178,169	-		2,178,169
2048.....	2,011,250	149,587	2,160,837	-		2,160,837
2049.....	1,917,500	98,110	2,015,610	-		2,015,610
2050.....	1,792,500	52,351	1,844,851	-		1,844,851
2051.....	877,500	9,324	886,824	-		886,824
Total.....	\$ 99,228,229	\$ 30,943,721	\$ 130,171,950	\$ 325,320	\$	130,497,270

The Town is scheduled to be subsidized by the Massachusetts Clean Water Trust (MCWT) on a periodic basis for principal in the amount of \$52,462 and interest costs for \$4,658. Thus, net MCWT loan repayments, including interest, are scheduled to be \$142,858. The principal subsidies are guaranteed and therefore a \$52,462 intergovernmental receivable and corresponding revenue have been reported in the General Fund. Since the Town is legally obligated for the total amount of the debt, such amounts have been reported in the accompanying basic financial statements. Principal and interest subsidies totaled \$49,871 and \$11,261, respectively in 2022.

**Bonds Payable Schedule – Sewer Enterprise Fund**

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2021	Issued	Redeemed	Outstanding at June 30, 2022
<b>General Obligation Bonds Payable:</b>							
Municipal Purpose Bonds 2016.....	2037	\$ 1,521,000	2.00 - 5.00	\$ 1,200,000	\$ -	\$ 80,000	\$ 1,120,000
Municipal Purpose Bonds 2021.....	2041	1,716,000	2.00 - 5.00	1,716,000	-	91,000	1,625,000
Municipal Purpose Bonds 2022.....	2043	1,855,000	4.00 - 5.00	-	1,855,000	-	1,855,000
Subtotal General Obligation Bonds Payable.....				2,916,000	1,855,000	171,000	4,600,000
<b>Direct Borrowings Payable:</b>							
MCWT Bonds 2005.....	2023	5,071,373	2.00	580,255	-	287,278	292,977
MCWT Bonds 2013.....	2033	5,450,000	2.00	3,546,186	-	261,835	3,284,351
Subtotal Direct Borrowings Payable.....				4,126,441	-	549,113	3,577,328
Long Term Debt Payable.....				7,042,441	1,855,000	720,113	8,177,328
Add: Unamortized premium on bonds.....				-	145,000	-	145,000
Total Long Term Debt, net.....				\$ 7,042,441	\$ 1,855,000	\$ 720,113	\$ 8,322,328

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

Year	General Obligation Bonds Payable			Direct Borrowings			Grand Total
	Principal	Interest	Total	Principal	Interest	Total	
2023.....	\$ 170,000	\$ 75,737	\$ 245,737	\$ 560,502	\$ 72,675	\$ 633,177	\$ 878,914
2024.....	185,000	193,462	378,462	273,340	60,337	333,677	712,139
2025.....	225,000	144,612	369,612	279,280	54,870	334,150	703,762
2026.....	230,000	135,237	365,237	285,350	49,284	334,634	699,871
2027.....	230,000	125,737	355,737	291,552	43,577	335,129	690,866
2028.....	230,000	116,112	346,112	297,888	37,746	335,634	681,746
2029.....	235,000	106,737	341,737	304,363	31,788	336,151	677,888
2030.....	235,000	97,612	332,612	310,978	25,701	336,679	669,291
2031.....	240,000	88,362	328,362	317,736	19,482	337,218	665,580
2032.....	240,000	78,862	318,862	324,642	13,127	337,769	656,631
2033.....	245,000	70,812	315,812	331,697	6,634	338,331	654,143
2034.....	250,000	63,743	313,743	-	-	-	313,743
2035.....	255,000	56,382	311,382	-	-	-	311,382
2036.....	260,000	48,725	308,725	-	-	-	308,725
2037.....	265,000	41,326	306,326	-	-	-	306,326
2038.....	200,000	34,250	234,250	-	-	-	234,250
2039.....	205,000	27,850	232,850	-	-	-	232,850
2040.....	210,000	21,250	231,250	-	-	-	231,250
2041.....	215,000	14,450	229,450	-	-	-	229,450
2042.....	135,000	8,300	143,300	-	-	-	143,300
2043.....	140,000	2,800	142,800	-	-	-	142,800
Total.....	\$ 4,600,000	\$ 1,552,358	\$ 6,152,358	\$ 3,577,328	\$ 415,221	\$ 3,992,549	\$ 10,144,907

The Town is scheduled to be subsidized by the Massachusetts Clean Water Trust (MCWT) on a periodic basis for principal in the amount of \$78,694 and interest costs for \$6,988. Thus, net MCWT loan repayments, including interest, are scheduled to be \$214,283. The principal subsidies are guaranteed and therefore a \$78,694 intergovernmental receivable and corresponding revenue have been reported in sewer enterprise fund. Since the Town is legally obligated for the total amount of the debt, such amounts have been reported in the accompanying basic financial statements. Principal and interest subsidies totaled \$74,806 and \$16,892, respectively in 2022.

**Bonds Payable Schedule – Water Enterprise Fund**

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2021	Issued	Redeemed	Outstanding at June 30, 2022
<b>General Obligation Bonds Payable:</b>							
Municipal Purpose Bonds 2011.....	2026	\$ 3,492,000	2.00 - 5.00	\$ 775,000	\$ -	\$ 155,000	\$ 620,000
Municipal Purpose Bonds 2012.....	2033	1,685,000	2.43	1,011,000	-	84,250	926,750
Municipal Purpose Bonds 2013.....	2033	1,280,000	2.43	554,000	-	80,750	473,250
Municipal Purpose Bonds 2014.....	2038	616,000	3.00 - 5.00	350,000	-	40,000	310,000
Municipal Purpose Bonds 2016.....	2037	1,380,600	2.00 - 5.00	1,035,000	-	75,000	960,000
Municipal Purpose Bonds 2017.....	2028	1,039,500	4.00 - 5.00	700,000	-	100,000	600,000
Municipal Purpose Bonds 2020.....	2050	2,179,500	2.00 - 5.00	2,135,000	-	45,000	2,090,000
Municipal Purpose Bonds 2021.....	2042	586,000	2.00 - 5.00	586,000	-	-	586,000
Municipal Purpose Bonds 2021.....	2051	1,888,250	2.00 - 5.00	1,888,250	-	11,250	1,877,000
Total Bonds Payable.....				9,034,250	-	591,250	8,443,000
<b>Direct Borrowings Payable:</b>							
MCWT Bonds 2009.....	2024	2,500,000	2.00	559,779	-	182,874	376,905
Long Term Debt Payable.....				9,594,029	-	774,124	8,819,905
Add: Unamortized premium on bonds.....				89,848	-	16,729	73,119
Total Long Term Debt, net.....				\$ 9,683,877	\$ -	\$ 790,853	\$ 8,893,024

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

Year	General Obligation Bonds Payable			Direct Borrowings			Grand Total
	Principal	Interest	Total	Principal	Interest	Total	
2023.....	\$ 611,000	\$ 263,172	\$ 874,172	\$ 186,568	\$ 5,672	\$ 192,240	\$ 1,066,412
2024.....	600,000	224,730	824,730	190,337	1,909	192,246	1,016,976
2025.....	590,000	197,370	787,370	-	-	-	787,370
2026.....	588,750	172,034	760,784	-	-	-	760,784
2027.....	437,500	149,609	587,109	-	-	-	587,109
2028.....	441,250	134,734	575,984	-	-	-	575,984
2029.....	346,250	120,259	466,509	-	-	-	466,509
2030.....	356,250	108,234	464,484	-	-	-	464,484
2031.....	362,500	96,115	458,615	-	-	-	458,615
2032.....	361,250	85,453	446,703	-	-	-	446,703
2033.....	366,250	75,634	441,884	-	-	-	441,884
2034.....	243,750	68,964	312,714	-	-	-	312,714
2035.....	250,750	64,308	315,058	-	-	-	315,058
2036.....	233,750	59,663	293,413	-	-	-	293,413
2037.....	237,500	55,426	292,926	-	-	-	292,926
2038.....	180,000	51,112	231,112	-	-	-	231,112
2039.....	182,500	47,403	229,903	-	-	-	229,903
2040.....	186,250	43,642	229,892	-	-	-	229,892
2041.....	193,750	39,652	233,402	-	-	-	233,402
2042.....	197,500	35,545	233,045	-	-	-	233,045
2043.....	161,250	31,774	193,024	-	-	-	193,024
2044.....	165,000	28,320	193,320	-	-	-	193,320
2045.....	167,500	24,785	192,285	-	-	-	192,285
2046.....	171,250	21,198	192,448	-	-	-	192,448
2047.....	175,000	17,351	192,351	-	-	-	192,351
2048.....	178,750	13,384	192,134	-	-	-	192,134
2049.....	182,500	9,332	191,832	-	-	-	191,832
2050.....	187,500	5,182	192,682	-	-	-	192,682
2051.....	87,500	931	88,431	-	-	-	88,431
Total.....	\$ 8,443,000	\$ 2,245,316	\$ 10,688,316	\$ 376,905	\$ 7,581	\$ 384,486	\$ 11,072,802

**Bonds Payable Schedule – Solid Waste Enterprise Fund**

Project	Maturities Through	Original Loan Amount	Interest Rate (%)	Outstanding at June 30, 2021	Issued	Redeemed	Outstanding at June 30, 2022
Municipal Purpose Bonds 2017.....	2028	\$ 50,000	4.00 - 5.00	\$ 20,000	\$ -	\$ 10,000	\$ 10,000

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

Year	General Obligation Bonds Payable		
	Principal	Interest	Total
2023.....	\$ 10,000	\$ 250	\$ 10,250

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
High School Construction.....	\$ 4,271,339
Seawalls.....	2,000,000
Plymouth Ave. Sewer Force Main Repair & Improvement....	1,000,000
Green Harbor & South River Dredging.....	900,000
Furnace Brook Middle School.....	891,703
Police Facility Construction.....	650,000
DPW Facility Construction.....	650,000
Beach Nourishment.....	375,000
Annual Police Cruiser.....	185,000
School Entrance Safety Upgrades.....	150,000
Water Main Upgrades.....	120,000
School Concrete, Brick, & Flashing Repair.....	120,000
School Bituminous Paving.....	100,000
Cemetery Expansion.....	100,000
School Phone System Upgrade.....	80,000
School Bus.....	70,000
Carpenter's Van.....	65,000
Electric Pickup Truck (Assessors).....	60,000
Electric Pickup Truck (Building and Zoning).....	60,000
Land Acquisition.....	50,000
Old Ocean Street Culvert Rehabilitation.....	50,000
NPDES Permit BMP Implementation.....	50,000
Dredging.....	250
Total.....	\$ 11,998,292

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
<b>Governmental Activities:</b>							
Long-term general obligation bonds payable.....	\$ 102,781,004	\$ 2,500,000	\$ (6,052,775)	\$ -	\$ -	\$ 99,228,229	\$ 6,056,329
Long-term direct borrowing payable.....	526,838	-	(201,518)	-	-	325,320	205,320
Add: Unamortized premium on bonds.....	5,481,786	208,701	(754,740)	-	-	4,935,747	679,990
Total bonds payable.....	108,789,628	2,708,701	(7,009,033)	-	-	104,489,296	6,941,639
Compensated absences.....	3,657,000	-	-	1,344,000	(1,870,000)	3,131,000	1,510,000
Net pension liability.....	39,787,662	-	-	5,832,680	(13,397,783)	32,222,559	-
Net other postemployment benefits liability.....	113,407,349	-	-	6,691,075	(13,719,396)	106,379,028	-
Total governmental activity long-term liabilities.....	\$ 265,641,639	\$ 2,708,701	\$ (7,009,033)	\$ 13,867,755	\$ (28,987,179)	\$ 246,221,883	\$ 8,451,639
<b>Business-Type Activities:</b>							
Long-term general obligation bonds payable.....	\$ 11,970,250	\$ 1,855,000	\$ (772,250)	\$ -	\$ -	\$ 13,053,000	\$ 791,000
Long-term direct borrowing payable.....	4,686,220	-	(731,987)	-	-	3,954,233	747,070
Add: Unamortized premium on bonds.....	89,848	145,000	(16,729)	-	-	218,119	14,403
Total bonds payable.....	16,746,318	2,000,000	(1,520,966)	-	-	17,225,352	1,552,473
Landfill closure.....	261,000	-	-	-	(29,000)	232,000	29,000
Compensated absences.....	190,000	-	-	299,000	(190,000)	299,000	299,000
Net pension liability.....	7,657,538	-	-	1,122,558	(2,578,538)	6,201,558	-
Net other postemployment benefits liability.....	3,508,106	-	-	187,031	(104,000)	3,591,137	-
Total business-type activity long-term liabilities.....	\$ 28,362,962	\$ 2,000,000	\$ (1,520,966)	\$ 1,608,589	\$ (2,901,538)	\$ 27,549,047	\$ 1,880,473

The governmental activities long-term liabilities are generally liquidated by the general fund. Business-type activities long-term liabilities are liquidated by each respective fund.

**NOTE 8 – GOVERNMENTAL FUND BALANCE CLASSIFICATIONS**

The Town adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as part of its year 2011 reporting. The intention of the GASB is to provide a more structured classification of fund balance and to improve the usefulness of fund balance reporting to the users of the Town's financial statements. The reporting standard establishes a hierarchy for fund balance classifications and the constraints imposed on the uses of those resources.

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 appropriation from the fund requires a two-thirds vote of the legislative body. At year end the balance of the general stabilization fund was \$5.9 million and was reported as unassigned fund balance within the general fund.

GASB 54 provides for 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, GASB 54 has provided a hierarchy of spendable fund balances, based on a hierarchy of spending constraints:

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

As of June 30, 2022, the governmental fund balances consisted of the following:

	General	Community Preservation fund	Town Capital Project	Nonmajor Governmental Funds	Total Governmental Funds
Fund Balances:					
Nonspendable:					
Permanent fund principal..... \$	-	\$ -	\$ -	\$ 1,301,958	\$ 1,301,958
Restricted for:					
Debt exclusion.....	830,528	-	-	-	830,528
Community preservation fund.....	-	8,401,606	-	-	8,401,606
Town capital projects.....	-	-	15,164,688	-	15,164,688
School state and federal grants...	-	-	-	1,889,091	1,889,091
Town state and federal grants.....	-	-	-	1,380,485	1,380,485
Airport.....	-	-	-	330,184	330,184
Town general revolving.....	-	-	-	2,305,912	2,305,912
School general revolving.....	-	-	-	1,629,088	1,629,088
Student activity.....	-	-	-	194,533	194,533
Other special revenue.....	-	-	-	849,511	849,511
High School capital projects.....	-	-	-	1,168,217	1,168,217
Permanent fund.....	-	-	-	1,367,791	1,367,791
Assigned to:					
Selectboard.....	447	-	-	-	447
Town accountant.....	5,088	-	-	-	5,088
Treasurer/collector.....	21,227	-	-	-	21,227
Public safety.....	611	-	-	-	611
Education.....	30,321	-	-	-	30,321
Public works.....	1,004	-	-	-	1,004
Health and human services.....	5,075	-	-	-	5,075
Business insurance.....	872	-	-	-	872
Employee benefits.....	6,694	-	-	-	6,694
Unclassified.....	710	-	-	-	710
Debt service interest.....	2,500	-	-	-	2,500
Unassigned.....	12,628,164	-	-	-	12,628,164
Total Fund Balances..... \$	<u>13,533,241</u>	<u>\$ 8,401,606</u>	<u>\$ 15,164,688</u>	<u>\$ 12,416,770</u>	<u>\$ 49,516,305</u>

**NOTE 9 – RISK FINANCING**

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Town carries commercial insurance. The amount of claim settlements has not exceeded insurance coverage in any of the previous three years.

The Town joined the Plymouth County Health Plan effective July 1, 1998. This health plan subsequently changed from a county administered plan to a joint purchase agreement (the “JPA”) and became known as the Mayflower Municipal Health Group. The purpose of the JPA is for the joint negotiation and purchase of health coverage with insurance carriers. Under these agreements, the insurance claims of the covered employees are paid for by the insurance carrier and are subsequently reimbursed by the JPA. The JPA charges monthly premiums to each governmental unit based upon requirements established through underwriting and actuarial estimates. In addition, the JPA provides full reinsurance coverage for all claim costs in excess of \$250,000 per covered employee.

In the event of the dissolution of the JPA or if the assets of the JPA are insufficient to pay claims which occur, the Town remains liable for its proportionate share. At June 30, 2021 (based on the most recent audited information available), the Mayflower Municipal Health Group had an IBNR accrual of \$5.9 million and an ending net position of approximately \$38.4 million which appears sufficient to support its ongoing claim liabilities.

**NOTE 10 – PENSION PLAN***Plan Descriptions*

The Town is a member of the Plymouth County Contributory Retirement System (PCCRS), a cost-sharing multiple-employer defined benefit pension plan covering eligible employees of the 59 member units. The PCCRS is administered by five board members (Board) on behalf of all current employees and retirees except for current teachers and retired teachers. Chapter 32 of the MGL assigns authority to establish and amend benefit provisions of the plan. The audited financial report may be obtained by visiting <http://www.pcr-ma.org>.

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

*Special Funding Situation*

The Commonwealth is a nonemployer contributor and is required by statute to make 100% of all actuarially determined employer contributions on behalf of the Town to the MTRS. Therefore, the Town is considered to be in a special funding situation as defined by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and the Commonwealth is a nonemployer contributor in MTRS. Since the Town does not contribute directly to MTRS, there is no net pension liability to recognize. The total of the Commonwealth provided contributions have been allocated based on each employer’s covered payroll to the total covered payroll of employers in MTRS as of the measurement date of June 30, 2021. The Town’s portion of the collective pension expense, contributed by the Commonwealth, of \$8,139,562 is reported in the general fund as intergovernmental revenue and pension expense in the current year. The portion of the Commonwealth’s collective net pension liability associated with the Town is \$101,432,831 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 PCCRS a legislatively mandated actuarial determined contribution that is apportioned among the employers based on active current payroll. The Town's proportionate share of the required contribution equaled its actual contribution for the year ended December 31, 2021 and totaled \$6,955,238, 26.80% 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 \$38,424,117 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 8.215%, which increased from its proportion of 8.095% measured at December 31, 2020.

*Pension Expense*

For the year ended June 30, 2022, the Town recognized a pension expense of \$3,482,473. At June 30, 2022, the Town's deferred outflows and deferred inflows of resources related to pensions consisted of the following:

Deferred Category	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Differences between expected and actual experience.....	\$ 4,261,568	\$ -	\$ 4,261,568
Difference between projected and actual earnings, net.....	-	(10,542,987)	(10,542,987)
Changes in assumptions.....	130,535	-	130,535
Changes in proportion and proportionate share of contributions....	479,560	(38,661)	440,899
Total deferred outflows/(inflows) of resources.....	\$ 4,871,663	\$ (10,581,648)	\$ (5,709,985)

The Town pays their annual appropriation on July 1<sup>st</sup> of each fiscal year and the measurement date is six months after the payment, on December 31<sup>st</sup>.

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

Year ended June 30:

2023.....	\$ 678,351
2024.....	(3,028,550)
2025.....	(1,873,860)
2026.....	(1,485,926)
Total.....	\$ (5,709,985)

*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 rolled back to December 31, 2021:

Valuation date.....	January 1, 2022
Actuarial cost method.....	Individual Entry Age Normal Cost Method.
Asset valuation method.....	Assets held by the fund are valued at fair value as reported by the Public Employees' Retirement Administration Commission (PERAC). The actuarial value of assets is determined using a five-year smoothing of asset returns greater than or less than the rate of return, with a 20% corridor.
Investment rate of return/Discount rate.....	7.875% nominal rate, net of investment expense.
Projected salary increases.....	3.75% per year.
Cost of living adjustments.....	3.0% of the first \$16,000 of retirement income.

Rates of disability.....	For general employees, it was assumed that 45% of all disabilities are ordinary (55% are service connected). For police and fire employees, 10% of all disabilities are assumed to be ordinary (90% are service connected).
Mortality rates.....	<p>It is assumed that both pre-retirement mortality and beneficiary mortality is represented by the RP-2014 Blue Collar Mortality with Scale MP-2016, fully generational.</p> <p>Mortality for retired members for Group 1 and 2 is represented by the RP-2014 Blue Collar Mortality Table set forward five years for males and three years for females, fully generational.</p> <p>Mortality for retired members for Group 4 is represented by the RP-2014 Blue Collar Mortality Table set forward three years for males, and six years for females, fully generational.</p> <p>Mortality for disabled members for Group 1 and 2 is represented by the RP-2000 Mortality Table set forward six years.</p> <p>Mortality for disabled members for Group 4 is represented by the RP-2000 Mortality Table set forward two years. Generational adjusting is based on Scale MP-2016.</p>

### *Investment Policy*

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of January 1, 2022 are summarized in the following table:

Asset Class	Long-Term Expected Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equity.....	23.00%	6.80%
International developed equity.....	3.00%	7.50%
Emerging markets equity.....	9.00%	4.60%
Global equity.....	11.00%	7.20%
Core bonds.....	10.00%	2.40%
Value-added fixed income.....	7.00%	4.00%
Hedge funds.....	7.00%	4.40%
Real estate.....	10.00%	7.40%
Private equity.....	12.00%	7.30%
Real assets.....	6.00%	7.70%
Cash and cash equivalent.....	2.00%	1.70%
Total.....	100.00%	

#### Rate of Return

For the year ended December 31, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 14.41%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

#### Discount Rate

The discount rate used to measure the total pension liability was 7.875%. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that contributions will be made at rates equal to the actuarially determined contribution rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

#### Sensitivity of the Net Pension Liability to Changes in the Discount Rate

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

	1% Decrease (6.875%)	Current Discount (7.875%)	1% Increase (8.875%)
The Town's proportionate share of the net pension liability.....	\$ 54,453,260	\$ 38,424,117	\$ 24,761,133

*Changes in Assumptions* – None.

*Changes in Plan Provisions* – None.

**NOTE 11 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS***Plan Description*

The Town maintains a single employer defined benefit healthcare plan (the Retiree Health Plan). The Plan provides lifetime healthcare and life insurance for eligible retirees and their spouses. Chapter 32B of the MGL assigns authority to establish and amend benefit provisions of the Plan. The Plan provides the benefits by participating in the Mayflower Municipal Health Group. Medical and prescription drug benefits are provided to all eligible retirees through a variety of plans offered by Blue Cross Blue Shield of Massachusetts and Harvard Pilgrim Health Care. Benefit provisions are negotiated between the Town and the unions representing Town employees and are renegotiated each bargaining period. The other postemployment benefit plan does not issue a publicly available financial report.

*Funding Policy*

Contribution requirements are also negotiated between the Town and union representatives. Retired plan members and beneficiaries currently receiving benefits are required to contribute 50% of the cost of benefits provided depending on the plan they choose. The Town is required to contribute the balance of the current premiums and may contribute additional amounts to pre-fund benefits. Administrative costs of the Plan are assumed to be included in the fully insured premium rates. For 2022, the Town contributed \$3.2 million to the plan or 5.73% of covered payroll.

The Commonwealth of Massachusetts passed special legislation that has allowed the Town to establish a postemployment benefit trust fund that enabled the Town to begin pre-funding its other postemployment benefit (OPEB) liabilities. During 2022, the Town pre-funded future OPEB liabilities totaling \$100,000 by contributing funds to the Other Postemployment Benefit Trust Fund in excess of the pay-as-you-go required contribution. As of June 30, 2022, the balance of this fund totaled \$741,117.

*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, when applicable.

*Measurement Date*

The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2021.

*Employees Covered by Benefit Terms*

The following table represents the Plan's membership as of the most recent actuarial valuation:

Active members.....	826
Inactive members currently receiving benefits.....	<u>600</u>
Total.....	<u><u>1,426</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.....	\$ 110,711,282
Less: OPEB plan's fiduciary net position.....	<u>(741,117)</u>
Net OPEB liability.....	<u><u>\$ 109,970,165</u></u>
The OPEB plan's fiduciary net position as a percentage of the total OPEB liability...	0.67%

*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 that was updated to June 30, 2022:

Valuation date.....	July 1, 2021
Actuarial cost method.....	Individual Entry Age Normal
Asset valuation method.....	Fair value of assets as the Measurement Date, June 30, 2022.
Investment rate of return.....	5.53%, net of OPEB plan investment expense, including inflation. Previously 6.13%.
Single Equivalent discount rate.....	4.20%, net of OPEB plan investment expense, including inflation. Previously 2.50%.
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 .....	<p>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.</p> <p>Teachers: RP-2014 Mortality for White Collar Employees projected generationally with scale MP-2016 for males and females.</p>
Post-retirement mortality .....	<p>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.</p> <p>Teachers: RP-2014 Mortality for White Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females.</p>
Disabled mortality .....	<p>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.</p> <p>Teachers: RP-2014 Mortality for White Collar Healthy Annuitants projected generationally with scale MP-2016 for males and females.</p>

### *Rate of Return*

For the year ended June 30, 2022, the annual money-weighted rate of return on OPEB plan investments was (8.01)%. The money-weighted rate of return expresses investment performance, net of OPEB plan 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 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 and subtracting expected investment expenses and a risk margin. The Plan's expected future real rate of return of 3.28% is added to the expected inflation of 2.50%, less investment expense of 0.25%, to produce the long-term expected net investment return of 5.53%. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized on the following page.

Asset Class	Long-Term Expected Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equity - large cap.....	32.25%	4.42%
Domestic equity - small/mid cap.....	4.50%	4.81%
International equity - developed market...	4.25%	4.91%
International equity - emerging market....	2.25%	5.58%
Domestic fixed income.....	37.75%	1.00%
International fixed income.....	2.75%	1.04%
Alternatives.....	10.75%	5.98%
Real estate.....	4.00%	6.25%
Cash and cash equivalents.....	1.50%	0.00%
Total.....	100.00%	

### Discount Rate

The discount rate used to measure the total OPEB liability was 4.20% as of June 30, 2022, and 2.50% 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, long-term expected rate of return on the OPEB Plan assets is applied to the projected benefits payments which the Fiduciary Net Position is expected to be sufficient to cover 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 net other postemployment benefit liability, calculated using the discount rate of 4.20%, as well as what the net other postemployment benefits liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.20%) or 1-percentage-point higher (5.20%) than the current rate.

	1% Decrease (3.20%)	Current Discount Rate (4.20%)	1% Increase (5.20%)
Net OPEB liability.....	\$ 129,227,836	\$ 109,970,165	\$ 94,710,678

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

The following table presents the net other postemployment benefit liability, calculated using the current healthcare trend rate, as well as what the net other postemployment benefits liability would be if it was 1-percentage-point lower or 1-percentage-point higher than the current rate.

	<u>1% Decrease</u>	<u>Current Trend</u>	<u>1% Increase</u>
Net OPEB liability.....	\$ <u>93,221,696</u>	\$ <u>109,970,165</u>	\$ <u>131,506,274</u>

*Changes in the Net OPEB Liability*

	<u>Increase (Decrease)</u>		
	<u>Total OPEB Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net OPEB Liability (a) - (b)</u>
Balances at June 30, 2021.....	\$ 117,612,362	\$ 696,907	\$ 116,915,455
Changes for the year:			
Service cost.....	4,605,012	-	4,605,012
Interest.....	3,016,984	-	3,016,984
Employer contributions to trust.....	-	3,195,111	(3,195,111)
Changes in assumptions.....	(623,924)	-	(623,924)
Differences between expected and actual experience....	(10,804,041)	-	(10,804,041)
Net investment income/(loss).....	-	(55,790)	55,790
Benefit payments.....	(3,095,111)	(3,095,111)	-
Net change.....	(6,901,080)	44,210	(6,945,290)
Balances at June 30, 2022.....	\$ <u>110,711,282</u>	\$ <u>741,117</u>	\$ <u>109,970,165</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 \$6,916,952 and reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

<u>Deferred Category</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Total</u>
Differences between expected and actual experience.....	\$ -	\$ (15,526,009)	\$ (15,526,009)
Difference between projected and actual earnings, net.....	41,203	-	41,203
Changes in assumptions.....	12,819,004	(521,976)	12,297,028
Total deferred outflows/(inflows) of resources.....	\$ <u>12,860,207</u>	\$ <u>(16,047,985)</u>	\$ <u>(3,187,778)</u>

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

Year ended June 30:

2023.....	\$ 11,500
2024.....	(109,105)
2025.....	(695,449)
2026.....	(303,329)
2027.....	(1,867,314)
Thereafter.....	<u>(224,081)</u>
Total.....	\$ <u>(3,187,778)</u>

*Changes in Assumptions*

- The discount rate has been increased from 2.50% to 4.20%.
- ASOP 6 was implemented for calculating expected claims.
- Getzen model adopted for future projected healthcare costs.

*Changes in Plan Provisions*

None.

**NOTE 12 – LANDFILL CLOSURE**

State and federal laws and regulations require the Town to construct a final capping system on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site after closure. The Town closed and capped its landfill in 1995. The Town has reflected a \$232,000 post-closure care liability at June 30, 2022, as an obligation of the solid waste enterprise fund. This amount is based upon estimates of what it would cost to perform all post-closure care. Actual costs may be higher due to inflation, deflation, changes in technology, or changes in regulations. Its cost was estimated based on semi-annual sampling for the current monitoring network at the site and estimated costs to maintain the integrity of the landfill cap during the post-closure period.

**NOTE 13 – COMMITMENTS**

The Town has various commitments related to the construction projects which will be financed through long-term borrowing. These projects include \$4.3 million for high school construction, \$2 million for seawall repairs, \$1 million for Plymouth avenue sewer force main repair and improvements and \$4.7 million for various construction projects throughout the Town.

The Town is also committed to fund \$74,549 of carryover encumbrances at June 30, 2022.

**NOTE 14 – 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 15 – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through February 23, 2023, which is the date the financial statements were available to be issued.

**NOTE 16 – IMPLEMENTATION OF NEW GASB PRONOUNCEMENTS**

During 2022, the following GASB pronouncements were implemented:

- GASB Statement #87, *Leases*. This pronouncement did not impact the Annual Comprehensive Financial Report.
- 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 basic financial statements.

## ***Required Supplementary Information***

# ***General Fund Budgetary Comparison Schedule***

The general fund is the general operating fund of the Town. It is used to account for the entire Town's 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	Amounts	Variance
	Original	Final	Budgetary	Carried Forward	to Final
	Budget	Budget	Amounts	To Next Year	Budget
<b>REVENUES:</b>					
Real estate and personal property taxes,					
net of tax refunds.....	\$ 75,708,242	\$ 75,708,242	\$ 75,317,695	\$ -	\$ (390,547)
Tax liens.....	-	-	915,469	-	915,469
Motor vehicle and other excise taxes.....	3,840,000	3,840,000	5,077,455	-	1,237,455
Charges for service.....	1,300,000	1,300,000	1,735,880	-	435,880
Penalties and interest on taxes.....	340,000	340,000	329,098	-	(10,902)
Payments in lieu of taxes.....	42,074	-	-	-	-
Intergovernmental.....	17,725,236	17,725,236	18,142,430	-	417,194
Departmental and other.....	1,479,926	1,479,926	2,002,477	-	522,551
Investment income.....	300,000	300,000	215,920	-	(84,080)
<b>TOTAL REVENUES.....</b>	<b>100,735,478</b>	<b>100,693,404</b>	<b>103,736,424</b>	<b>-</b>	<b>3,043,020</b>
<b>EXPENDITURES:</b>					
<b>GENERAL GOVERNMENT</b>					
<b>MODERATOR:</b>					
Salaries.....	300	300	300	-	-
<b>SELECT BOARD:</b>					
Salaries.....	359,051	410,356	413,460	-	(3,104)
Expenses.....	263,723	255,444	170,518	447	84,479
Elected officials.....	3,417	3,417	3,417	-	-
<b>TOTAL.....</b>	<b>626,191</b>	<b>669,217</b>	<b>587,395</b>	<b>447</b>	<b>81,375</b>
<b>FACILITIES MANAGER:</b>					
Salaries.....	210,880	253,063	253,063	-	-
Expenses.....	141,901	239,846	239,845	-	1
<b>TOTAL.....</b>	<b>352,781</b>	<b>492,909</b>	<b>492,908</b>	<b>-</b>	<b>1</b>
<b>TOWN ACCOUNTANT:</b>					
Salaries.....	243,803	243,803	225,740	-	18,063
Expenses.....	9,900	29,900	15,774	5,088	9,038
<b>TOTAL.....</b>	<b>253,703</b>	<b>273,703</b>	<b>241,514</b>	<b>5,088</b>	<b>27,101</b>
<b>ASSESSORS:</b>					
Salaries.....	259,025	258,999	206,088	-	52,911
Expenses.....	90,200	100,226	100,226	-	-
Elected officials.....	3,687	3,687	3,687	-	-
<b>TOTAL.....</b>	<b>352,912</b>	<b>362,912</b>	<b>310,001</b>	<b>-</b>	<b>52,911</b>
<b>TREASURER/ COLLECTOR:</b>					
Salaries.....	513,520	513,520	474,175	-	39,345
Expenses.....	27,592	202,483	180,775	21,227	481
<b>TOTAL.....</b>	<b>541,112</b>	<b>716,003</b>	<b>654,950</b>	<b>21,227</b>	<b>39,826</b>
<b>ANNUAL AUDIT:</b>					
Expenditures.....	116,500	116,500	103,704	-	12,796
<b>LEGAL:</b>					
Legal expenses.....	110,000	185,027	184,319	-	708
<b>HUMAN RESOURCES:</b>					
Salaries.....	90,100	97,619	97,619	-	-
Expenses.....	8,000	9,258	9,154	-	104
<b>TOTAL.....</b>	<b>98,100</b>	<b>106,877</b>	<b>106,773</b>	<b>-</b>	<b>104</b>
<b>INFORMATION TECHNOLOGY:</b>					
Salaries.....	180,573	255,573	247,508	-	8,065
Expenses.....	104,722	151,155	150,672	-	483
<b>TOTAL.....</b>	<b>285,295</b>	<b>406,728</b>	<b>398,180</b>	<b>-</b>	<b>8,548</b>
<b>TOWN CLERK:</b>					
Salaries.....	86,220	101,220	93,818	-	7,402
Expenses.....	6,750	6,750	3,698	-	3,052
Elected officials.....	83,000	83,000	83,957	-	(957)
<b>TOTAL.....</b>	<b>175,970</b>	<b>190,970</b>	<b>181,473</b>	<b>-</b>	<b>9,497</b>
<b>ELECTIONS:</b>					
Expenditures.....	46,300	71,300	40,976	-	30,324
<b>CONSERVATION COMMISSION:</b>					
Salaries.....	241,100	241,100	210,853	-	30,247
Expenses.....	12,565	12,565	12,533	-	32
<b>TOTAL.....</b>	<b>253,665</b>	<b>253,665</b>	<b>223,386</b>	<b>-</b>	<b>30,279</b>
<b>PLANNING BOARD:</b>					
Salaries.....	182,481	184,402	184,402	-	-
Expenses.....	2,600	1,340	1,340	-	-
Elected officials.....	1,120	1,120	1,120	-	-
<b>TOTAL.....</b>	<b>186,201</b>	<b>186,862</b>	<b>186,862</b>	<b>-</b>	<b>-</b>

(Continued)

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

YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Budgetary Amounts	Amounts Carried Forward To Next Year	Variance to Final Budget
	Original Budget	Final Budget			
ZONING BOARD OF APPEALS:					
Expenses.....	4,100	6,798	6,798	-	-
RESERVE FUND.....	50,000	13,158	-	-	13,158
Total General Government.....	3,453,130	4,052,929	3,719,539	26,762	306,628
PUBLIC SAFETY					
POLICE DEPARTMENT:					
Salaries.....	6,117,238	6,125,151	6,125,151	-	-
Expenses.....	204,832	381,224	376,782	172	4,270
TOTAL.....	6,322,070	6,506,375	6,501,933	172	4,270
FIRE DEPARTMENT:					
Salaries.....	5,729,095	5,999,835	5,995,606	-	4,229
Expenses.....	235,064	446,580	329,053	439	117,088
TOTAL.....	5,964,159	6,446,415	6,324,659	439	121,317
BUILDING INSPECTION:					
Salaries.....	394,285	394,285	394,279	-	6
Expenses.....	6,440	3,082	2,603	-	479
TOTAL.....	400,725	397,367	396,882	-	485
SEALER OF WEIGHTS/MEASURES:					
Expenses.....	5,000	10,000	10,000	-	-
ANIMAL CONTROL:					
Salaries.....	74,132	105,135	105,135	-	-
Expenses.....	24,655	23,652	21,956	-	1,696
TOTAL.....	98,787	128,787	127,091	-	1,696
ANIMAL INSPECTOR:					
Salaries.....	5,000	5,000	5,000	-	-
HARBOR MASTER:					
Salaries.....	114,080	114,080	114,080	-	-
Expenses.....	52,294	52,293	52,293	-	-
TOTAL.....	166,374	166,373	166,373	-	-
Total Public Safety.....	12,962,115	13,660,317	13,531,938	611	127,768
EDUCATION					
PUBLIC SCHOOLS:					
Salaries and expenses.....	52,629,175	53,029,765	52,981,404	30,321	18,040
PUBLIC WORKS					
DPW ADMINISTRATION:					
Salaries.....	160,592	160,568	160,518	-	50
Expenses.....	27,233	11,882	11,881	-	1
Elected officials.....	2,180	2,180	1,398	-	782
TOTAL.....	190,005	174,630	173,797	-	833
DPW ENGINEERING:					
Salaries.....	124,078	124,078	123,087	-	991
Expenses.....	25,944	25,944	21,245	-	4,699
TOTAL.....	150,022	150,022	144,332	-	5,690
HIGHWAY:					
Salaries.....	805,015	805,015	790,322	-	14,693
Expenses.....	153,008	174,568	169,146	287	5,135
TOTAL.....	958,023	979,583	959,468	287	19,828
MAINTENANCE:					
Salaries.....	275,851	215,491	215,491	-	-
Expenses.....	246,984	388,259	387,582	677	-
TOTAL.....	522,835	603,750	603,073	677	-
CEMETERY, GREENS, TREES:					
Salaries.....	638,295	638,295	595,427	-	42,868
Expenses.....	220,878	220,653	94,826	40	125,787
TOTAL.....	859,173	858,948	690,253	40	168,655
SNOW AND ICE:					
Expenses.....	400,000	400,000	771,627	-	(371,627)
AUTOMOTIVE FUEL:					
Expenses.....	362,290	536,474	536,474	-	-
Total Public Works.....	3,442,348	3,703,407	3,879,024	1,004	(176,621)
HEALTH AND HUMAN SERVICES					
HEALTH:					
Salaries.....	333,199	333,199	324,780	-	8,419
Expenses.....	6,110	12,209	12,134	75	-
Elected officials.....	1,460	1,460	1,460	-	-
TOTAL.....	340,769	346,868	338,374	75	8,419

(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
	Original Budget	Final Budget			
COUNCIL ON AGING:					
Salaries.....	471,710	471,710	331,332	-	140,378
Expenses.....	31,068	41,067	41,067	-	-
TOTAL.....	502,778	512,777	372,399	-	140,378
VETERANS' SERVICES:					
Salaries.....	149,699	149,699	145,052	-	4,647
Expenses.....	382,000	374,806	274,301	5,000	95,505
TOTAL.....	531,699	524,505	419,353	5,000	100,152
Total Health and Human Services.....	1,375,246	1,384,150	1,130,126	5,075	248,949
CULTURE AND RECREATION					
LIBRARY:					
Salaries.....	642,768	640,712	595,288	-	45,424
Expenses.....	159,500	171,556	171,488	-	68
TOTAL.....	802,268	812,268	766,776	-	45,492
TRUSTEES OF SOLDIERS MEMORIAL:					
Salaries.....	8,000	12,256	12,256	-	-
Expenses.....	9,000	8,938	8,938	-	-
TOTAL.....	17,000	21,194	21,194	-	-
HISTORICAL COMMISSION:					
Expenditures.....	3,880	3,880	3,156	-	724
CLAM FLATS:					
Salaries.....	2,000	2,000	-	-	2,000
Expenses.....	1,000	1,000	270	-	730
TOTAL.....	3,000	3,000	270	-	2,730
Total Culture and Recreation.....	826,148	840,342	791,396	-	48,946
BUSINESS INSURANCE.....	1,253,982	1,262,532	1,261,660	872	-
UNEMPLOYMENT COMPENSATION.....	50,000	100,000	-	-	100,000
RETIREMENT.....	6,785,200	6,956,438	6,956,438	-	-
EMPLOYEE BENEFITS.....	7,727,396	7,506,037	6,915,784	6,694	583,559
MEDICARE.....	950,000	950,000	950,000	-	-
STATE AND COUNTY ASSESSMENTS.....	1,112,080	1,172,991	1,166,201	-	6,790
UTILITIES.....	402,588	533,908	533,908	-	-
UNCLASSIFIED:					
Expenses.....	33,000	33,606	31,633	710	1,263
DEBT SERVICE:					
Principal.....	6,308,935	6,308,935	6,263,454	-	45,481
Interest.....	3,742,785	3,742,785	3,706,787	2,500	33,498
TOTAL EXPENDITURES.....	103,054,128	105,238,142	103,819,292	74,549	1,344,301
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(2,318,650)	(4,544,738)	(82,868)	(74,549)	4,387,321
OTHER FINANCING SOURCES (USES):					
Transfers in.....	2,041,207	2,041,207	2,036,191	-	(5,016)
Transfers out.....	(1,701,769)	(2,878,836)	(2,878,836)	-	-
TOTAL OTHER FINANCING SOURCES (USES).....	339,438	(837,629)	(842,645)	-	(5,016)
NET CHANGE IN FUND BALANCE.....	(1,979,212)	(5,382,367)	(925,513)	(74,549)	4,382,305
BUDGETARY FUND BALANCE, Beginning of year.....	8,370,048	8,370,048	8,370,048	-	-
BUDGETARY FUND BALANCE, End of year.....	\$ 6,390,836	\$ 2,987,681	\$ 7,444,535	\$ (74,549)	\$ 4,382,305

(Concluded)

See notes to required supplementary information.

# ***Pension Plan Schedules***

The Schedule of the Town's Proportionate Share of the Net Pension Liability presents multi-year trend information on the Town's net pension liability and related schedules.

The Schedule of 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  
PLYMOUTH COUNTY CONTRIBUTORY RETIREMENT SYSTEM**

<u>Year</u>	<u>Proportion of the net pension liability (asset)</u>	<u>Proportionate share of the net pension liability (asset)</u>	<u>Covered payroll</u>	<u>Net pension liability as a percentage of covered payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
December 31, 2021.....	8.215%	\$ 38,424,117	\$ 25,695,810	149.53%	75.49%
December 31, 2020.....	8.095%	47,445,200	24,456,407	194.00%	67.90%
December 31, 2019.....	8.109%	55,321,130	23,824,850	232.20%	61.61%
December 31, 2018.....	7.985%	58,714,414	22,333,198	262.90%	56.11%
December 31, 2017.....	8.106%	43,582,541	23,034,352	189.21%	65.56%
December 31, 2016.....	8.081%	51,194,441	21,859,954	234.19%	58.32%
December 31, 2015.....	7.909%	50,159,092	21,623,658	231.96%	56.80%
December 31, 2014.....	7.909%	46,100,484	20,842,080	221.19%	58.88%

Note: this schedule is intended to present information for 10 years.

Until a 10-year trend is compiled, information is presented for those years for which information is available.

See notes to required supplementary information.

**SCHEDULE OF THE TOWN'S CONTRIBUTIONS**  
**PLYMOUTH COUNTY CONTRIBUTORY RETIREMENT SYSTEM**

Year	Actuarially determined contribution	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
June 30, 2022.....	\$ 6,955,238	\$ (6,955,238)	\$ -	\$ 25,952,768	26.80%
June 30, 2021.....	6,506,332	(6,506,332)	-	24,700,971	26.34%
June 30, 2020.....	5,984,136	(5,984,136)	-	24,063,099	24.87%
June 30, 2019.....	5,804,983	(5,804,983)	-	22,556,530	25.74%
June 30, 2018.....	5,538,881	(5,538,881)	-	23,264,696	23.81%
June 30, 2017.....	5,347,669	(5,347,669)	-	22,078,554	24.22%
June 30, 2016.....	5,134,471	(5,134,471)	-	21,839,895	23.51%
June 30, 2015.....	4,847,897	(4,847,897)	-	21,050,501	23.03%

Note: this schedule is intended to present information for 10 years.

Until a 10-year trend is compiled, information is presented for those years for which information is available.

See notes to required supplementary information.

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

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

<u>Year</u>	<u>Commonwealth's 100% Share of the Associated Net Pension Liability</u>	<u>Expense and Revenue Recognized for the Commonwealth's Support</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Liability</u>
2022.....	\$ 101,432,831	\$ 8,139,562	62.03%
2021.....	125,101,594	15,451,839	50.67%
2020.....	109,344,668	13,259,939	53.95%
2019.....	106,088,017	10,750,484	54.84%
2018.....	104,809,256	10,939,247	65.56%
2017.....	101,339,201	10,337,263	52.73%
2016.....	96,481,795	7,825,532	55.38%
2015.....	74,722,138	5,191,306	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 Benefit Plan Schedules***

The Schedule of Changes in the Town's Net Other Postemployment Benefit Liability and Related Ratios presents multi-year trend information on changes in the Plan's total OPEB liability, changes in the Plan's net position, and ending net OPEB liability. It also demonstrates the Plan's net position as a percentage of the total liability and the Plan's net other postemployment benefit liability as a percentage of covered employee payroll.

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

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

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

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

	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022
<b>Total OPEB Liability</b>						
Service Cost.....	\$ 2,946,110	\$ 3,314,556	\$ 3,975,490	\$ 3,657,606	\$ 3,830,610	\$ 4,605,012
Interest.....	3,094,203	3,192,944	2,810,417	3,137,894	3,194,942	3,016,984
Changes of benefit terms.....	7,732,204	-	-	-	-	-
Differences between expected and actual experience....	(14,514,588)	(6,350,637)	-	(10,546,584)	-	(10,804,041)
Changes of assumptions.....	-	2,830,357	6,976,446	8,174,890	9,339,976	(623,924)
Benefit payments.....	(2,631,388)	(2,240,222)	(2,485,903)	(2,571,875)	(2,820,379)	(3,095,111)
Net change in total OPEB liability.....	(3,373,459)	746,998	11,276,450	1,851,931	13,545,149	(6,901,080)
Total OPEB liability - beginning.....	93,565,293	90,191,834	90,938,832	102,215,282	104,067,213	117,612,362
Total OPEB liability - ending (a).....	<u>\$ 90,191,834</u>	<u>\$ 90,938,832</u>	<u>\$ 102,215,282</u>	<u>\$ 104,067,213</u>	<u>\$ 117,612,362</u>	<u>\$ 110,711,282</u>
<b>Plan fiduciary net position</b>						
Employer contributions.....	\$ 180,177	\$ 50,000	\$ 100,000	\$ 100,000	\$ 120,000	\$ 100,000
Employer contributions for OPEB payments.....	2,651,388	2,240,222	2,485,903	2,571,875	2,820,379	3,095,111
Net investment income/(loss).....	5,260	7,137	9,390	14,130	110,813	(53,378)
Benefit payments.....	(2,651,388)	(2,240,222)	(2,485,903)	(2,571,875)	(2,820,379)	(3,095,111)
Net change in plan fiduciary net position.....	185,437	57,137	109,390	114,130	230,813	46,622
Plan fiduciary net position - beginning of year.....	-	185,437	242,574	351,964	466,094	696,907
Plan fiduciary net position - end of year (b).....	<u>\$ 185,437</u>	<u>\$ 242,574</u>	<u>\$ 351,964</u>	<u>\$ 466,094</u>	<u>\$ 696,907</u>	<u>\$ 743,529</u>
<b>Net OPEB liability - ending (a)-(b).....</b>	<u><b>\$ 90,006,397</b></u>	<u><b>\$ 90,696,258</b></u>	<u><b>\$ 101,863,318</b></u>	<u><b>\$ 103,601,119</b></u>	<u><b>\$ 116,915,455</b></u>	<u><b>\$ 109,967,753</b></u>
Plan fiduciary net position as a percentage of the total OPEB liability.....	0.21%	0.27%	0.34%	0.45%	0.59%	0.67%
Covered-employee payroll.....	\$ 49,016,559	\$ 50,379,219	\$ 53,447,314	\$ 58,956,931	\$ 60,725,638	\$ 55,755,753
Net OPEB liability as a percentage of covered-employee payroll.....	183.62%	180.03%	190.59%	175.72%	192.53%	197.23%

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**

<u>Year</u>	<u>Actuarially determined contribution</u>	<u>Contributions in relation to the actuarially determined contribution</u>	<u>Contribution deficiency (excess)</u>	<u>Covered- employee payroll</u>	<u>Contributions as a percentage of covered- employee payroll</u>
June 30, 2022.....	\$ 8,919,362	\$ (3,195,111)	\$ 5,724,251	\$ 55,755,753	5.73%
June 30, 2021.....	7,459,066	(2,940,379)	4,518,687	60,725,638	4.84%
June 30, 2020.....	8,789,307	(2,671,875)	6,117,432	58,956,931	4.53%
June 30, 2019.....	9,021,112	(3,195,111)	5,826,001	53,447,314	5.98%
June 30, 2018.....	7,981,428	(2,290,222)	5,691,206	50,379,219	4.55%
June 30, 2017.....	7,319,653	(2,651,388)	4,668,265	49,016,559	5.41%

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**

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<u>Year</u>	<u>Annual money-weighted rate of return, net of investment expense</u>
June 30, 2022.....	-8.01%
June 30, 2021.....	21.23%
June 30, 2020.....	3.45%
June 30, 2019.....	3.12%
June 30, 2018.....	-4.42%
June 30, 2017.....	2.92%

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

See notes to required supplementary information.

**NOTE A – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY****A. Budgetary Information**

Municipal Law requires the adoption of a balanced budget that is approved by the Finance Committee (Committee). The Committee presents an annual budget to the Open Town Meeting, which includes estimates of revenues and other financing sources and recommendations of expenditures and other financing uses. The Town, 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 between and within departments subsequent to the approval of the annual budget, requires majority vote at a Special Town Meeting.

The majority of appropriations are non-continuing which lapse at the end of each year. Others are continuing appropriations for which the governing body has authorized that an unspent balance from a prior year be carried forward and made available for spending in the current year. These carry forwards are included as part of the subsequent year's original budget.

Generally, expenditures may not exceed the legal level of spending (salaries and expenses) 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 claims and 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 year 2022 approved budget authorized approximately \$104.8 million in appropriations and other amounts to be raised.

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

**B. Budgetary - GAAP Reconciliation**

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

Net change in fund balance - budgetary basis.....	\$ (925,513)
<u>Perspective differences:</u>	
Activity of the stabilization fund recorded in the general fund for GAAP .....	20,259
<u>Basis of accounting differences:</u>	
Net change in recording tax refunds payable.....	(277,000)
Net change in recording revenue.....	232,711
Net change in recording expenditures.....	(67,395)
Recognition of revenue for on-behalf payments.....	8,139,562
Recognition of expenditures for on-behalf payments....	(8,139,562)
Net change in fund balance - GAAP basis.....	\$ <u>(1,016,938)</u>

C. Appropriation Deficits

During 2022, expenditures exceeded budgeted appropriations for select board salaries, town clerk elected officials, and snow and ice expense. The deficits will be raised by the Town in the following fiscal year.

**NOTE B – PENSION PLAN*****Pension Plan Schedules***A. Schedule of the Town's Proportionate Share of the Net Pension Liability

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

B. Schedule of Town's Contributions

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

C. Schedule of the Special Funding Amounts of the Net Pension Liabilities

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 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 – None.E. Changes in Plan Provisions – None.**NOTE C – OTHER POSTEMPLOYMENT BENEFITS**

The Town administers a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides lifetime healthcare for eligible retirees and their spouses through the Town's health insurance plan, which covers both active and retired members, including teachers.

**The Other Postemployment Benefit Plan****A. Schedule of Changes in the Town's Net Other Postemployment Benefit Liability and Related Ratios**

The Schedule of Changes in the Town's Net Other Postemployment Benefit Liability and Related Ratios presents multi-year trend information on changes in the Plan's total OPEB liability, changes in the Plan's net pension, 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 payroll.

**B. Schedule of the Town's Contributions**

The Schedule of the Town's Contributions includes the Town's annual required contribution to the Plan, along with the contribution made in relation to the actuarially determined contribution and the covered employee payroll. The Town is not required to fully fund this contribution. It also demonstrates the contributions as a percentage of covered payroll. Actuarially 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.....	Individual Entry Age Normal
Asset valuation method.....	Fair value of assets as the Measurement Date, June 30, 2022.
Investment rate of return.....	5.53%, net of OPEB plan investment expense, including inflation. Previously 6.13%.
Single Equivalent discount rate.....	4.20%, net of OPEB plan investment expense, including inflation. Previously 2.50%.
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 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 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 for females. Teachers: RP-2014 Mortality 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 expenses.

#### D. Changes in Assumptions

- The discount rate has been increased from 2.50% to 4.20%.
- ASOP 6 was implemented for calculating expected claims.
- Getzen model adopted for future projected healthcare costs.

#### E. Changes in Plan Provisions

None.

## ***Combining Fund Statements***

# Nonmajor Governmental Funds

## ***Special Revenue Funds***

Special revenue funds are used to account for the proceeds of specific revenue sources (other than permanent funds or capital project funds) that are restricted by law or administrative action to expenditures for specified purposes. The Town's special revenue funds are grouped into the following categories:

***School State and Federal Grant Fund*** – This fund accounts for all federal and state grants used for school related projects and activities.

***Town State and Federal Grant Fund*** – This fund is used to account for all federal and state grants used for Town related projects and activities.

***Airport Fund*** – This fund is used to account for improvements, certain maintenance, and capital equipment associated with the Town's Municipal Airport.

***Town General Revolving Fund*** – This fund accounts for various Town operations such as insurance recoveries, recreation activities and workers compensation.

***School General Revolving Fund*** – This fund accounts for school activities, such as operation of the public school lunch program, athletic receipts, and tuition costs.

***Student Activity Fund*** – This fund accounts for extra-curricular student activities.

***Chapter 90 Fund*** – This fund accounts for grants received from the State mainly in relation to maintaining the Town's streets and sidewalks.

***Other Fund*** – These funds account for receipts reserved for appropriation as well as various bequests made by benefactors to the Town for which principal portions of bequests as well as the related earnings can be expended by the Town.

## ***Capital Projects Funds***

Capital project funds are used to account for financial resources used in the acquisition or construction of major capital facilities (other than those financed by enterprise funds). Such resources are derived principally from proceeds of general obligation bonds and grants. The Town's grouping for non-major capital project funds is a described as follows:

***High School Capital Project Fund*** – This fund is used to account for financial resources to expand and upgrade the High School.

***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.

***Permanent Fund*** – This fund is used to account for all contributions and bequests for which only earnings may be expended to benefit the Town.

**NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET**

JUNE 30, 2022

	Special Revenue Funds				
	School State & Federal Grants	Town State & Federal Grants	Airport	Town General Revolving	School General Revolving
<b>ASSETS</b>					
Cash and cash equivalents.....	\$ 1,955,211	\$ 42,409	\$ 332,746	\$ 3,436,969	\$ 1,678,093
Investments.....	-	-	-	-	-
Receivables, net of uncollectibles:					
Intergovernmental.....	695,314	1,874,075	104,329	-	-
<b>TOTAL ASSETS.....</b>	<b>\$ 2,650,525</b>	<b>\$ 1,916,484</b>	<b>\$ 437,075</b>	<b>\$ 3,436,969</b>	<b>\$ 1,678,093</b>
<b>LIABILITIES</b>					
Warrants payable.....	\$ 356,053	\$ 535,999	\$ 2,562	\$ 152,585	\$ 49,005
Due to other funds.....	-	-	-	-	-
Other liabilities.....	-	-	-	978,472	-
Unearned revenue.....	405,381	-	-	-	-
<b>TOTAL LIABILITIES.....</b>	<b>761,434</b>	<b>535,999</b>	<b>2,562</b>	<b>1,131,057</b>	<b>49,005</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue.....	-	-	104,329	-	-
<b>FUND BALANCES</b>					
Nonspendable.....	-	-	-	-	-
Restricted.....	1,889,091	1,380,485	330,184	2,305,912	1,629,088
<b>TOTAL FUND BALANCES.....</b>	<b>1,889,091</b>	<b>1,380,485</b>	<b>330,184</b>	<b>2,305,912</b>	<b>1,629,088</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES.....</b>	<b>\$ 2,650,525</b>	<b>\$ 1,916,484</b>	<b>\$ 437,075</b>	<b>\$ 3,436,969</b>	<b>\$ 1,678,093</b>

Special Revenue Funds				High School Capital Projects	Permanent Fund	Total Nonmajor Governmental Funds
Student Activity	Chapter 90	Other	Subtotal			
\$ 230,303	\$ -	\$ 913,696	\$ 8,589,427	\$ 1,177,817	\$ 395,743	\$ 10,162,987
-	-	-	-	-	2,274,006	2,274,006
-	1,254,063	-	3,927,781	-	-	3,927,781
<u>\$ 230,303</u>	<u>\$ 1,254,063</u>	<u>\$ 913,696</u>	<u>\$ 12,517,208</u>	<u>\$ 1,177,817</u>	<u>\$ 2,669,749</u>	<u>\$ 16,364,774</u>
\$ 35,770	\$ -	\$ 64,185	\$ 1,196,159	\$ 9,600	\$ -	\$ 1,205,759
-	36,500	-	36,500	-	-	36,500
-	-	-	978,472	-	-	978,472
-	-	-	405,381	-	-	405,381
<u>35,770</u>	<u>36,500</u>	<u>64,185</u>	<u>2,616,512</u>	<u>9,600</u>	<u>-</u>	<u>2,626,112</u>
-	1,217,563	-	1,321,892	-	-	1,321,892
-	-	-	-	-	1,301,958	1,301,958
<u>194,533</u>	<u>-</u>	<u>849,511</u>	<u>8,578,804</u>	<u>1,168,217</u>	<u>1,367,791</u>	<u>11,114,812</u>
<u>194,533</u>	<u>-</u>	<u>849,511</u>	<u>8,578,804</u>	<u>1,168,217</u>	<u>2,669,749</u>	<u>12,416,770</u>
<u>\$ 230,303</u>	<u>\$ 1,254,063</u>	<u>\$ 913,696</u>	<u>\$ 12,517,208</u>	<u>\$ 1,177,817</u>	<u>\$ 2,669,749</u>	<u>\$ 16,364,774</u>

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

YEAR ENDED JUNE 30, 2022

	Special Revenue Funds				
	School State & Federal Grants	Town State & Federal Grants	Airport	Town General Revolving	School General Revolving
<b>REVENUES:</b>					
Motor vehicle and other excise taxes.....	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services.....	-	-	50,395	-	-
Intergovernmental.....	5,684,898	6,350,223	1,028,992	123,895	2,044,951
Departmental and other.....	-	-	-	1,884,356	986,446
Contributions and donations.....	-	-	-	-	-
Investment income/(loss).....	-	5	-	-	-
<b>TOTAL REVENUES.....</b>	<b>5,684,898</b>	<b>6,350,228</b>	<b>1,079,387</b>	<b>2,008,251</b>	<b>3,031,397</b>
<b>EXPENDITURES:</b>					
Current:					
General government.....	-	1,870,287	749,203	597,915	-
Public safety.....	-	371,274	-	232,798	-
Education.....	5,612,886	-	-	-	2,275,583
Public works.....	-	2,482,035	-	12,073	-
Health and human services.....	-	58,722	-	124,958	-
Culture and recreation.....	-	18,745	-	682,790	-
<b>TOTAL EXPENDITURES.....</b>	<b>5,612,886</b>	<b>4,801,063</b>	<b>749,203</b>	<b>1,650,534</b>	<b>2,275,583</b>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	72,012	1,549,165	330,184	357,717	755,814
<b>OTHER FINANCING SOURCES (USES):</b>					
Issuance of bonds.....	-	-	-	-	-
Premium from issuance of bonds.....	-	-	-	-	-
Transfers in.....	-	17,569	-	-	-
Transfers out.....	-	-	-	(400,000)	-
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>-</b>	<b>17,569</b>	<b>-</b>	<b>(400,000)</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>72,012</b>	<b>1,566,734</b>	<b>330,184</b>	<b>(42,283)</b>	<b>755,814</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>1,817,079</b>	<b>(186,249)</b>	<b>-</b>	<b>2,348,195</b>	<b>873,274</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 1,889,091</b>	<b>\$ 1,380,485</b>	<b>\$ 330,184</b>	<b>\$ 2,305,912</b>	<b>\$ 1,629,088</b>

Special Revenue Funds				High School Capital Projects	Permanent Fund	Total Nonmajor Governmental Funds
Student Activity	Chapter 90	Other	Subtotal			
\$ -	\$ -	\$ 15,681	\$ 15,681	\$ -	\$ -	\$ 15,681
-	-	-	50,395	-	-	50,395
-	78,921	1,341	15,313,221	-	-	15,313,221
329,425	-	643,648	3,843,875	-	-	3,843,875
-	-	427,060	427,060	-	99,499	526,559
-	-	-	5	-	(7,321)	(7,316)
<u>329,425</u>	<u>78,921</u>	<u>1,087,730</u>	<u>19,650,237</u>	<u>-</u>	<u>92,178</u>	<u>19,742,415</u>
-	-	546,290	3,763,695	-	452,345	4,216,040
-	-	55,308	659,380	-	-	659,380
316,477	-	175,986	8,380,932	304,934	-	8,685,866
-	78,921	-	2,573,029	-	-	2,573,029
-	-	115,486	299,166	-	-	299,166
-	-	14,704	716,239	-	-	716,239
<u>316,477</u>	<u>78,921</u>	<u>907,774</u>	<u>16,392,441</u>	<u>304,934</u>	<u>452,345</u>	<u>17,149,720</u>
<u>12,948</u>	<u>-</u>	<u>179,956</u>	<u>3,257,796</u>	<u>(304,934)</u>	<u>(360,167)</u>	<u>2,592,695</u>
-	-	-	-	600,000	-	600,000
-	-	-	-	11,592	-	11,592
-	-	-	17,569	-	-	17,569
-	-	(79,984)	(479,984)	-	(60,000)	(539,984)
-	-	(79,984)	(462,415)	611,592	(60,000)	89,177
12,948	-	99,972	2,795,381	306,658	(420,167)	2,681,872
<u>181,585</u>	<u>-</u>	<u>749,539</u>	<u>5,783,423</u>	<u>861,559</u>	<u>3,089,916</u>	<u>9,734,898</u>
<u>\$ 194,533</u>	<u>\$ -</u>	<u>\$ 849,511</u>	<u>\$ 8,578,804</u>	<u>\$ 1,168,217</u>	<u>\$ 2,669,749</u>	<u>\$ 12,416,770</u>

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# *Statistical Section*



*Pictured above is the Harbormaster Building.*

## **Statistical Section**

This part of the Town of Marshfield'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 Town's financial reports for the relevant year.

**Net Position By Component**

**Last Ten Years**

	2013	2014 (1)	2015	2016	2017	2018 (2)	2019 (2)	2020	2021	2022
Governmental activities										
Net investment in capital assets.....	\$ 100,821,726	\$ 138,566,327	\$ 143,838,725	\$ 149,244,882	\$ 144,078,423	\$ 146,758,657	\$ 148,968,232	\$ 151,366,094	\$ 155,015,218	\$ 154,412,195
Restricted.....	6,846,578	7,822,625	7,659,915	8,004,644	7,239,201	7,721,219	9,292,397	10,889,372	10,889,372	15,211,501
Unrestricted.....	(13,432,592)	(52,771,969)	(54,354,781)	(57,825,355)	(106,360,568)	(110,141,485)	(115,893,609)	(122,312,923)	(122,312,923)	(123,298,312)
Total governmental activities net position.....	<u>\$ 94,235,712</u>	<u>\$ 93,616,983</u>	<u>\$ 97,143,859</u>	<u>\$ 99,424,171</u>	<u>\$ 44,957,056</u>	<u>\$ 44,338,391</u>	<u>\$ 42,367,020</u>	<u>\$ 39,942,543</u>	<u>\$ 43,591,667</u>	<u>\$ 46,325,384</u>
Business-type activities										
Net investment in capital assets.....	\$ 50,833,175	\$ 52,474,898	\$ 52,115,038	\$ 52,272,970	\$ 52,690,605	\$ 52,965,317	\$ 53,758,554	\$ 53,610,222	\$ 53,610,222	\$ 49,817,853
Unrestricted.....	12,758,096	3,443,331	3,577,268	5,536,387	2,656,036	4,293,276	3,452,722	3,784,764	3,784,764	5,970,445
Total business-type activities net position.....	<u>\$ 63,591,271</u>	<u>\$ 55,918,229</u>	<u>\$ 55,692,306</u>	<u>\$ 57,809,357</u>	<u>\$ 55,346,641</u>	<u>\$ 57,258,593</u>	<u>\$ 57,211,276</u>	<u>\$ 57,394,986</u>	<u>\$ 57,394,986</u>	<u>\$ 55,788,298</u>
Primary government										
Net investment in capital assets.....	\$ 151,654,901	\$ 191,041,225	\$ 195,953,763	\$ 201,517,852	\$ 196,769,028	\$ 199,723,974	\$ 202,726,786	\$ 204,976,316	\$ 204,976,316	\$ 204,230,048
Restricted.....	6,846,578	7,822,625	7,659,915	8,004,644	7,239,201	7,721,219	9,292,397	10,889,372	10,889,372	15,211,501
Unrestricted.....	(674,496)	(49,328,638)	(50,777,513)	(52,288,968)	(103,704,532)	(105,848,209)	(112,440,887)	(118,528,159)	(118,528,159)	(117,327,867)
Total primary government net position.....	<u>\$ 157,826,983</u>	<u>\$ 149,535,212</u>	<u>\$ 152,836,165</u>	<u>\$ 157,233,528</u>	<u>\$ 100,303,697</u>	<u>\$ 101,596,984</u>	<u>\$ 99,578,296</u>	<u>\$ 97,337,529</u>	<u>\$ 97,337,529</u>	<u>\$ 102,113,682</u>

(1) The 2014 unrestricted net position for governmental and business-type activities has been revised due to the implementation of GASB Statement #68.

(2) The Town changed the measurement date for GASB Statement No. 75 in 2019 which required the restatement of the ending net position in 2018.

**Changes in Net Position**

**Last Ten Years**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Expenses</b>										
<b>Governmental activities:</b>										
General government.....	\$ 4,920,094	\$ 4,483,129	\$ 5,287,075	\$ 5,454,536	\$ 5,039,837	\$ 6,229,074	\$ 6,573,493	\$ 8,780,359	\$ 11,363,762	\$ 10,478,587
Public safety.....	15,526,807	16,315,383	17,178,837	17,642,972	20,007,583	18,535,773	20,486,730	20,647,932	20,107,655	20,604,932
Education.....	65,277,828	67,956,118	63,678,563	71,400,698	77,272,810	76,954,444	83,649,632	86,927,713	90,653,655	85,448,819
Public works.....	5,856,808	5,815,971	7,366,229	5,425,790	5,676,705	7,339,773	6,578,131	6,152,029	5,911,704	6,462,296
Health and human services.....	1,210,350	1,341,678	1,413,444	1,359,699	1,451,215	1,493,604	1,734,504	1,728,721	1,628,126	1,873,762
Culture and recreation.....	1,995,595	1,805,484	1,851,271	1,938,060	1,998,183	2,198,032	2,450,888	2,351,018	2,318,460	2,113,865
Community preservation.....	623,138	153,016	217,358	524,802	407,658	383,622	204,885	61,548	241,676	202,958
Interest.....	965,928	1,927,587	2,534,687	2,040,212	2,322,959	1,994,643	2,191,408	2,597,586	3,357,732	2,749,970
Total governmental activities expenses.....	<u>96,376,548</u>	<u>99,798,366</u>	<u>99,529,464</u>	<u>105,786,769</u>	<u>114,176,950</u>	<u>115,128,965</u>	<u>123,867,671</u>	<u>129,246,906</u>	<u>135,582,770</u>	<u>129,935,189</u>
<b>Business-type activities:</b>										
Sewer.....	3,627,666	3,656,216	3,911,778	4,048,263	3,750,001	4,195,771	3,981,216	4,582,449	3,824,106	4,224,321
Water.....	3,639,881	3,798,259	3,859,098	3,747,914	4,070,665	3,846,879	4,243,123	4,375,110	5,224,563	4,948,834
Solid waste.....	2,816,781	2,641,271	2,667,770	3,161,419	3,232,949	3,472,293	3,969,777	3,321,234	4,684,688	5,041,301
Total business-type activities expenses.....	<u>10,084,328</u>	<u>10,095,746</u>	<u>10,438,646</u>	<u>10,957,596</u>	<u>11,053,615</u>	<u>11,514,943</u>	<u>12,194,116</u>	<u>12,278,793</u>	<u>13,733,357</u>	<u>14,214,456</u>
Total primary government expenses.....	<u>\$ 106,460,876</u>	<u>\$ 109,894,112</u>	<u>\$ 109,968,110</u>	<u>\$ 116,744,365</u>	<u>\$ 125,230,565</u>	<u>\$ 126,643,908</u>	<u>\$ 136,061,787</u>	<u>\$ 141,525,699</u>	<u>\$ 149,316,127</u>	<u>\$ 144,149,645</u>
<b>Program Revenues</b>										
<b>Governmental activities:</b>										
<b>Charges for services:</b>										
Public safety charges for services.....	\$ 1,937,559	\$ 1,931,218	\$ 1,879,054	\$ 1,897,114	\$ 1,979,101	\$ 2,362,387	\$ 2,852,585	\$ 2,828,007	\$ 2,494,879	\$ 3,267,234
Education charges for services.....	1,455,140	1,797,061	1,954,966	2,379,114	2,444,417	2,383,342	2,257,103	1,728,235	1,066,165	1,323,876
Public works charges for services.....	171,624	192,255	164,938	143,925	155,042	180,119	136,400	130,956	200,477	136,845
Other charges for services.....	1,263,264	869,318	691,130	774,374	1,019,901	1,012,961	1,236,538	1,613,099	1,654,379	1,394,804
Operating grants and contributions.....	28,854,321	30,197,758	25,899,258	28,216,908	30,333,387	32,763,116	31,814,470	37,509,231	43,222,009	40,267,159
Capital grants and contributions.....	20,149,784	37,906,270	7,425,898	6,781,879	1,920,726	4,074,110	5,704,003	2,892,606	1,804,242	2,987,411
Total government activities program revenues.....	<u>53,831,692</u>	<u>72,893,880</u>	<u>38,015,244</u>	<u>40,193,314</u>	<u>37,852,574</u>	<u>42,776,035</u>	<u>44,001,099</u>	<u>46,702,134</u>	<u>50,442,151</u>	<u>49,377,329</u>
<b>Business-type activities:</b>										
<b>Charges for services:</b>										
Sewer.....	2,544,816	2,672,368	2,665,121	2,891,655	2,768,763	3,018,225	3,299,180	3,653,603	3,979,085	3,645,003
Water.....	3,579,496	3,833,555	4,286,064	4,550,875	4,359,266	4,167,797	4,401,591	4,419,507	6,269,846	4,851,974
Solid Waste.....	2,617,061	2,769,141	3,030,814	3,425,199	3,496,870	3,945,305	4,056,975	4,417,041	4,777,811	4,909,526
Operating grants and contributions.....	109,770	87,823	77,281	67,918	57,352	50,708	47,081	26,842	20,201	16,892
Capital grants and contributions.....	61,918	95,876	297,160	235,507	221,041	223,149	190,523	192,242	182,943	190,930
Total business-type activities program revenues.....	<u>8,913,061</u>	<u>9,458,763</u>	<u>10,356,440</u>	<u>11,171,154</u>	<u>10,903,292</u>	<u>11,405,184</u>	<u>11,995,350</u>	<u>12,709,235</u>	<u>15,229,886</u>	<u>13,614,325</u>
Total primary government program revenues.....	<u>\$ 62,744,753</u>	<u>\$ 82,352,643</u>	<u>\$ 48,371,684</u>	<u>\$ 51,364,468</u>	<u>\$ 48,755,866</u>	<u>\$ 54,181,219</u>	<u>\$ 55,996,449</u>	<u>\$ 59,411,369</u>	<u>\$ 65,672,037</u>	<u>\$ 62,991,654</u>
<b>Net (Expense)/Revenue</b>										
Governmental activities.....	\$ (42,544,856)	\$ (26,904,486)	\$ (61,514,220)	\$ (65,593,455)	\$ (76,324,376)	\$ (72,352,930)	\$ (79,866,572)	\$ (82,544,772)	\$ (85,140,619)	\$ (80,557,860)
Business-type activities.....	(1,171,267)	(636,983)	(82,206)	213,558	(150,323)	(109,759)	(198,766)	430,442	1,496,529	(600,131)
Total primary government net expense.....	<u>\$ (43,716,123)</u>	<u>\$ (27,541,469)</u>	<u>\$ (61,596,426)</u>	<u>\$ (65,379,897)</u>	<u>\$ (76,474,699)</u>	<u>\$ (72,462,689)</u>	<u>\$ (80,065,338)</u>	<u>\$ (82,114,330)</u>	<u>\$ (83,644,090)</u>	<u>\$ (81,157,991)</u>
<b>General Revenues and other Changes in Net Position</b>										
<b>Governmental activities:</b>										
Real estate, personal property taxes and tax liens, net of tax refunds payable.....	\$ 50,687,398	\$ 55,760,067	\$ 57,062,403	\$ 60,645,177	\$ 63,310,059	\$ 64,920,986	\$ 67,603,244	\$ 68,905,378	\$ 72,223,433	\$ 75,370,575
Motor vehicle and other excise taxes.....	3,383,172	3,436,419	3,605,718	4,634,720	4,397,836	4,170,576	4,743,891	4,762,322	4,875,282	5,096,649
Community preservation tax.....	1,088,776	1,195,479	1,244,991	1,321,967	1,351,613	1,524,112	1,427,805	1,803,198	2,027,715	1,892,024
Penalties and interest on taxes.....	365,170	339,978	420,779	287,375	103,592	350,827	273,414	309,349	732,495	332,169
Grants and contributions not restricted to specific programs.....	2,202,627	2,231,660	2,335,068	2,528,692	2,511,326	2,815,627	2,792,074	2,906,751	2,677,240	2,955,730
Unrestricted investment income.....	97,302	97,802	100,625	90,134	230,714	349,657	888,153	779,699	668,740	132,759
Miscellaneous.....	37,112	84,992	73,562	51,348	223,773	180,384	121,620	78,769	99,760	213,749
Transfers.....	125,000	-	197,950	(1,685,646)	-	(256,000)	45,000	396,625	1,318,000	1,465,000
Total governmental activities.....	<u>57,986,557</u>	<u>63,146,397</u>	<u>65,041,096</u>	<u>67,873,767</u>	<u>72,128,913</u>	<u>74,056,169</u>	<u>77,895,201</u>	<u>79,942,001</u>	<u>84,622,865</u>	<u>87,458,655</u>
<b>Business-type activities:</b>										
Unrestricted investment income.....	62,671	58,144	54,233	217,847	269,683	133,670	196,449	149,893	119,306	160,608
Transfers.....	(125,000)	-	(197,950)	1,685,646	-	256,000	(45,000)	(396,625)	(1,318,000)	(1,465,000)
Total business-type activities.....	<u>(62,329)</u>	<u>58,144</u>	<u>(143,717)</u>	<u>1,903,493</u>	<u>269,683</u>	<u>389,670</u>	<u>151,449</u>	<u>(246,732)</u>	<u>(1,198,694)</u>	<u>(1,304,392)</u>
Total primary government.....	<u>\$ 57,924,228</u>	<u>\$ 63,204,541</u>	<u>\$ 64,897,379</u>	<u>\$ 69,777,260</u>	<u>\$ 72,398,596</u>	<u>\$ 74,445,839</u>	<u>\$ 78,046,650</u>	<u>\$ 79,695,269</u>	<u>\$ 83,423,971</u>	<u>\$ 86,154,263</u>
<b>Changes in Net Position</b>										
Governmental activities.....	\$ 15,441,701	\$ 36,241,911	\$ 3,526,876	\$ 2,280,312	\$ (4,195,463)	\$ 1,703,239	\$ (1,971,371)	\$ (2,602,771)	\$ (517,954)	\$ 6,900,795
Business-type activities.....	(1,233,596)	(578,839)	(225,923)	2,117,051	119,360	279,911	(47,317)	183,710	297,835	(1,904,523)
Total primary government.....	<u>\$ 14,208,105</u>	<u>\$ 35,663,072</u>	<u>\$ 3,300,953</u>	<u>\$ 4,397,363</u>	<u>\$ (4,076,103)</u>	<u>\$ 1,983,150</u>	<u>\$ (2,018,688)</u>	<u>\$ (2,419,061)</u>	<u>\$ (220,119)</u>	<u>\$ 4,996,272</u>

**Fund Balances, Governmental Funds**

**Last Ten Years**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Restricted.....	\$ 3,279,293	\$ 2,811,178	\$ 4,009,469	\$ 1,972,217	\$ 1,711,494	\$ 1,012,618	\$ 2,092,385	\$ 1,217,406	\$ 1,011,283	\$ 830,528
Assigned.....	163,687	182,589	70,324	71,327	116,283	192,596	76,304	128,871	104,382	74,549
Unassigned.....	<u>4,614,690</u>	<u>4,545,281</u>	<u>5,374,592</u>	<u>4,407,290</u>	<u>7,195,117</u>	<u>8,951,690</u>	<u>9,801,862</u>	<u>12,292,234</u>	<u>13,434,514</u>	<u>12,628,164</u>
Total general fund.....	<u>\$ 8,057,670</u>	<u>\$ 7,539,048</u>	<u>\$ 9,454,385</u>	<u>\$ 6,450,834</u>	<u>\$ 9,022,894</u>	<u>\$ 10,156,904</u>	<u>\$ 11,970,551</u>	<u>\$ 13,638,511</u>	<u>\$ 14,550,179</u>	<u>\$ 13,533,241</u>
All Other Governmental Funds										
Nonspendable.....	\$ 1,150,207	\$ 1,220,989	\$ 1,242,967	\$ 1,258,385	\$ 1,270,028	\$ 1,255,091	\$ 1,255,220	\$ 1,214,831	\$ 1,213,963	\$ 1,301,958
Restricted.....	10,654,986	11,537,607	7,993,550	9,065,799	9,154,043	9,964,049	12,137,143	14,139,485	43,781,648	34,681,106
Committed.....	63,209	84,604	159,776	180,177	-	-	-	-	-	-
Unassigned.....	<u>(1,408,944)</u>	<u>(1,177,999)</u>	<u>(9,331,639)</u>	<u>(2,375,201)</u>	<u>(1,926,591)</u>	<u>(4,124,959)</u>	<u>(201,941)</u>	<u>(175,035)</u>	<u>(186,249)</u>	<u>-</u>
Total all other governmental funds.....	<u>\$ 10,459,458</u>	<u>\$ 11,665,201</u>	<u>\$ 64,654</u>	<u>\$ 8,129,160</u>	<u>\$ 8,497,480</u>	<u>\$ 7,094,181</u>	<u>\$ 13,190,422</u>	<u>\$ 15,179,281</u>	<u>\$ 44,809,362</u>	<u>\$ 35,983,064</u>

**Changes in Fund Balances, Governmental Funds**

**Last Ten Years**

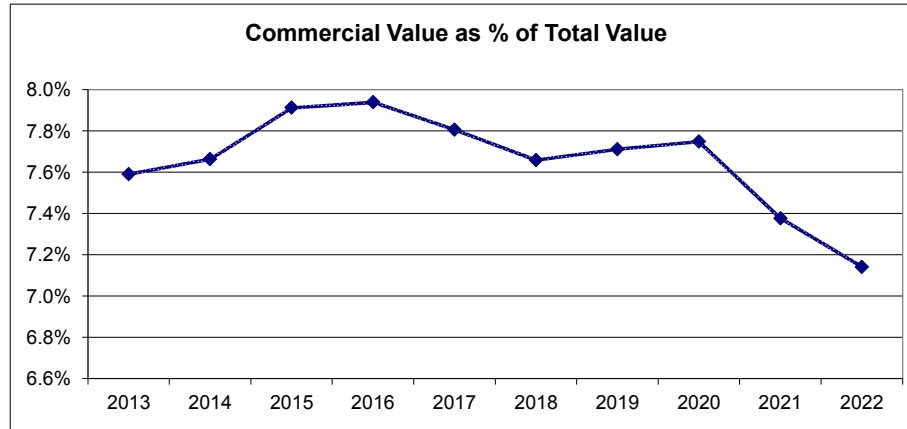
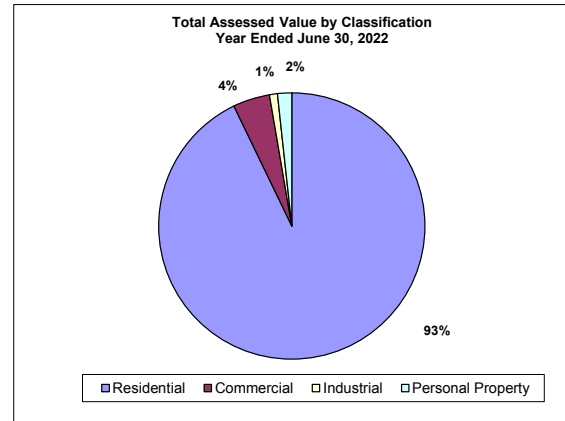
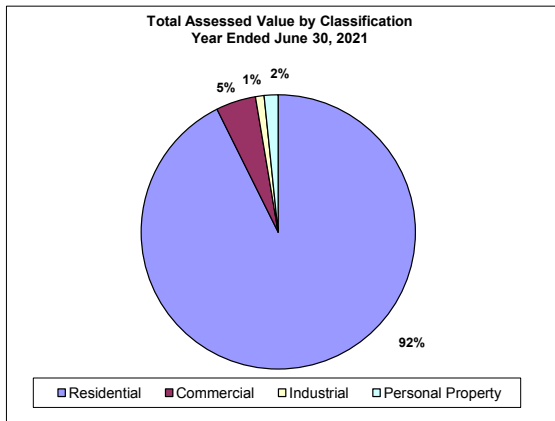
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Revenues:</b>										
Real estate, personal property taxes and tax liens, net of tax refunds.....	\$ 50,519,928	\$ 54,938,928	\$ 57,119,299	\$ 59,326,154	\$ 64,087,970	\$ 65,459,187	\$ 67,277,325	\$ 69,260,133	\$ 72,387,143	\$ 76,075,281
Motor vehicle and other excise taxes.....	3,241,603	3,465,032	3,696,490	4,183,427	4,664,896	4,387,567	4,750,119	4,669,931	4,780,612	5,050,369
Penalties and interest on taxes.....	365,170	339,978	420,779	287,375	103,592	350,827	273,414	309,349	732,495	332,169
Charges for services.....	1,028,991	1,094,268	1,020,505	1,187,793	1,062,430	1,416,766	1,437,809	1,651,360	1,744,305	1,786,275
Intergovernmental - Teachers retirement.....	-	-	-	-	10,337,263	10,939,247	10,750,484	13,259,939	15,451,839	8,139,562
Intergovernmental.....	51,339,663	70,836,092	35,657,490	37,175,979	25,345,057	27,697,715	28,665,507	29,989,320	32,634,981	34,491,207
Departmental and other.....	3,590,240	3,559,685	4,733,977	4,780,456	5,184,030	5,384,065	5,967,318	5,885,316	4,835,729	5,846,352
Community preservation taxes.....	1,088,591	1,163,170	1,247,438	1,322,637	1,360,375	1,461,047	1,518,586	1,633,277	1,692,562	1,794,205
Contributions and donations.....	382,749	333,939	374,963	499,223	386,376	597,373	498,584	555,957	335,871	526,559
Investment income.....	97,302	97,802	100,625	90,134	230,714	349,657	888,153	779,609	668,740	132,759
<b>Total Revenue.....</b>	<b>111,654,237</b>	<b>135,828,894</b>	<b>104,371,566</b>	<b>108,853,178</b>	<b>112,762,703</b>	<b>118,043,451</b>	<b>122,027,299</b>	<b>127,994,191</b>	<b>135,264,277</b>	<b>134,174,738</b>
<b>Expenditures:</b>										
General government.....	3,577,490	3,126,640	3,929,987	5,670,487	3,413,533	4,888,296	4,839,488	7,560,732	9,232,178	8,232,328
Public safety.....	9,587,168	9,954,302	10,574,177	10,565,713	12,235,852	11,789,519	12,274,474	11,891,793	12,840,013	13,756,156
Education.....	57,022,941	58,064,519 (1)	54,041,317	53,148,961	61,486,121	52,212,660	53,895,239	55,919,492	57,762,554	61,454,214
Public works.....	2,474,937	2,093,027	3,766,645	2,511,755	1,857,974	3,727,859	2,718,349	1,094,766	1,984,509	2,906,889
Health and human services.....	481,056	1,053,258	1,112,263	1,064,789	1,084,256	1,209,892	1,290,755	1,237,983	1,260,752	1,519,577
Culture and recreation.....	888,466	1,160,706	1,216,994	1,290,301	1,236,280	1,514,915	1,573,580	1,584,551	1,449,062	1,531,071
Community preservation.....	1,230,198	153,016	217,358	1,999,610	407,658	383,622	204,885	1,198,300	241,677	202,958
Pension benefits.....	4,285,250	4,458,347	4,754,898	5,135,671	5,348,869	5,540,081	5,888,326	5,985,336	6,507,532	6,956,438
Pension benefits- Teachers retirement.....	-	-	-	-	-	10,939,247	10,750,484	13,259,939	15,451,839	8,139,562
Property and liability insurance.....	677,091	658,703	794,616	818,546	891,168	943,574	1,010,579	1,031,310	1,212,182	1,261,660
Employee benefits.....	5,611,488	6,304,113	6,242,353	6,337,382	7,304,968	7,236,601	7,535,001	7,364,030	7,566,454	7,865,784
State and county charges.....	735,255	819,016	853,696	746,141	687,633	738,182	884,449	836,950	1,058,884	1,166,201
Capital outlay.....	52,009,404	66,160,999	21,450,937	11,075,339	11,008,075	12,199,449	10,156,389	15,768,226	17,504,328	23,167,464
Debt service:										
Principal.....	3,979,614	5,738,789	5,508,444	6,900,734	6,635,632	6,702,884	7,324,419	6,833,545	7,232,446	6,254,293
Interest.....	837,153	2,502,338	2,589,674	2,930,395	2,831,804	2,361,706	2,941,403	2,728,654	3,249,910	3,777,080
<b>Total Expenditures.....</b>	<b>143,397,511</b>	<b>162,247,773</b>	<b>117,053,359</b>	<b>110,195,824</b>	<b>116,429,823</b>	<b>122,388,487</b>	<b>123,287,820</b>	<b>134,295,607</b>	<b>144,554,320</b>	<b>148,191,675</b>
<b>Excess of revenues over (under) expenditures.....</b>	<b>(31,743,274)</b>	<b>(26,418,879)</b>	<b>(12,681,793)</b>	<b>(1,342,646)</b>	<b>(3,667,120)</b>	<b>(4,345,036)</b>	<b>(1,260,521)</b>	<b>(6,301,416)</b>	<b>(9,290,043)</b>	<b>(14,016,937)</b>
<b>Other Financing Sources (Uses):</b>										
Issuance of long-term debt.....	32,090,000	27,106,000	274,000	7,852,500	6,607,500	2,792,000	12,349,143	20,845,357	21,030,750	2,500,000
Premium from issuance of bonds.....	3,576,363	-	2,524,633	236,747	-	1,539,747	59,514	1,152,666	1,585,087	208,701
Transfers in.....	2,108,257	1,150,268	498,357	3,405,931	356,309	514,059	5,064,741	2,516,316	6,738,136	4,741,053
Transfers out.....	(1,983,257)	(1,150,268)	(300,407)	(5,091,577)	(356,309)	(770,059)	(5,019,741)	(2,119,691)	(5,420,136)	(3,276,053)
<b>Total other financing sources (uses).....</b>	<b>35,791,363</b>	<b>27,106,000</b>	<b>2,996,583</b>	<b>6,403,601</b>	<b>6,607,500</b>	<b>4,075,747</b>	<b>12,453,657</b>	<b>22,394,648</b>	<b>23,933,837</b>	<b>4,173,701</b>
<b>Net change in fund balance.....</b>	<b>\$ 4,048,089</b>	<b>\$ 687,121</b>	<b>\$ (9,685,210)</b>	<b>\$ 5,060,955</b>	<b>\$ 2,940,380</b>	<b>\$ (269,289)</b>	<b>\$ 11,193,136</b>	<b>\$ 16,093,232</b>	<b>\$ 14,643,794</b>	<b>\$ (9,843,236)</b>
<b>Debt service as a percentage of noncapital expenditures.....</b>	<b>5.27%</b>	<b>8.58%</b>	<b>8.47%</b>	<b>9.92%</b>	<b>8.98%</b>	<b>8.23%</b>	<b>9.07%</b>	<b>8.07%</b>	<b>8.25%</b>	<b>8.02%</b>

(1) Educational expenditures and intergovernmental revenue decreased by approximately \$5.5 million in 2015 relating to a change in the way the Commonwealth of Massachusetts reported on-behalf payments for teacher's retirement benefits.

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

Last Ten Years

Year	Assessed and Actual Values and Tax Rates									
	Residential Value	Residential Tax Rate	Commercial Value	Industrial Value	Personal Property	Total Commercial Value	Commercial Tax Rate	Commercial % of Total Value	Total Direct Rate	Total Town Value
2013	\$3,866,211,027	\$12.21	\$206,162,921	\$40,878,000	\$70,559,500	\$317,600,421	\$12.21	7.6%	\$ 12.21	\$4,183,811,448
2014	\$3,861,371,126	\$13.29	\$205,393,300	\$44,716,614	\$70,326,699	\$320,436,613	\$13.29	7.7%	\$ 13.29	\$4,181,807,739
2015	\$3,977,151,911	\$13.29	\$223,566,744	\$47,060,900	\$71,090,968	\$341,718,612	\$13.29	7.9%	\$ 13.29	\$4,318,870,523
2016	\$4,031,604,809	\$13.88	\$224,476,879	\$48,437,200	\$74,746,291	\$347,660,370	\$13.88	7.9%	\$ 13.88	\$4,379,265,179
2017	\$4,218,292,026	\$13.72	\$227,304,272	\$49,318,100	\$80,548,370	\$357,170,742	\$13.72	7.8%	\$ 13.72	\$4,575,462,768
2018	\$4,478,816,791	\$13.37	\$239,448,762	\$51,322,700	\$80,718,490	\$371,489,952	\$13.37	7.7%	\$ 13.37	\$4,850,306,743
2019	\$4,614,957,213	\$13.38	\$249,288,305	\$56,720,400	\$79,584,170	\$385,592,875	\$13.38	7.7%	\$ 13.38	\$5,000,550,088
2020	\$4,779,759,376	\$13.33	\$259,946,610	\$57,480,700	\$84,029,850	\$401,457,160	\$13.33	7.7%	\$ 13.33	\$5,181,216,536
2021	\$5,078,845,929	\$13.19	\$257,721,205	\$55,547,300	\$91,196,980	\$404,465,485	\$13.19	7.4%	\$ 13.19	\$5,483,311,414
2022	\$5,455,525,859	\$12.95	\$262,141,383	\$56,794,500	\$100,633,340	\$419,569,223	\$12.95	7.1%	\$ 12.95	\$5,875,095,082



Source: Assessor's Department, Town of Marshfield and Official Statements.  
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**

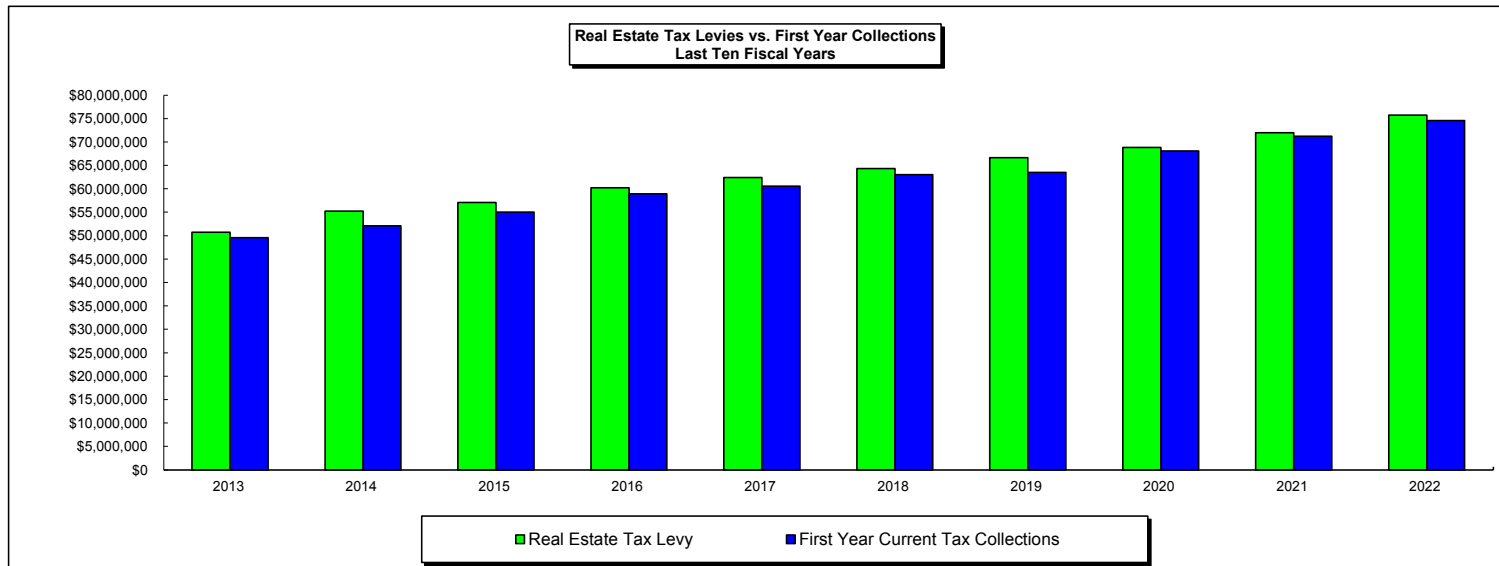
**Current Year and Nine Years Ago**

Name	Nature of Business	2022			2013		
		Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value	Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value
CIP 18 Marshfield Mews LLC	Apartment Complex	\$ 52,580,000	1	0.89%	\$ -		
BMSHI II Marshfield MA LLC	Assisted Living	45,249,500	2	0.77%	-		
NSTAR	Utility	45,114,900	3	0.77%	17,608,130	5	
Eversource	Utility	24,020,820	4	0.41%	10,964,290	7	
Brixmore Webster Square LLC	Shopping Plaza	20,409,000	5	0.35%	-		
Verizon New England INC	Utility	15,513,000	6	0.26%	22,944,650	3	0.55%
Beacon Ocean Shore LTD Prtnship	Apartment Complex over 55	12,078,800	7	0.21%	13,756,600	6	0.33%
OMDB Realty, LLC	Shopping Plaza	10,104,100	8	0.17%	8,696,800	8	0.21%
Mariners Hill Limited	Apartment Complex	9,541,600	9	0.16%	7,576,800	9	0.18%
James Francis LLC	Auto Dealership	8,200,600	10	0.14%	-		
Winslow Woods LLC	Assisted Living	-			38,879,300	1	0.93%
Home Properties of Marshfield LLP	Apartment Complex	-			24,774,900	2	0.59%
Curlto, LLC	Shopping Plaza	-			18,090,000	4	0.43%
Chestnut Hill	Residential Subdivision	-			6,579,600	10	0.16%
<b>Totals</b>		<u>\$ 242,812,320</u>		<u>4.13%</u>	<u>\$ 169,871,070</u>		<u>3.38%</u>
Source: Official Statements, Town of Marshfield							

# Property Tax Levies and Collections

## Last Ten Years

Year	Total Tax Levy	Less Abatements & Exemptions	Net Tax Levy	Net as Percent 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
2013	\$51,084,810	\$371,796	\$50,713,014	99.27%	\$49,546,242	97.70%	\$895,754	\$50,441,996	99.47%
2014	\$55,576,225	\$361,748	\$55,214,477	99.35%	\$52,080,161	94.32%	\$1,526,995	\$53,607,156	97.09%
2015	\$57,397,789	\$337,927	\$57,059,862	99.41%	\$54,994,597	96.38%	\$623,689	\$55,618,286	97.47%
2016	\$60,784,201	\$564,819	\$60,219,382	99.07%	\$58,894,554	97.80%	\$670,589	\$59,565,143	98.91%
2017	\$62,775,349	\$400,613	\$62,374,736	99.36%	\$60,528,056	97.04%	\$832,939	\$61,360,995	98.37%
2018	\$64,848,601	\$500,272	\$64,348,329	99.23%	\$63,016,716	97.93%	\$1,302,885	\$64,319,601	99.96%
2019	\$66,943,654	\$312,820	\$66,630,834	99.53%	\$63,473,759	95.26%	\$1,098,552	\$64,572,311	96.91%
2020	\$69,087,497	\$293,454	\$68,794,043	99.58%	\$68,093,290	98.98%	\$579,330	\$68,672,620	99.82%
2021	\$72,324,878	\$367,503	\$71,957,375	99.49%	\$71,224,352	98.98%	\$241,831	\$71,466,183	99.32%
2022	\$76,082,481	\$374,239	\$75,708,242	99.51%	\$74,587,228	98.52%	\$0	\$74,587,228	98.52%



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

# Ratios of Outstanding Debt by Type

Last Ten Years

Year	Governmental Activities		Business-Type Activities		Total Debt Outstanding	Personal Income	Percentage of Personal Income	U. S. Census Population	Debt Per Capita
	General Obligation Bonds(1)	Direct Borrowings	General Obligation Bonds(1)	Direct Borrowings					
2013	\$ 58,625,423	\$ 2,220,423	\$ 13,023,431	\$ 5,381,637	\$ 79,250,914	\$1,094,464,669	5.56%	24,378	\$2,405
2014	\$ 79,472,485	\$ 2,234,255	\$ 7,177,840	\$ 10,399,636	\$ 99,284,216	\$1,136,054,327	7.19%	25,436	\$3,124
2015	\$ 76,863,100	\$ 1,805,470	\$ 6,914,770	\$ 9,055,937	\$ 94,639,277	\$1,179,224,391	6.67%	25,509	\$3,013
2016	\$ 77,443,285	\$ 1,564,374	\$ 8,874,268	\$ 8,361,954	\$ 96,243,881	\$1,224,034,918	6.45%	25,430	\$3,045
2017	\$ 77,043,604	\$ 1,415,574	\$ 9,080,742	\$ 7,648,135	\$ 95,188,055	\$1,270,548,245	6.18%	25,909	\$2,974
2018	\$ 74,359,953	\$ 1,190,971	\$ 8,243,812	\$ 6,917,161	\$ 90,711,897	\$1,318,829,078	5.73%	25,709	\$2,892
2019	\$ 78,902,844	\$ 960,664	\$ 9,321,656	\$ 6,168,997	\$ 95,354,161	\$1,368,944,583	5.83%	26,032	\$3,031
2020	\$ 93,619,782	\$ 722,654	\$ 10,407,110	\$ 5,400,461	\$ 110,150,007	\$1,420,964,477	6.64%	27,507	\$3,403
2021	\$ 108,262,790	\$ 526,838	\$ 12,060,098	\$ 4,686,220	\$ 125,535,946	\$1,474,961,128	7.66%	26,125	\$4,144
2022	\$ 104,163,976	\$ 325,320	\$ 13,271,119	\$ 3,954,233	\$ 121,714,648	\$1,531,009,651	6.80%	25,825	\$4,033

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

Source: Audited Financial Statements, U. S. Census

## Ratios of Outstanding Debt and General Bonded Debt

### Last Ten Years

Year	General Obligation Bonds(1)	Percentage of Assessed Value	U. S. Census Population	Debt Per Capita
2013	\$ 71,648,854	1.71%	24,378	\$ 2,939
2014	\$ 86,650,325	2.07%	25,436	\$ 3,407
2015	\$ 83,777,870	1.94%	25,509	\$ 3,284
2016	\$ 86,317,553	1.97%	25,430	\$ 3,394
2017	\$ 86,124,346	1.88%	25,909	\$ 3,324
2018	\$ 82,603,765	1.70%	25,709	\$ 3,213
2019	\$ 88,224,500	1.76%	26,032	\$ 3,389
2020	\$ 104,026,892	2.01%	27,507	\$ 3,782
2021	\$ 120,322,888	2.19%	26,125	\$ 4,606
2022	\$ 117,435,095	2.00%	25,825	\$ 4,547

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

Source: Audited Financial Statements, U. S. Census

# **Direct and Overlapping Governmental Activities Debt**

**As of June 30, 2022**

	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Plymouth County.....	\$ 825,000	6.26%	\$ 51,645
Town direct debt.....	<u>104,163,976</u>		<u>104,163,976</u>
Total direct and overlapping debt.....	\$ <u>104,988,976</u>		\$ <u>104,215,621</u>

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

Source: Plymouth County Treasurer

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

**Computation of Legal Debt Margin**

**Last Ten Years**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Equalized Valuation.....	\$ 4,524,078,200	\$ 4,527,020,700	\$ 4,400,432,600	\$ 4,400,432,600	\$ 4,661,838,100	\$ 4,661,838,100	\$ 5,107,817,200	\$ 5,107,817,200	\$ 5,504,694,400	\$ 5,504,694,400
Debt Limit - 5% of Equalized Valuation.....	\$ 226,203,910	\$ 226,351,035	\$ 220,021,630	\$ 220,021,630	\$ 233,091,905	\$ 233,091,905	\$ 255,390,860	\$ 255,390,860	\$ 275,234,720	\$ 275,234,720
Less:										
Outstanding debt applicable to limit.....	60,845,846	22,259,904	78,668,570	23,371,516	27,274,279	29,135,325	27,728,658	49,521,745	72,981,580	70,927,655
Authorized and unissued debt.....	93,547,603	67,674,273	57,694,273	57,233,773	57,652,536	12,126,072	9,117,497	32,702,496	11,702,746	11,998,292
Legal debt margin.....	\$ 71,810,461	\$ 136,416,858	\$ 83,658,787	\$ 139,416,341	\$ 148,165,090	\$ 191,830,508	\$ 218,544,705	\$ 173,166,619	\$ 190,550,394	\$ 192,308,773
Total debt applicable to the limit as a percentage of the limit.....	68.25%	39.73%	61.98%	36.64%	36.43%	17.70%	14.43%	32.20%	30.77%	30.13%

Source: Treasurer's Department, Town of Marshfield

## Demographic and Economic Statistics

### Last Ten Years

Year	Population Estimates	Personal Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2013	24,378	\$ 1,094,464,669	\$ 44,896	43	4,523	6.30%
2014	25,436	\$ 1,075,154,284	\$ 42,269	42	4,422	6.30%
2015	25,509	\$ 1,104,310,119	\$ 43,291	44	4,772	6.30%
2016	25,430	\$ 1,060,863,310	\$ 41,717	43	4,332	4.20%
2017	25,909	\$ 1,060,377,643	\$ 40,927	44	4,250	4.00%
2018	25,709	\$ 1,036,278,372	\$ 40,308	45	4,159	4.60%
2019	26,032	\$ 1,203,329,200	\$ 46,225	45	4,177	4.00%
2020	27,507	\$ 1,292,219,995	\$ 46,978	44	4,100	4.00%
2021	26,125	\$ 1,242,875,000	\$ 47,978	42	3,747	5.90%
2022	25,825	\$ 1,263,204,050	\$ 48,914	45	3,667	5.50%

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

**Principal Employers**  
**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
Town of Marshfield	Municipal Government	886	1	15.03%	1,092	1	18.53%
Road to Responsibility	Retail & Service	472	2	8.01%	486	2	8.25%
Roche Brothers	Supermarket	286	3	4.85%	297	3	5.04%
Star Market	Supermarket	163	4	2.77%	178	4	3.02%
Winslow Woods	Assisted Living Facility	106	5	1.80%	101	5	1.71%
Marshfield Country Club	Golf Course	96	6	1.63%	98	6	1.66%
Kirwin Surgical	Manufacturer	93	7	1.58%	96	7	1.63%
Cask and Flagon	Restaurant	80	8	1.36%	88	8	1.49%
Marshfield Tavern	Restaurant	50	9	0.85%	76	10	1.29%
Marshall's	Retail	48	10	0.81%	-		
Fairview Inn	Restaurant & Inn	-		-	70	9	1.19%
		<u>2,280</u>		<u>38.68%</u>	<u>2,582</u>		<u>43.81%</u>

Source: Town records and various Town departments.

# Full-time Equivalent Town Employees by Function

## Last Ten Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Function										
General government.....	37	29	29	29	31	30	27	35	42	32
Police.....	46	44	44	45	42	46	62	46	60	49
Fire.....	53	54	54	51	51	50	59	54	51	51
Education.....	660	731	731	793	744	781	781	696	658	661
Water.....	18	23	23	28	20	20	24	22	19	19
Sewer.....	13	15	15	21	21	13	8	12	12	12
Solid waste.....	6	7	7	10	7	10	13	7	7	8
Public works.....	41	38	38	45	39	40	46	40	35	36
Human services.....	15	8	8	9	8	8	7	2	24	10
Culture and recreation.....	28	6	6	8	8	6	8	8	24	8
Total.....	<u>917</u>	<u>955</u>	<u>955</u>	<u>1,039</u>	<u>971</u>	<u>1,004</u>	<u>1,035</u>	<u>922</u>	<u>932</u>	<u>886</u>

Source: Town personnel records and various Town departments.

# Operating Indicators by Function/Program

## Last Ten Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government										
Population.....	24,378	24,182	25,509	25,436	24,892	24,100	25,408	25,636	25,590	26,879
Registered voters, annual town election.....	18,544	18,241	18,234	19,636	19,645	19,572	20,003	20,613	21,188	21,505
Town Clerk										
Births.....	188	184	196	180	182	198	212	202	221	234
Marriages.....	87	92	120	232	92	100	96	98	254	78
Deaths.....	191	177	180	90	214	219	219	263	110	248
Police										
Accidents covered by an officer.....	407	389	423	449	358	374	296	312	312	342
Citations issued.....	980	1,166	1,022	823	727	526	375	334	345	312
Arrests.....	360	706	685	449	573	533	356	402	376	402
Larcenies.....	378	52	43	194	151	132	67	79	58	49
Fire										
Rescue assist.....	15	346	317	707	756	756	804	865	1,511	527
False alarm.....	4	7	5	474	502	502	471	525	232	573
Public assist.....	201	406	280	286	365	365	412	457	72	415
Emergency responses/ambulance.....	2,416	2,352	2,384	2,714	2,900	2,900	2,947	3,470	3,257	3,357
Building Department										
Residential building permits issued.....	687	730	N/A	991	1,300	818	417	1,133	1,430	1,350
Non-Residential building permits issued.....	69	72	N/A	50	102	48	25	73	67	81
Education										
Public school enrollment.....	4,523	4,422	4,772	4,332	4,250	4,159	3,986	4,078	3,708	3,667
Public Works										
Cemetery										
Lots sold.....	76	76	58	61	100	101	56	45	70	100
Interments.....	109	98	87	67	108	125	79	93	73	89
Water										
Service connections.....	10,807	9,959	10,402	10,026	10,500	10,640	10,681	11,000	10,797	10,808
Consumption in billions of gallons.....	763	857	872	965	897	958	949	982	1,001	960
Daily consumption in millions of gallons.....	2.1	2.3	2.4	2.6	2.5	2.6	3	3	3	3
Sewer										
Service connections.....	4,285	4,403	N/A	4,403	4,298	3,996	4,002	4,326	4,329	4,330
Daily average collection (MGD).....	0.54	1.24	N/A	1,018	1.08	1.16	1.30	1.31	1.81	1.36
Highway										
Miles of public road.....	171	170	170	170	243	147	135	134	132	132
Human Services										
Board of Health										
Permits issued.....	755	730	N/A	734	732	732	789	810	632	548
Variances.....	29	24	N/A	23	32	32	45	26	16	44
Council on Aging										
Home delivered meals.....	12,272	14,136	13,275	13,771	12,072	13,494	13,494	16,741	19,270	16,119
Transportation.....	11,965	10,771	11,932	11,863	11,546	13,603	13,603	15,128	2,816	4,852
Volunteer service hours.....	34,329	34,542	33,982	36,010	39,380	39,607	39,607	39,607	11,750	16,390
Fitness/exercise program participants.....	7,812	10,394	9,432	9,538	9,904	11,960	11,960	9,495	2,962	10,128
Recreation/social event participants.....	27,107	30,106	28,390	34,093	36,789	15,155	15,155	9,820	1,179	8,912
Libraries										
Volumes in collection.....	71,372	93,372	N/A	98,239	69,325	98,214	67,162	90,718	91,257	186,455
Circulation.....	197,639	211,679	207,727	208,824	202,151	207,223	155,127	160,780	143,188	228,094
Program attendance.....	7,002	7,396	7,140	6,491	7,995	8,653	12,096	8,976	1,342	3,619

Source: Various Town Departments  
N/A - This information was not available for 2015.

### Capital Asset Statistics by Function/Program

#### Last Ten Years

<u>Function/Program</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Airport.....	1	1	1	1	1	1	1	1	1	1
General Government										
Number of buildings.....	3	3	3	1	1	1	1	1	1	1
Police										
Number of stations.....	1	1	1	1	1	1	1	1	1	1
Fire										
Number of stations.....	3	3	3	3	3	3	3	3	3	3
Number of vehicles.....	14	14	14	14	19	18	18	18	18	18
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).....	202	201	201	201	206	205	205	205	205	205
Fire hydrants.....	1,401	1,399	1,399	1,399	1,436	1,436	1,436	1,436	1,436	1,436
Sanitary sewers (miles).....	41	41	41	41	50	40	43	43	43	43
Number of wells.....	17	17	17	17	16	16	16	16	16	16
Number of water storage tanks.....	4	4	4	4	4	4	4	4	4	4
Number of pump stations.....	15	16	16	16	16	23	23	23	23	23
Human Services										
Senior center.....	1	1	1	1	1	1	1	1	1	1
Culture and Recreation										
Recreation building.....	1	1	1	1	1	1	1	1	1	1
Library.....	1	1	1	1	1	1	1	1	1	1

Source: Various Town Departments